NEW ISSUE
BOOK ENTRY ONLY

RATINGS†: Moody's: Aaa
Fitch: AAA
S&P: AAA

Bond Counsel is <u>*not*</u> *rendering any opinion with respect to the treatment of interest on the Series 2024 Bonds for federal income tax purposes; however, such interest is expected to be included in gross income for federal income tax purposes. In the opinion of Bond Counsel, interest on the Series 2024 Bonds is exempt from present State of Georgia income taxation. See "TAX MATTERS."*

$17,205,000
URBAN REDEVELOPMENT AGENCY OF GWINNETT COUNTY, GEORGIA
Revenue Bonds (Gwinnett Place Mall Phase II Project), Federally Taxable Series 2024

Dated: Date of Delivery **Due: September 1, as shown on inside cover**

ISSUER	Urban Redevelopment Agency of Gwinnett County, Georgia (the "**Agency**").
SECURITIES OFFERED	$17,205,000 Revenue Bonds (Gwinnett Place Mall Phase II Project), Federally Taxable Series 2024 (the **"Series 2024 Bonds"**). Maturities, principal amounts, interest rates, yields, prices, CUSIPs and certain other information are set forth on the inside front cover.
INTEREST PAYMENT DATES	March 1 and September 1 of each year, commencing March 1, 2025. The Series 2024 Bonds bear interest from their date of delivery.
DENOMINATIONS	$5,000 and any integral multiple thereof.
FORM AND DEPOSITORY	The Series 2024 Bonds will be delivered solely in book-entry form through the facilities of The Depository Trust Company, New York, New York ("**DTC**").
REDEMPTION	The Series 2024 Bonds are subject to redemption prior to maturity as described herein.
USE OF PROCEEDS	The proceeds from the sale of the Series 2024 Bonds will be used to (a) finance the costs of an urban redevelopment project consisting of the acquisition of (i) approximately 16.21 acres of land, together with the improvements and personal property thereon, including a building consisting of approximately 244,451 square feet currently known as the Macy's Store, and (ii) approximately 6.90 acres of land, together with the improvements and personal property thereon, including a building consisting of approximately 50,770 square feet currently known as the Macy's Furniture Store, all located in Gwinnett County, Georgia (as further described herein, the "**Project**") and (b) finance related costs.
LIMITED OBLIGATION	The Series 2024 Bonds are limited obligations of the Agency, payable solely from payments to be made by Gwinnett County, Georgia (the "**County**") pursuant to an intergovernmental contract in amounts sufficient to enable the Agency to pay principal and interest on the Series 2024 Bonds when due. The County's payment obligations are secured by a pledge of the County's full faith, credit and taxing power. The Series 2024 Bonds are not payable from or secured by any interest in or revenues derived from the Project. The Agency has no taxing power.
UNDERWRITING	The Series 2024 Bonds will be offered when, as and if issued by the Agency, subject to the approving opinion of Kutak Rock LLP, Bond Counsel, and the validation of the Series 2024 Bonds by the Superior Court of Gwinnett County. Certain legal matters will be passed on for the Agency and the County by their counsel, Michael P. Ludwiczak, Esq. Certain matters will be passed on by Hunton Andrews Kurth LLP, as Disclosure Counsel. The County is advised on certain financial matters relating to the offering by PFM Financial Advisors LLC. It is expected that the Series 2024 Bonds will be available for delivery on or about November 5, 2024.

The cover page and inside cover page are for quick reference only and are not a summary of this issue. Investors should read this entire Official Statement, including the appendices, and the notice of sale to obtain information essential to making an informed investment decision.

Dated: October 15, 2024

† For an explanation of the ratings, see "MISCELLANEOUS–Ratings" herein.

SERIES 2024 BONDS

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, PRICES AND YIELDS

Year (September 1)	Principal Amount	Interest Rate	Yield	Price	CUSIP©[§]
2025	$ 440,000	5.500%	4.350%	100.912	403757BS5
2026	555,000	5.500	4.080	102.463	403757BT3
2027	590,000	5.500	4.050	103.824	403757BU0
2028	620,000	5.500	4.060	105.044	403757BV8
2029	655,000	5.500	4.110	106.018	403757BW6
2030	690,000	4.200	4.200	100.000	403757BX4
2031	720,000	4.300	4.300	100.000	403757BY2
2032	750,000	4.370	4.370	100.000	403757BZ9
2033	785,000	4.420	4.420	100.000	403757CA3
2034	815,000	4.470	4.470	100.000	403757CB1
2035	855,000	4.520	4.520	100.000	403757CC9
2036	895,000	4.580	4.580	100.000	403757CD7
2037	935,000	4.650	4.650	100.000	403757CE5
2038	975,000	4.700	4.700	100.000	403757CF2
2039	1,025,000	4.750	4.750	100.000	403757CG0
2040	1,070,000	4.800	4.800	100.000	403757CH8
2041	1,125,000	4.830	4.830	100.000	403757CJ4
2042	1,175,000	4.880	4.880	100.000	403757CK1
2043	1,235,000	4.930	4.930	100.000	403757CL9
2044	1,295,000	4.970	4.970	100.000	403757CM7

[§] CUSIP is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by FactSet Research Systems Inc.. The CUSIP numbers are included in this Official Statement for the convenience of the holders and potential holders of the Series 2024 Bonds. No assurance can be given that the CUSIP numbers for a particular maturity of Series 2024 Bonds will remain the same after the date of issuance and delivery of the Series 2024 Bonds. Neither the Agency nor the County assumes any responsibility for the accuracy of such numbers.

URBAN REDEVELOPMENT AGENCY OF GWINNETT COUNTY, GEORGIA

Nicole L. Hendrickson, Chairwoman
Kirkland Carden
Ben Ku
Jasper Watkins, III
Matthew Holtkamp

AGENCY AND COUNTY COUNSEL

Michael P. Ludwiczak, Esq.
Lawrenceville, Georgia

GWINNETT COUNTY, GEORGIA

Nicole L. Hendrickson, Chairwoman
Kirkland Carden, Commissioner
Ben Ku, Commissioner
Jasper Watkins, III, Commissioner
Matthew Holtkamp, Commissioner

FINANCIAL ADVISOR

PFM Financial Advisors LLC
Atlanta, Georgia

BOND COUNSEL

Kutak Rock LLP
Atlanta, Georgia

DISCLOSURE COUNSEL

Hunton Andrews Kurth LLP
Atlanta, Georgia

AUDITOR

Mauldin & Jenkins, LLC
Atlanta, Georgia

No dealer, broker, salesman or other person has been authorized to give any information or to make any representations, other than those contained in this Official Statement in connection with the offering contained herein, and if given or made, such other information or representations must not be relied upon. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2024 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

The information contained in this Official Statement has been obtained from representatives of the Agency, the County, public documents, records and other sources considered to be reliable. The delivery of this Official Statement at any time does not imply that any information herein is correct as of any time subsequent to its date. Any statements in this Official Statement involving estimates, assumptions and matters of opinion, whether or not so expressly stated, are intended as such and not representations of fact. The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as a part of, its responsibilities under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

NO REGISTRATION STATEMENT RELATING TO THE SERIES 2024 BONDS HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION ("**SEC**") OR ANY STATE SECURITIES AGENCY. THE SERIES 2024 BONDS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SEC OR ANY STATE SECURITIES AGENCY, NOR HAS THE SEC OR ANY STATE SECURITIES AGENCY PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

In making an investment decision, investors must rely on their own examination of the Agency and the County and the terms of the offering, including the merits and risks involved.

In connection with this offering, the Underwriter may over-allot or effect transactions which stabilize or maintain the market price of the Series 2024 Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

This Official Statement contains forecasts, projections and estimates that are based on current expectations but are not intended as representations of fact or guarantees of results. If and when included in this Official Statement, the words "expects," "forecasts," "projects," "intends," "anticipates," "estimates" and analogous expressions are intended to identify forward-looking statements as defined in the Securities Act of 1933, as amended, and any such statements inherently are subject to a variety of risks and uncertainties, which could cause actual results to differ materially from those contemplated in such forward-looking statements. These forward-looking statements speak only as of the date of this Official Statement. The County and the Agency disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in the County's and the Agency's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

TABLE OF CONTENTS

OFFICIAL STATEMENT

$17,205,000
URBAN REDEVELOPMENT AGENCY OF GWINNETT COUNTY, GEORGIA
Revenue Bonds (Gwinnett Place Mall Phase II Project),
Federally Taxable Series 2024

INTRODUCTION

The purpose of this Official Statement, which includes the cover page and the Appendices hereto, is to furnish certain information in connection with the sale by the Urban Redevelopment Agency of Gwinnett County, Georgia of $17,205,000 in aggregate principal amount of its Revenue Bonds (Gwinnett Place Mall Phase II Project), Federally Taxable Series 2024 (the **"Series 2024 Bonds"**).

This introduction is not a summary of this Official Statement and is intended only for quick reference. It is only a brief description of and guide to, and is qualified in its entirety by reference to, more complete and detailed information contained in the entire Official Statement, including the cover page and the Appendices, and the documents summarized or described in this Official Statement. A full review should be made of the entire Official Statement and of the documents summarized or described in this Official Statement, if necessary. The offering of the Series 2024 Bonds to potential investors is made only by means of the entire Official Statement, including the Appendices. No person is authorized to detach this Introduction from the Official Statement or to otherwise use it without the entire Official Statement including the Appendices. Capitalized terms used in this Official Statement and not otherwise defined in it are used with the meanings assigned to such terms in APPENDIX C.

The Agency and the County

The Urban Redevelopment Agency of Gwinnett County, Georgia (the "**Agency**") is a public body corporate and politic duly created and validly existing under the Constitution and laws of the State of Georgia, including the Urban Redevelopment Law (O.C.G.A. §§ 36-61-1 through 36-61-19) (as amended, the "**Act**") and a resolution adopted by the Board of Commissioners of Gwinnett County, Georgia on December 15, 2009. See "THE AGENCY."

Gwinnett County, Georgia (the "**County**") is a political subdivision of the State of Georgia. See "GWINNETT COUNTY."

Purpose of the Series 2024 Bonds

The proceeds from the sale of the Series 2024 Bonds will be used to finance (a) the costs of an urban redevelopment project consisting of the acquisition of (i) approximately 16.21 acres of land, together with the improvements and personal property thereon, including a building consisting of approximately 244,451 square feet currently known as the Macy's Store, and (ii) approximately 6.90 acres of land, together with the improvements and personal property thereon, including a building consisting of approximately 50,770 square feet currently known as the Macy's Furniture Store, all located in Gwinnett County, Georgia (as further described herein, the "**Project**") and (b) finance related costs. See "PLAN OF FINANCE."

Security and Sources of Payment for the Series 2024 Bonds

The Series 2024 Bonds are limited obligations of the Agency, payable solely from payments to be made by the County pursuant to an Intergovernmental Contract, to be dated as of November 1, 2024, between the Agency and the County (the "**Contract**"). The Series 2024 Bonds are not payable from or secured by any interest in the Project or any revenues derived from the Project.

The County's obligation under the Contract to make payments to the Agency at times and in amounts sufficient to enable the Agency to pay the principal of and interest on the Series 2024 Bonds is absolute and unconditional, is secured by a pledge of the County's full faith and credit and taxing powers and will not expire so long as any of the Series 2024 Bonds remain outstanding and unpaid. See "DESCRIPTION OF THE SERIES 2024 BONDS—Security and Sources of Payment for the Series 2024 Bonds."

The County is obligated, directly, or indirectly, on other long-term debt. See "DESCRIPTION OF THE SERIES 2024 BONDS—Annual Principal and Interest Requirements" and "GWINNETT COUNTY—Capital Plan and Financing Activities" and "—Summary of County Direct and Overlapping Debt by Category."

Description of the Series 2024 Bonds

Redemption. The Series 2024 Bonds will be subject to redemption prior to maturity. See "DESCRIPTION OF THE SERIES 2024 BONDS—Redemption Provisions."

Denominations. The Series 2024 Bonds will be issuable in denominations of $5,000 and any integral multiple thereof.

Registration, Transfers and Exchanges. The Series 2024 Bonds will be issued in fully registered form. When in book-entry form, the purchasers of the Series 2024 Bonds (the "**Beneficial Owners**") will not receive certificates representing their ownership interest in the Series 2024 Bonds. Instead, such Series 2024 Bonds will be held by a securities depository, initially The Depository Trust Company, New York, New York ("**DTC**"), and registered in the name of DTC or its nominee, Cede & Co. Any transfer or exchange of the ownership interest in Series 2024 Bonds held in book-entry form will be made through computerized book-entry changes on the books of DTC through DTC's Direct and Indirect Participants (as hereinafter defined) as described under "DESCRIPTION OF THE SERIES 2024 BONDS—Book-Entry Only System."

Payments. Interest on the Series 2024 Bonds is payable on March 1 and September 1 of each year (each such date, an "**Interest Payment Date**"), commencing March 1, 2025. Payment of the principal of and interest on the Series 2024 Bonds will be made by Regions Bank, Atlanta, Georgia, as paying agent (the "**Paying Agent**") directly to Cede & Co., as nominee of DTC, and will subsequently be disbursed to Participants (as hereinafter defined) and thereafter to Beneficial Owners of the Series 2024 Bonds. See "DESCRIPTION OF THE SERIES 2024 BONDS—General" and "APPENDIX F – BOOK-ENTRY ONLY SYSTEM."

State Tax Exemption

In the opinion of Bond Counsel, under existing laws, regulations and judicial decisions, interest on the Series 2024 Bonds is exempt from present State of Georgia income taxation. See APPENDIX D for the form of the opinion Bond Counsel proposes to deliver in connection with the issuance of the Series 2024 Bonds. For a more complete discussion of such opinion, see "LEGAL MATTERS—Opinion of Bond Counsel."

No Federal Tax Exemption

The interest on the Series 2024 Bonds is not excludable from gross income of the holders thereof for federal income tax purposes.

Bond Registrar, Paying Agent and Sinking Fund Custodian

Regions Bank, Atlanta, Georgia will act as bond registrar (the "**Bond Registrar**") and Paying Agent for the Series 2024 Bonds (the **"Paying Agent"**) and as custodian of the Sinking Fund (the "**Sinking Fund Custodian**.").

Professionals Involved in the Offering

Certain legal matters pertaining to the Agency and its authorization and issuance of the Series 2024 Bonds are subject to the approving opinion of Kutak Rock LLP, Atlanta, Georgia, Bond Counsel. Copies of such opinion will be available at the time of delivery of the Series 2024 Bonds, and a copy of the proposed form of such opinion is attached hereto as APPENDIX D. Certain legal matters will be passed on for the Agency and the County by their counsel, Michael P. Ludwiczak, Esq., Lawrenceville, Georgia. Certain matters will be passed on by Hunton Andrews

Kurth LLP, Atlanta, Georgia, as Disclosure Counsel. The County is advised on certain financial matters relating to the offering by PFM Financial Advisors LLC, Atlanta, Georgia. The financial statements of the County attached hereto as APPENDIX A have been audited by Mauldin & Jenkins, LLC, Atlanta, Georgia, to the extent and for the period indicated in their report included therein.

Authority for Issuance

The Series 2024 Bonds are being issued in accordance with and pursuant to the Constitution and laws of the State of Georgia pursuant to a Bond Resolution of the Agency authorizing the issuance of the Series 2024 Bonds adopted on September 17, 2024, as supplemented by a Supplemental Bond Resolution expected to be adopted by the Agency on October 15, 2024 (together, the "**Bond Resolution**"). See "DESCRIPTION OF THE SERIES 2024 BONDS—Authority for Issuance."

The Board of Commissioners of the County (the "**Board of Commissioners**") approved the issuance and sale of the Series 2024 Bonds and the execution and delivery of the Contract pursuant to a resolution adopted on September 17, 2024, as supplemented by a resolution expected to be adopted by the Board of Commissioners on October 15, 2024.

Offering and Delivery of the Series 2024 Bonds

The Series 2024 Bonds are offered when, as and if issued by the Agency and accepted by the Underwriter, subject to prior sale and to the withdrawal or modification of the offer without notice. See "MISCELLANEOUS—Competitive Sale." The Series 2024 Bonds in definitive form are expected to be delivered through DTC on or about November 5, 2024.

Continuing Disclosure

The Agency has determined that no financial or operating data concerning the Agency is material to any decision to purchase, hold or sell the Series 2024 Bonds, and the Agency will not provide any such information. The County will covenant for the benefit of the owners of the Series 2024 Bonds in a Continuing Disclosure Agreement (the "**Disclosure Agreement**") to comply with certain covenants in order to assist the original underwriter in complying with Securities and Exchange Commission Rule 15c2-12, as amended ("**Rule 15c2-12**"), and the Agency will have no liability to the Beneficial Owners of the Series 2024 Bonds or any other person with respect to such disclosures. See "MISCELLANEOUS—Continuing Disclosure."

Other Information

This Official Statement speaks only as of its date, and the information contained herein is subject to change.

This Official Statement, including the Appendices, contains brief descriptions of, among other matters, the Agency, the County, the Series 2024 Bonds and the security and sources of payment for the Series 2024 Bonds. Such descriptions and information do not purport to be comprehensive or definitive. The summaries of various constitutional provisions, statutes, the Bond Resolution, the Contract and other documents are intended as summaries only and are qualified in their entirety by reference to such documents, and references to the Series 2024 Bonds are qualified in their entirety to the form of bond included in the Bond Resolution. Copies of the Bond Resolution, the Contract and other documents and information are available, upon request and upon payment to the County of a charge for copying, mailing and handling, from Gwinnett County, 75 Langley Drive, Lawrenceville, Georgia 30046, Attention: Michael Poole, Financial Manager – Debt & Investments, telephone: 770.822.7844. During the period of the offering of the Series 2024 Bonds, copies of such documents are available upon request and upon payment of a charge for copying, mailing and handling from PFM Financial Advisors LLC, 756 W. Peachtree Street NW #4, Atlanta, Georgia 30308, Phone: 404.410.2227.

PLAN OF FINANCE

Estimated Sources and Applications of Funds

The sources and application of funds in connection with the issuance of the Series 2024 Bonds are estimated below.

Estimated Sources of Funds:	
Proceeds of Series 2024 Bonds	
Par Amount of Series 2024 Bonds	$17,205,000.00
Original Issue Premium	110,934.75
Total Sources of Funds	$17,315,934.75
Estimated Application of Funds:	
Costs of Project	$17,007,921.35
Underwriter's Discount	12,177.35
Costs of Issuance[1]	295,836.05
Total Application of Funds	$17,315,934.75

[1] Includes legal and accounting fees, initial Bond Registrar, Paying Agent and Sinking Fund Custodian fees, printing costs, validation court costs and other costs of issuance.

Project Description

The proceeds from the sale of the Series 2024 Bonds will be used to (a) finance the costs of an urban redevelopment project consisting of the acquisition of (i) approximately 16.21 acres of land, together with the improvements and personal property thereon, including the building thereon consisting of approximately 244,451 square feet currently known as the Macy's Store, located at 2100 Pleasant Hill Road, Suite 2318, Duluth, Gwinnett County, Georgia, and (ii) approximately 6.90 acres of land, together with the improvements and personal property thereon, including the building thereon consisting of approximately 50,770 square feet currently known as the Macy's Furniture Store, located at 3360 Venture Parkway NW, Duluth, Gwinnett County, Georgia 30096 (collectively, the "**Project**"), and (b) finance related costs of issuing the Series 2024 Bonds. The Project is within the urban redevelopment area described in the Plan (defined below), and will be acquired pursuant to the terms of an Agreement of Purchase and Sale, dated September 24, 2024 (the "**Acquisition Agreement**"), between Macy's Retail Holding, LLC, as seller and the Agency, as purchaser. In order to permit the seller reasonable time to wind down operations, the Agency, as landlord, will lease the Project, pursuant to a Lease, expected to be dated on or about November 26, 2024 (the "**Holdover Lease**"), back to Macy's Retail Holding, LLC, as tenant, until March 31, 2025 unless the Holdover Lease is earlier terminated in accordance with its terms. During the term of the Holdover Lease, the Tenant shall pay $1 per month as rent for the Project. The Agency is acquiring the Project for future redevelopment projects, consistent with the County's vision to transform the Gwinnett Place Mall into a market-based, mixed-use development.

The County adopted a resolution on December 15, 2009 (the "**2009 Resolution**") finding that one or more slum areas exist in the County and that the rehabilitation, conservation, or redevelopment, or a combination thereof, of such area or areas is necessary in the interest of the public health, safety, morals, or welfare of the residents of the County. The County adopted a resolution on August 28, 2012 (the "**2012 Resolution**") designating the area covered by the hereinafter described urban redevelopment plan as an "urban redevelopment area," or "'slum area" that the Board of Commissioners designated as appropriate for urban redevelopment projects. After public notice duly given, the Board of Commissioners held a public hearing on August 28, 2012 on a proposed urban redevelopment plan entitled "Gwinnett County Urban Redevelopment Plan" dated June 26, 2012 (the "**Plan**"), a copy of which is on file with the County. The Board of Commissioners, pursuant to the 2012 Resolution, approved the Plan and the urban redevelopment projects set forth therein.

The proceeds of the Series 2024 Bonds will be deposited into the Project Fund created in the Bond Resolution (the "**Project Fund**"). The moneys on deposit in the Project Fund will be used to pay costs of the Project and the costs of issuing the Series 2024 Bonds. Prior to the expenditure of the proceeds deposited in the Project Fund, such moneys may be invested. See "APPENDIX C—SUMMARIES OF BOND RESOLUTION AND CONTRACT—Investment of Funds and Account".

The Series 2024 Bonds will not be payable from or secured by any interest in the Project or any revenues derived from the Project. The Series 2024 Bonds are payable solely from the payments to be made by the County pursuant to the Contract. See "DESCRIPTION OF THE SERIES 2024 BONDS—Security and Sources of Payment for the Series 2024 Bonds."

DESCRIPTION OF THE SERIES 2024 BONDS

General

The Series 2024 Bonds will be dated the date of issuance. Interest on the Series 2024 Bonds is payable semiannually on March 1 and September 1 of each year (each such date, an "**Interest Payment Date**"), commencing March 1, 2025. The Series 2024 Bonds will bear interest from the Interest Payment Date next preceding their date of authentication to which interest has been paid (unless their date of authentication is an Interest Payment Date, in which case from such Interest Payment Date, unless their date of authentication is after a record date and prior to the corresponding Interest Payment Date, in which case from such corresponding Interest Payment Date, or unless the date of authentication is before the first Interest Payment Date, in which case from their date of issuance) at the rates per annum set forth on the inside cover of this Official Statement (computed on the basis of a 360-day year comprised of twelve 30-day months). Payment of the principal of, premium if any, and interest on the Series 2024 Bonds will be made by the Paying Agent directly to Cede & Co., as nominee of DTC, and will subsequently be disbursed to DTC's Direct Participants and thereafter to the Beneficial Owners of the Series 2024 Bonds. See "DESCRIPTION OF THE SERIES 2024 BONDS—Book-Entry Only System" and "APPENDIX F – BOOK-ENTRY ONLY SYSTEM." In the event the Series 2024 Bonds are no longer in book-entry form, interest on the Series 2024 Bonds is payable by check or draft mailed by first class mail on the Interest Payment Date to the owners thereof as shown on the books and records of the Bond Registrar on the 15th day of the calendar month next preceding the Interest Payment Date. Interest on the Series 2024 Bonds is payable to any registered owner of more than $1,000,000 in aggregate principal amount of Series 2024 Bonds by wire transfer to such registered owner if written wire transfer instructions are given to the Paying Agent prior to the 15th day of the calendar month preceding the Interest Payment Date. When not in book-entry form, principal on the Series 2024 Bonds is payable upon surrender thereof at the corporate trust office of the Paying Agent located in Atlanta, Georgia.

Security and Sources of Payment for the Series 2024 Bonds

General. The Series 2024 Bonds are limited obligations of the Agency payable solely from payments to be made by the County pursuant to the Contract. The Series 2024 Bonds are not payable from or secured by any interest in the Project or any revenues derived from the Project.

Under the Contract, the County will agree to (a) make payments to the Agency in amounts sufficient to enable the Agency to pay the principal of and interest on the Series 2024 Bonds when due, and (b) levy an annual ad valorem tax on all taxable property located within the corporate limits of the County, at such rates, without limitation as to rate or amount, as may be necessary to produce in each year revenues that are sufficient to fulfill the County's obligations under the Contract. The County's obligation under the Contract to make payments to the Agency is absolute and unconditional, is secured by a pledge of the County's full faith and credit and taxing powers and will not expire so long as any of the Series 2024 Bonds remain outstanding and unpaid. The County has agreed to make its payments under the Contract directly to the Sinking Fund Custodian for the account of the Agency for deposit in the Sinking Fund. For a summary of the Contract, see "APPENDIX C – SUMMARIES OF BOND RESOLUTION AND CONTRACT."

THE SERIES 2024 BONDS WILL NOT CONSTITUTE A GENERAL OBLIGATION OF THE STATE OF GEORGIA, THE COUNTY OR ANY POLITICAL SUBDIVISION OF THE STATE OF

GEORGIA WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION UPON INDEBTEDNESS. EXCEPT AS PROVIDED IN THE CONTRACT, NEITHER THE STATE OF GEORGIA, THE COUNTY NOR ANY POLITICAL SUBDIVISION OF THE STATE OF GEORGIA SHALL BE SUBJECT TO ANY PECUNIARY LIABILITY THEREON. NO OWNER OF THE SERIES 2024 BONDS SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF THE TAXING POWER OF THE STATE OF GEORGIA, THE COUNTY OR ANY POLITICAL SUBDIVISION OF THE STATE OF GEORGIA TO PAY THE SAME OR THE INTEREST THEREON. THE AGENCY HAS NO TAXING POWER. THE SERIES 2024 BONDS WILL NOT BE SECURED BY A LIEN ON ANY REAL OR PERSONAL PROPERTY OF THE AGENCY OR THE COUNTY.

Enforceability of Remedies. The realization of value from the pledge of the taxing power of the County upon any default will depend upon the exercise of various remedies specified by the Bond Resolution and the Contract. These and other remedies may require judicial actions, which are often subject to discretion and delay and which may be difficult to pursue. The various legal opinions to be delivered concurrently with the delivery of the Series 2024 Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by state and federal laws, rulings, and decisions affecting remedies and by bankruptcy, reorganization or other laws affecting the enforcement of creditors' rights generally.

Redemption Provisions

Optional Redemption. The Series 2024 Bonds maturing on or prior to September 1, 2029 are not subject to optional redemption prior to maturity. The Series 2024 Bonds maturing on or after September 1, 2030 are subject to redemption prior to their stated dates of maturity upon the written request of the County pursuant to the Contract, from moneys on deposit in the Sinking Fund, in whole or in part on any date (and if in part in an authorized denomination), in either case on or after September 1, 2029, at the redemption price of 100 percent of the principal amount thereof plus accrued interest to the redemption date.

Notice of Redemption. Unless waived by any owner of Series 2024 Bonds to be redeemed, official notice of any redemption of Series 2024 Bonds will be given by the Bond Registrar on behalf of the Agency by mailing a copy of an official redemption notice by first class mail, postage prepaid, at least 30 days and not more than 60 days prior to the date fixed for redemption to the registered owner of the Series 2024 Bond or Series 2024 Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar. All official notices of redemption will be dated, will contain the complete official name of the Series 2024 Bonds, and will state: (1) the redemption date; (2) the redemption price; (3) if less than all the outstanding Series 2024 Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Series 2024 Bonds to be redeemed by CUSIP numbers, date of issue, rates of interest, and maturity dates; (4) any condition to such redemption; (5) that on the redemption date the redemption price will become due and payable upon each such Series 2024 Bond or portion thereof called for redemption and that interest thereon will cease to accrue from and after such date; and (6) the place where such Series 2024 Bonds are to be surrendered for payment of the redemption price, which place of payment will be the designated office of the Paying Agent.

Registration Provisions; Transfer and Exchange

The Series 2024 Bonds will be issued only as fully registered bonds without coupons in denominations of $5,000 and any integral multiple thereof. The Agency, the Bond Registrar and the Paying Agent may deem and treat the registered owner as the absolute owner of such Series 2024 Bond for purposes of receiving payment of or on account of principal and interest payable thereon, and for all other purposes; the Agency, the Bond Registrar and the Paying Agent will not be affected by any notice to the contrary.

When in book-entry form, the purchasers of the Series 2024 Bonds (the "**Beneficial Owners**") will not receive certificates representing their ownership interest in the Series 2024 Bonds. Instead such Series 2024 Bonds will be held by a securities depository, initially DTC, and registered in the name of DTC or its nominee, Cede & Co. Any transfer or exchange of the ownership interest in Series 2024 Bonds held in book-entry form will be made through computerized book-entry changes on the books of DTC through DTC's Direct and Indirect Participants in the manner described under "—Book-Entry Only System."

When not in book-entry form, ownership of any Series 2024 Bond is transferable upon surrender thereof to the Bond Registrar, together with an assignment duly executed by the registered owner or his attorney, in a form satisfactory to the Bond Registrar. Upon any such transfer of ownership, the Bond Registrar will cause to be authenticated and delivered a new Series 2024 Bond or Bonds registered in the name of the transferee in an authorized denomination in the same aggregate principal amount and interest rate as the Series 2024 Bonds surrendered for such transfer. When not in book-entry form, the Series 2024 Bonds may be exchanged for a like principal amount of Series 2024 Bonds of the same interest rate of other authorized denominations. For every exchange or registration of transfer, the Bond Registrar may charge an amount sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or registration of transfer, but no other charge may be made to the owner for any exchange or registration of transfer of the Series 2024 Bonds.

Book-Entry Only System

The Series 2024 Bonds initially will be issued solely in book-entry form to be held in the book-entry only system maintained by DTC. So long as such book-entry system is used, only DTC will receive or have the right to receive physical delivery of the Series 2024 Bonds and, except as otherwise provided herein with respect to tenders by Beneficial Owners of beneficial ownership interests, Beneficial Owners will not be or be considered to be, and will not have any rights as, owners or holders of the Series 2024 Bonds under the Bond Resolution. Information concerning DTC and DTC's book-entry only system of registration is set forth in APPENDIX F.

Authority for Issuance

The Series 2024 Bonds are being issued in accordance with and pursuant to the Constitution and laws of the State of Georgia, including the Act, the Revenue Bond Law (O.C.G.A. §§ 36-82-60 through 36-82-85), as amended and Article IX, Section III, Paragraph I of the Constitution of Georgia and pursuant to the Bond Resolution. Pursuant to the Bond Resolution, the Agency approved the issuance and sale of the Series 2024 Bonds and the execution and delivery of the Contract. A summary of the Bond Resolution and the Contract is set forth in APPENDIX C.

The Board of Commissioners approved the issuance and sale of the Series 2024 Bonds and the execution and delivery of the Contract pursuant to a resolution adopted on September 17, 2024, as supplemented by a resolution expected to be adopted by the Board of Commissioners on October 15, 2024.

Annual Principal and Interest Requirements

The following schedule presents the annual principal and interest payment requirements with respect to the Series 2024 Bonds and the other outstanding revenue bonds of the Agency in each of the following fiscal years. The County is obligated, directly or indirectly, on other long-term debt. See "GWINNETT COUNTY—Summary of County Direct and Overlapping Debt by Category."

			Series 2024 Bonds			
Fiscal Year	Series 2018 Bonds	Series 2021 Bonds	Principal	Interest	Annual Total	Combined Total Debt Service
2025	$ 2,546,567.50	$ 1,453,121.50	$440,000.00	$680,022.18	$1,120,022.18	$5,119,711.18
2026	2,551,167.50	1,457,321.50	555,000.00	802,854.00	1,357,854.00	5,366,343.00
2027	2,546,898.00	1,456,021.50	590,000.00	772,329.00	1,362,329.00	5,365,248.50
2028	2,548,476.00	1,452,350.50	620,000.00	739,879.00	1,359,879.00	5,360,705.50
2029	2,551,205.00	1,452,458.50	655,000.00	705,779.00	1,360,779.00	5,364,442.50
2030	2,546,330.00	1,454,920.50	690,000.00	669,754.00	1,359,754.00	5,361,004.50
2031	2,548,310.00	1,455,936.50	720,000.00	640,774.00	1,360,774.00	5,365,020.50
2032	2,546,700.00	1,455,811.50	750,000.00	609,814.00	1,359,814.00	5,362,325.50
2033	2,546,430.00	1,454,517.50	785,000.00	577,039.00	1,362,039.00	5,362,986.50
2034	2,547,232.50	1,456,907.50	815,000.00	542,342.00	1,357,342.00	5,361,482.00
2035	2,548,832.50	1,453,215.00	855,000.00	505,911.50	1,360,911.50	5,362,959.00
2036	2,550,947.50	1,452,897.50	895,000.00	467,265.50	1,362,265.50	5,366,110.50
2037	2,548,287.50	1,455,807.50	935,000.00	426,274.50	1,361,274.50	5,365,369.50
2038	2,546,467.50	1,456,782.50	975,000.00	382,797.00	1,357,797.00	5,361,047.00
2039	–	1,455,762.50	1,025,000.00	336,972.00	1,361,972.00	2,817,734.50
2040	–	1,452,687.50	1,070,000.00	288,284.50	1,358,284.50	2,810,972.00
2041	–	1,452,497.50	1,125,000.00	236,924.50	1,361,924.50	2,814,422.00
2042	–	–	1,175,000.00	182,587.00	1,357,587.00	1,357,587.00
2043	–	–	1,235,000.00	125,247.00	1,360,247.00	1,360,247.00
2044	–	–	1,295,000.00	64,361.50	1,359,361.50	1,359,361.50
	$35,673,851.50	$24,729,017.00	$17,205,000.00	$9,757,211.18	$26,962,211.18	$87,365,079.68

THE AGENCY

The Agency is a public body corporate and politic duly created and validly existing under and pursuant to the Constitution and the laws of the State of Georgia, including the Act and a resolution adopted by the Board of Commissioners on December 15, 2009. The Act authorizes the Agency to undertake and carry out within the corporate limits of the County "urban redevelopment projects," which are defined to include undertakings or activities of the Agency in an urban redevelopment area under the Act for the elimination and for the prevention of the development or spread of pockets of blight (formerly referred to as slums prior to the 2015 amendments to the Act) and may involve pocket of blight clearance and redevelopment in an urban redevelopment area, rehabilitation or conservation in an urban redevelopment area, or any combination or part thereof, in accordance with an urban redevelopment plan, including the Plan, adopted pursuant to the Act. The Act empowers the Agency to issue its revenue bonds, under and in accordance with the procedure set forth in the Revenue Bond Law, and to use the proceeds of such revenue bonds for the purposes of paying all or any part of the cost of any one or more "urban redevelopment projects," as defined in the Act, to carry out and further the purposes and provisions of the Act.

Each member of the Board of Commissioners is designated as a member of the Agency and such members serve terms which coincide with their terms as members of the Board of Commissioners and continue to serve until their successors are appointed.

Name	Occupation	Term Expires
Nicole L. Hendrickson, Chairwoman	Chairwoman, Gwinnett County Board of Commissioners	12/31/2024
Kirkland Carden	Environmental Transportation Scheduler	12/31/2024
Ben Ku	Entrepreneur	12/31/2026
Jasper Watkins, III	Retired Military	12/31/2024
Matthew Holtkamp	Entrepreneur	12/31/2026

GWINNETT COUNTY

General

The County, located 25 miles northeast of downtown Atlanta, was founded December 15, 1818 and was named for Button Gwinnett, one of three signers of the Declaration of Independence from Georgia. The County encompasses a land area of 437 square miles and ranks second largest in the State of Georgia. The county seat is Lawrenceville. The County's newest city, Peachtree Corners, is the largest of 16 municipalities in the County. Approximately 75 percent of the total population of the County resides in the unincorporated areas. See "APPENDIX B—Gwinnett County Economic and General Information" for additional economic and general information with respect to the County.

Government. The administrative body of the County is the elected five-member Board of Commissioners. The Board of Commissioners is headed by a full-time Chairwoman, who is elected on a county-wide basis for a four-year term. The other four commissioners also serve four-year terms, but are elected by their respective districts. The day-to-day operations of the County are administered by the County Administrator who is appointed by the Board of Commissioners. The Board of Commissioners is as follows:

Name	Occupation	Term Expires
Nicole L. Hendrickson, Chairwoman	Chairwoman, Gwinnett County Board of Commissioners	12/31/2024
Kirkland Carden	Environmental Transportation Scheduler	12/31/2024
Ben Ku	Entrepreneur	12/31/2026
Jasper Watkins, III	Retired Military	12/31/2024
Matthew Holtkamp	Entrepreneur	12/31/2026

Services Provided by the County. The County provides fire protection, police protection, emergency medical services, judicial services, recreational facilities, water supply and distribution and sewerage collection and treatment. The public school system for the entire County, except for the City of Buford, is operated by the County's Board of Education, an independent political subdivision. The City of Buford maintains its own independent school system. The County government has 6,177 authorized positions as of December 31, 2023. The employees are not unionized. The County believes that employee relations are generally good.

General Fund History

Set forth below is a historical comparative summary of the revenues, expenditures and changes in fund balance of the County's General Fund for the past five fiscal years. Information in the following table has been extracted from audited financial statements of the County for the fiscal years 2019-2023 ending on December 31. Amounts for the year ended December 31, 2023 were extracted from the audited financial statements attached hereto as APPENDIX A. Amounts for the years ended December 31, 2019-2022 were extracted from audited financial statements not included herein. Although taken from audited financial statements, no representation is made that the information is comparable from year to year, or that the information as shown taken by itself presents fairly the financial condition of the County for the fiscal years shown. For more complete information, reference is made to the basic financial statements of the County attached hereto as APPENDIX A.

Gwinnett County, Georgia
General Fund
Summary of Revenues, Expenditures and Changes in Fund Balances
(In Thousands of Dollars)

	Years Ended December 31,				
	2019	2020	2021	2022	2023
Revenues:					
Taxes	$291,353	$326,411	$358,448	$394,543	$440,832
Permits and licenses	286	4,539	5,822	5,408	5,373
Intergovernmental	4,067	4,225	5,145	5,027	4,452
Charges for services	29,465	28,332	30,864	32,745	34,695
Fines and forfeitures	3,331	2,581	2,459	3,587	3,085
Investment income	2,857	1,131	58	251	9,025
Miscellaneous	2,973	7,419	5,189	3,419	2,857
Total Revenues	**334,332**	**374,638**	**407,985**	**444,980**	**500,319**
Expenditures:					
Current Operating					
General government	28,526	43,642	34,233	40,688	38,583
Public safety	22,531	23,064	26,448	31,922	33,217
Judiciary	164,613	169,308	181,217	207,338	237,134
Public Works	20,899	22,062	22,234	25,887	31,166
Health and welfare	13,215	13,055	8,939	9,174	10,242
Culture and recreation	23,273	26,417	30,246	34,352	37,889
Housing and development	2,800	4,190	4,557	5,253	5,259
Capital Outlay	382	310	781	410	1,410
Intergovernmental	109	—	118	144	135
Total Expenditures	**276,348**	**302,048**	**308,773**	**355,168**	**395,035**
Revenues in Excess of Expenditures	57,984	72,590	99,212	89,812	105,284
Other Financing Sources (Uses):					
Transfers In	8,907	579	12	777	—
Transfers Out[(1)]	(49,812)	(76,201)	(58,496)	(75,169)	(96,942)
Issuance of lease obligation	—	—	—	—	887
Other Financing Sources (Uses), net	(40,905)	(75,622)	(58,484)	(74,392)	(96,055)
Net Change in Fund Balances	17,079	(3,032)	40,728	15,420	9,229
Fund Balance—January 1	159,242	176,321	173,289	214,017	229,437
Fund Balance—December 31	**$176,321**	**$173,289**	**$214,017**	**$229,437**	**$238,666**

(1)The majority of transfers from the General Fund are to capital projects funds to fund ongoing and planned projects. The General Fund also transfers funds to the Transit Enterprise Fund for operations.
Source: Gwinnett County Comprehensive Annual Financial Report for each respective year.

The following table contains interim financial information for the County's general fund for the seven month periods ended July 31, 2023 and July 31, 2024. This information has been prepared by the County and is unaudited. The table presents only selected items and should be read in conjunction with the audited financial statements attached hereto as APPENDIX A.

Gwinnett County, Georgia, General Fund
Unaudited Summary of Interim Operating Results

	Seven Months Ended July 31, 2023	Seven Months Ended July 31, 2024
Revenues:		
Taxes[(1)]	$76,286,064	$75,541,461
Licenses and Permits	2,002,009	2,083,198
Intergovernmental	2,111,650	2,231,759
Charges for Services	9,832,159	10,103,694
Fines and Forfeitures	1,582,171	1,752,877
Investment Income	4,124,176	4,801,687
Contributions and Donations	24,310	9,049
Miscellaneous	1,322,172	1,634,931
Other Financing Sources	93,893	18,410
Total Revenues	$97,378,604	$98,177,066
Expenditures:		
Board of Commissioners	$1,338,651	$1,390,193
Child Advocacy & Juvenile Services	2,599,216	2,793,676
Clerk of Court	9,071,822	10,754,038
Communications	–	531,068
Community Services	13,392,310	14,317,011
Corrections	11,495,786	12,802,707
County Administration	1,522,596	570,617
District Attorney	12,650,973	14,381,625
Financial Services	6,081,019	7,365,137
Judiciary	20,342,786	24,874,855
Juvenile Court	4,279,629	4,751,765
Non-Departmental	32,193,019	36,709,436
Planning and Development	1,319,408	1,799,583
Police Services	1,486,478	1,638,433
Probate Court	2,212,080	2,672,686
Sheriff	69,187,750	83,970,186
Solicitor General	4,286,635	4,983,614
Subsidized Agencies	16,562,250	15,073,290
Support Services	188,042	186,485
Tax Commissioner	9,806,126	10,757,620
Transportation	18,315,145	20,077,604
Voter Registrations and Elections	2,654,512	11,773,965
Total Appropriations	$240,986,233	$284,175,594

Source: Gwinnett County Monthly Financial Status Report for the Period Ended July 31, 2023 (Unaudited) and July 31, 2024 (Unaudited).
(1) The County receives the majority of its tax revenue in the fourth quarter of each fiscal year. See "COUNTY AD VALOREM TAXATION."

Accounting Policies and Budgetary Process

Budgetary Controls. In addition to internal accounting controls, the County maintains budgetary controls. The Department of Financial Services is responsible for the compilation of an annual budget for all County funds. State law requires that the Chairwoman of the Board of Commissioners submit or cause to be submitted to the Board of Commissioners, not later than December 1, a proposed budget for each fund of the County for the ensuing calendar year. The Board of Commissioners then reviews and, after meeting legal requirements for advertisement of the budget and for public hearings, adopts the annual budget at the first regularly scheduled Board of Commissioners meeting of the year. The budget may be amended at any time during the year upon formal action of the Board of Commissioners. Exceptions to this are the Grant Fund and public authorities. The Grant Fund is budgeted on a program basis, rather than an annual basis, and public authorities are not budgeted. Pension and other post-employment benefits are also not budgeted.

Any increase in appropriations in any fund for a Department, whether through a change in anticipated revenues in any fund or through a transfer of appropriations among Departments, requires the approval of the Board of Commissioners except in specific cases where authority has been granted by the Board of Commissioners to the Director of that Department or the Director of Financial Services and the County Administrator to allocate, adjust and transfer funds.

Financial Reports. The accounting policies of the County conform to Generally Accepted Accounting Principles as applicable to governmental units. The following is a summary of the more significant policies:

The Governmental Fund Types (the General Fund, Special Revenue Funds, Capital Projects Funds, and the Debt Service Fund) are maintained and the financial statements are prepared on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are generally recognized when they are susceptible to accrual, *i.e.,* when they become 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. Major revenue sources which are susceptible to accrual are Property Tax, Sales Tax, Insurance Premium Tax, and Intergovernmental Revenue. Expenditures are generally recognized when the related fund liabilities are incurred.

The accounts of the Proprietary Fund Types are maintained, and the financial statements are prepared, on the accrual basis of accounting.

The accounts of the Fiduciary Fund Types are maintained, and the financial statements are prepared, on the accrual basis of accounting.

The County has established a Risk Management Program for workers compensation, general liability, and employee medical costs. This program incorporates both County retention of routine claims and the purchase of excess liability insurance coverage. See Note 12, Notes to Financial Statements in APPENDIX A. The County offers its employees a deferred compensation plan, all contributions to which are voluntary employee contributions, and all full-time eligible employees participate in either a defined contribution or defined benefit pension plan. See Notes 13 and 14, Notes to Financial Statements in APPENDIX A. The County also provides certain post-retirement health care benefits to certain employees pursuant to the Gwinnett County Retirement System Health Insurance Plan (the "**OPEB Plan**") which is a single-employer defined benefit post-retirement health care plan. See Note 15, Notes to Financial Statements in APPENDIX A.

[Remainder of Page Intentionally Left Blank]

Budget

Set forth below is a summary of the County's 2024 Budget for the General Fund adopted on January 2, 2024.

General Fund Budget
Gwinnett County, Georgia

	Fiscal Year 2024 Adopted
Revenues:	
Taxes	$457,114,667
Licenses and Permits	5,279,690
Intergovernmental	4,162,064
Charges for Services	34,658,485
Fines and Forfeitures	3,147,655
Investment Income	4,826,023
Contributions and Donations	105,950
Miscellaneous	1,834,120
Revenues without Use of Fund Balance	511,128,654
Use of Fund Balance	39,156,305
Total Revenues	$550,284,959
Appropriations:	
Board of Commissioners	$ 2,477,975
Child Advocacy & Juvenile Services	5,622,277
Clerk of Court	21,098,723
Communications	1,216,032
Community Services	27,682,093
Corrections	24,232,598
County Administration	1,497,677
District Attorney	26,476,721
Financial Services	13,988,004
Judiciary	34,704,738
Juvenile Court	6,954,736
Medical Examiner	2,007,589
Non-Departmental	83,010,876
Planning and Development	4,056,076
Police Services	4,136,071
Probate Court	4,512,766
Sheriff	162,411,937
Solicitor General	10,490,322
Subsidized Agencies	33,082,173
Support Services	268,503
Tax Commissioner	19,630,133
Transportation	38,406,186
Voter Registration and Elections	22,320,753
Total Appropriations	$550,284,959

Pensions and Employee Benefits

INFORMATION INCLUDED IN THIS SECTION RELIES ON INFORMATION PROVIDED BY THE RETIREMENT COMMITTEE AND THE INDEPENDENT ACCOUNTANTS AND ACTUARIES ENGAGED BY THE COUNTY RELATING TO THESE PENSION AND EMPLOYEE BENEFIT PLANS. ACTUARIAL ASSESSMENTS ARE "FORWARD-LOOKING" INFORMATION THAT REFLECT THE JUDGMENT OF THE FIDUCIARIES OF THESE PLANS. ACTUARIAL ASSESSMENTS ARE BASED UPON A VARIETY OF ASSUMPTIONS, ONE OR MORE OF WHICH MAY PROVE TO BE INACCURATE OR BE CHANGED IN THE FUTURE AND WILL CHANGE WITH THE FUTURE EXPERIENCE OF THESE PLANS.

General.

Article III, Section X, Paragraph V of the Constitution of the State of Georgia gives the Georgia General Assembly the duty of enacting legislation to define funding standards which will assure the actuarial soundness of any retirement or pension system supported wholly or partially from public funds. The "Public Retirement Systems Standards Law" of the State of Georgia (O.C.G.A. §47-20-1 *et seq.)* sets forth minimum funding standards for such retirement or pension systems. The "Public Retirement Systems Investment Authority Law" (O.C.G.A. §47-20-80 *et seq.)* governs investments for such retirement or pension systems. All of the County's investments, including pension investments, comply with all state laws as well as the County's Investment Policy.

Georgia law (O.C.G.A. §47-1-3) requires that a "local retirement system" (meaning any retirement or pension system covering employees of a county, municipality or similar public body) hire a qualified actuary every two years to conduct an actuarial investigation of its retirement systems; however, it has been the practice of the County to engage an actuary every year for such an investigation. The County's current actuary is Cavanaugh Macdonald Consulting, LLC. The County's actuarial reports are released approximately four months after the valuation date (currently, January 1 of each year). The purpose of an actuarial valuation is to calculate the actuarial accrued liability in a pension plan, which estimates on the basis of demographic and economic assumptions the present value of benefits a pension plan will pay to its retired members and active members upon retirement. The County's actuarial valuation is performed in accordance with State of Georgia standards and the parameters set forth in the Governmental Accounting Standards Board (GASB) *Statement 68*, which it implemented in 2015, and other applicable accounting standards.

Defined Benefit Plan.

The County established the Gwinnett County Defined Benefit Plan, effective January 1, 2007 (the "**Defined Benefit Plan**"), as a single employer, locally governed plan for the benefit of its employees and other eligible individuals. Assets previously held in a multi-employer plan for the benefit of County employees were transferred to the Defined Benefit Plan in 2007.

The Retirement Plans Management Committee (the "**Retirement Committee**"), composed of seven members who serve without compensation by the Defined Benefit Plan, is the trustee of the Defined Benefit Plan. The Bank of New York Mellon is the custodian for the Defined Benefit Plan while Transamerica is the third party administrator. Benefit provisions and contribution requirements are established and may be amended by the Retirement Committee, subject to approval by the Board of Commissioners.

Full-time employees with an employment or reemployment commencement date on or before December 31, 2006, who did not elect to participate in the Defined Contribution Plan are eligible to participate in the Defined Benefit Plan. Employees hired or rehired after January 1, 2007, County commissioners and other elected or 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.

Normal retirement age under the Defined Benefit 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. 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.

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 Defined Benefit 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.

At January 1, 2023, the following employees were covered by the Defined Benefit Plan:

Plan Membership	as of January 1, 2023
Inactive members or beneficiaries currently receiving benefits	2,776
Inactive members entitled to but not yet receiving benefits	704
Active members	730
Total	4,210

In accordance with GASB 68, the County's net pension liability was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2023, with update procedures performed by the actuary to roll forward the total pension liability measured as of December 31, 2023. The assumptions used in the January 1, 2023 actuarial valuation were as follows:

Actuarial cost method	Entry age normal
Inflation	2.50 percent
Salary increases	4.50 - 5.50%, average, including inflation
Investment rate of return on investments	7.00%, net of pension plan investment expense, including inflation
Cost-of-living adjustments	1.00%
Mortality	
Pre-Retirement Mortality:	PubG.H-2010 Headcount Weighted General Median Employee Projection Scale: MP-2019
Post-Retirement Health 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

The actuarial assumptions used in the January 1, 2023 valuation were based on the results of the last actuarial experience study, dated January 27, 2010, with the exception of the mortality assumption and the termination rates. The mortality assumption was updated for the December 31, 2019 measurement date. The termination assumptions will be updated over a five-year period beginning with the December 31, 2021 measurement date.

Gwinnett County is required to contribute an actuarially determined amount annually to the Defined Benefit 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, 2023 plan year, the recommended contribution for the County was set at $48,110,000 and the County contributed $48,494,000. The expected contribution for employees was $5,072,277.

The chart below shows County contributions for the Defined Benefit Plan for the year ended December 31, 2023 and the prior four years.

Schedule of County Contributions (in thousands of dollars)

	2023	2022	2021	2020	2019
Actuarially determined employer contribution	$48,110	$55,619	$54,002	46,586	$ 41,350
Actual County contributions	48,494	56,271	54,637	46,767	41,620
Annual contribution deficiency (excess)	(384)	(652)	(635)	(181)	(270)
Covered employee payroll	71,318	82,841	84,086	93,541	90,763
Actual contributions as a percentage of covered employee payroll	68.00%	67.93%	64.98%	50.00%	45.86%

The County's total and net pension liability for the years ended December 31, 2023 and 2022 are as follows:

Fiscal Year Ended	Total Pension Liability	Fiduciary Net Position	Net Pension Liability
December 31, 2023	$1,668,653,539	$1,288,515,000	$380,138,539
December 31, 2022	1,594,988,892	1,152,126,000	442,862,892

Target allocations and long term expected rates of return for the Defined Benefit Plan are the following.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. large cap growth	15.0%	7.2%
U.S. large cap value	15.0	7.6
U.S. mid cap	7.5	8.1
U.S. small cap	7.5	9.1
REITs	5.0	7.7
Foreign developed	10.0	7.5
Emerging markets	5.0	8.9
Global equity	10.0	7.5
Core fixed income	25.0	2.6
Total	100.0%	

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

	1% Decrease (6.00%)	Current Discount (7.00%)	1% Increase (8.00%)
County's net pension liability	$570,282,043	$380,138,539	$220,762,619

See Note 14, Notes to Financial Statements in APPENDIX A.

Defined Contribution Plan.

The Gwinnett County Defined Contribution Pension Plan (the "**Defined Contribution Plan**") is a defined contribution pension plan established by the County on 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 participants. The Defined Contribution Plan is administered by Voya Financial. Plan provisions and contribution requirements are established by and may be amended by the Board of Commissioners within the scope of all applicable laws.

As of December 31, 2023, there were 4,425 active participants in the Defined Contribution Plan. Participants are required to make a one-time, irrevocable election of either 5.0 or 7.5 percent contribution of their pensionable earnings. 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 such date. For the year ended December 31, 2023, the amount contributed by employees was $15,491,276. The amount contributed by the County was $26,910,552.

Effective January 1, 2007, a 1.0 percent match of pensionable earnings for each employee who contributes at least 3.0 percent to their 457(b) account is made by the County to the Defined Contribution 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 2 years of service they are vested 67 percent, and after 3 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

3 years of service they are vested 33 percent, after 4 years of service they are vested 67 percent, and after 5 years of service they are vested 100 percent.

The Defined Contribution Plan also contains the Retiree Medical Savings Plan (401h) as an additional benefit. 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 only available to employees hired prior to January 1, 2007. Upon retirement, employees may receive disbursements from this account for eligible medical expenses. In 2023, the County contributed $428,622 to this plan. Persons leaving County employment prior to retirement forfeit all rights or claims against the medical savings plan and those funds are returned to the program for payment of expenses or redistribution in accordance with applicable IRS regulations.

See Note 14, Notes to Financial Statements in APPENDIX A.

Other Post-Employment Benefits.

The OPEB Plan is a single-employer defined benefit post-retirement health care plan, or Other Post-Employment Benefit (OPEB) 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 the County's welfare benefits 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 is the trustee of the OPEB Plan and BNY Mellon is the custodian. Benefit provisions and contribution requirements are established and may be amended by the County Administrator.

During the year ended December 31, 2018, the County adopted GASB Statement No. 75, *Accounting and Financial Reporting for Post-employment Benefits Other than Pensions*, which establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expenses/expenditures for Other Post-Employment Benefits that are provided to the employees of state and local governmental employees.

Under the OPEB Plan, eligible retirees and other 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 37 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.

At January 1, 2023, the following employees were covered by the OPEB Plan:

Plan Membership	as of January 1, 2023
Active members	5,020
Inactive members or beneficiaries currently receiving benefits	1,752
Inactive members entitled to but not yet receiving benefits	--
Total	6,772

The County's net OPEB liability was measured as of December 31, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2023, with update procedures performed by the actuary to roll forward the total OPEB liability measured as of December 31, 2023. The following are the principal actuarial assumptions used in preparing the valuation as of January 1, 2023:

Valuation	January 1, 2023
Actuarial cost method	Entry age normal
Price inflation	2.50%
Salary increases	4.50-5.50 percent, average, including inflation
Investment Rate of Return	7.00%, net of investment expense, including inflation
Health care cost trend rate:	
Pre-Medicare eligible	7.00%
Medicare eligible	5.125%
Ultimate trend rate:	
Pre-Medicare eligible	4.50%
Medicare eligible	4.50%
Year of ultimate trend rate	Ultimate trend rate and year:
Pre-Medicare eligible	2023
Medicare eligible	2026
Mortality	
Pre-Retirement Mortality:	PubG.H-2010 Headcount Weighted General Median Employee Projection Scale: MP-2019
Post-Retirement Health 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

The County's total and net OPEB liability for the years ended December 31, 2023 and 2022 are as follows:

Fiscal Year Ended	Total OPEB Liability	Fiduciary Net Position	Net OPEB Liability
December 31, 2023	$193,951,092	$182,177,000	$11,774,092
December 31, 2022	193,050,355	163,364,000	29,686,356

[Remainder of Page Intentionally Left Blank]

Target allocations and long term expected rates of return for the OPEB Plan are the following.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. large cap growth	15.0%	7.2%
U.S. large cap value	15.0	7.6
U.S. mid cap	7.5	8.1
U.S. small cap	7.5	9.1
REITs	5.0	7.7
Foreign developed	10.0	7.5
Emerging markets	5.0	8.9
Global equity	10.0	7.5
Core fixed income	25.0	2.6
Total	100.0%	

Effective for the January 1, 2023 plan year, the recommended contribution for the County was set at $5,601,385, and the County contributed $6,042,501.

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

	1% Decrease (6.00%)	Current Discount (7.00%)	1% Increase (8.00%)
County's net OPEB liability	$28,347,130	$11,774,092	$(2,559,034)

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 one-percentage-point lower or one-percentage-point higher than the current rate.

	1% Decrease	Current Health Care Trend Rate	1% Increase
County's net OPEB liability	$7,744,574	$11,774,092	$15,666,117

See Note 15, Notes to Financial Statements in APPENDIX A.

Litigation

There is currently no material litigation relating to the Defined Benefit Plan, the Defined Contribution Plan or the OPEB Plan.

Capital Plan and Financing Activities

From 2009 to 2023, the County has funded its capital program from operating funds and a one percent special purpose local option sales tax ("**SPLOST**") on a pay-as-you-go basis. In November 2022, Gwinnett voters approved a six-year extension of the SPLOST until March 31, 2029 (the "**2023 SPLOST**"). The SPLOST is expected to raise approximately $1.35 billion over its six year term. The County's 16 cities comprise approximately a quarter of the County's land area and approximately a quarter of the County's population, and will receive approximately a quarter of the proceeds raised by the 2023 SPLOST. The County's portion of the SPLOST proceeds will be directed for capital improvements to transportation, public safety, recreational facilities and equipment, courthouse facility renovation, animal welfare facility renovations, and fleet management facilities. A committee made up of residents will review and prioritize transportation projects, the largest category in the 2023 SPLOST program.

In 2018, the Development Authority of Gwinnett County (the "**Development Authority**") issued $95,710,000 of revenue bonds, payable from an intergovernmental contract with the County, to finance the costs of improvements to the Gwinnett Center and acquiring an existing adjacent parking deck (the "**2018 Gwinnett Center Bonds**"). Also in 2018, the Agency issued its $35,435,000 Revenue Bonds (OFS Property Acquisition Project), Federally Taxable Series 2018, payable from an intergovernmental contract with the County, to acquire approximately 103 acres of land and related improvements for redevelopment purposes (the "**2018 URA Bonds**").

On June 11, 2020, the County issued its $38,485,000 Tax Allocation Bonds (The Exchange at Gwinnett Project), Series 2020 (the "**Tax Allocation Bonds**") for the purpose of implementing the Redevelopment Plan for Gwinnett County Tax Allocation District Number 6: The Exchange at Gwinnett (the "**Exchange District**"). The Tax Allocation Bonds are not general obligations of the County but are limited obligations of the County, secured solely by and payable from the "pledged revenues" defined as (a) the tax allocation increments derived from the Exchange District required for (i) payment of annual debt service in the next subsequent calendar year and (ii) any deposit required to be made in the debt service account in the event that the balance of any series debt service reserve account shall fall below the applicable series debt service reserve requirement; (b) all earnings derived from the investment of the tax increment fund, the project fund, the bond fund and the debt service reserve fund; and (c) any other amounts deposited with the trustee and designated by the County as a "pledged revenue."

On September 30, 2020, the Development Authority issued its Revenue Bonds (Georgia Research Park Project), Federally Taxable Series 2020 (the "**Research Park Bonds**"), in the aggregate principal amount of $67,685,000 for the purpose of financing the cost of acquiring certain parcels of undeveloped real property located in the County to be developed as a mixed use development to be known as Rowen (and financing the cost of acquiring, constructing and equipping certain capital improvements on such real property). The Research Park Bonds are limited obligations of the Development Authority, payable solely from payments to be made by the County pursuant to an intergovernmental contract with the Development Authority. The County's obligations under the intergovernmental contract relating to the Research Park Bonds, are limited to the amount capable of being raised by the levy of a one-mill tax on all taxable property located within the County and subject to real property taxation.

On October 6, 2020, the Development Authority issued its (A) Refunding Revenue Bonds (Gwinnett Center Projects), Federally Taxable Series 2020A (the "**2020A Gwinnett Center Bonds**") in the aggregate principal amount of $39,165,000, and (B) Revenue Bonds (Gwinnett Center Projects), Federally Taxable Series 2020B (the "**2020B Gwinnett Center Bonds**" and, together with the 2020A Gwinnett Center Bonds, the "**2020 Gwinnett Center Bonds**") in the aggregate principal amount of $75,295,000. The 2020 Gwinnett Center Bonds were issued to refund prior debt relating to Gwinnett Center and to finance expansions and improvements to Gwinnett Center. The 2020 Gwinnett Center Bonds are limited obligations of the Development Authority, payable solely from payments to be made by the County pursuant to an intergovernmental contract with the Development Authority. The intergovernmental contract relating to the 2020 Gwinnett Center Bonds constitutes a pledge of the County's full faith and credit.

On December 29, 2020, the Gwinnett County Water and Sewerage Authority (the "**Water and Sewerage Authority**") issued its Revenue Bonds, Series 2020 in the aggregate principal amount of $176,895,000 (the **"2020 Water and Sewerage Bonds"**). The 2020 Water and Sewerage Bonds were issued to finance certain improvements and extensions to the water and sewerage system owned by the Water and Sewerage Authority and leased to the County. Additionally, on August 31, 2021, the Water and Sewerage Authority issued its Refunding Revenue Bonds, Series 2021, in the aggregate principal amount of $58,705,000 (the "**2021 Water and Sewerage Bonds**"). The 2021 Water and Sewerage Bonds were issued to refund all of the Water and Sewerage Authority's Revenue Refunding Bonds, Series 2011, maturing on and after August 1, 2022. The 2020 Water and Sewerage Bonds and the 2021 Water and Sewerage Bonds are payable primarily from water and sewerage revenues, but are additionally secured by a pledge of the County's full faith and credit.

On March 11, 2021, the Agency issued its $23,500,000 Revenue Bonds (Gwinnett Place Mall Project), Federally Taxable Series 2021, payable from an intergovernmental contract with the County, to acquire approximately 39.06 acres of land and related improvements for redevelopment purposes (the "**2021 URA Bonds**").

The County does not currently anticipate issuing, directly or indirectly, any additional long-term debt within the next five years to finance its capital projects.

Summary of County Direct and Overlapping Debt by Category

Set forth in the following table is information concerning direct debt of the County as of December 31, 2023 and the estimated overlapping property tax supported debt of certain governmental entities that is attributable to property owners in the County based upon the proportion to which the jurisdiction of the County overlaps such entities. Although the County has attempted to obtain accurate information as to the outstanding overlapping debt, it does not warrant its completeness or accuracy, as there is no central reporting entity which has this information available, and the amounts are based on information supplied by others. There has never been a default in payment of the principal of or interest on any general obligation bonds issued by the County.

In addition to the property tax supported debt, the County's obligations under the 2018 URA Bonds, the 2021 URA Bonds, and under revenue bonds issued by the Water and Sewerage Authority are secured by a pledge of the County's full faith and credit. Bonds issued by the Water and Sewerage Authority are payable primarily from water and sewer system revenues, are accounted for in the County's enterprise funds and are not reflected in the following table. The 2018 URA Bonds and the 2021 URA Bonds are, and when issued, the 2024 URA Bonds will be, paid by payments from the County under an intergovernmental contract between the County and the Agency, accounted for in the County's enterprise funds and are not included in the following table. For additional information relating to the County's long-term obligations, see Note 10 to the County's financial statements attached as APPENDIX A.

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.

[Remainder of Page Intentionally Left Blank]

Category of Debt	Amount of Outstanding Debt[1]	Estimated Percentage Applicable to County[2]	Estimated County Share of Outstanding Debt[1]
Direct Debt[3]:			
General Obligation Bonds	$ –		$ –
TAD Bonds[4]	38,016	100%	38,016
Economic Development Contract Payable	59,095	100%	59,095
Intergovernmental Contracts[5]	215,501	100%	215,501
Lease Payable	4,973	100%	4,973
Subscription Payable	66,021	100%	66,021
Total Direct Debt	383,606		383,606
Overlapping Debt:			
Gwinnett County School District[6]			
General Obligation Bonds	1,247,781	100%	1,247,781
Certificates of Participation	46,797	100%	46,797
Total Gwinnett County School District	1,294,578		1,294,578
Municipalities within Gwinnett County[7]			
Auburn	12,271	3%	369
Braselton	21,286	29%	6,173
Buford	62,339	84%	52,365
Lawrenceville	41,436	100%	41,436
Lilburn	83	100%	83
Loganville	1,561	22%	343
Norcross	1,557	100%	1,557
Peachtree Corners	12,167	100%	12,167
Snellville	842	100%	842
Sugar Hill	580	100%	580
Suwannee	32,672	100%	32,672
Total Municipalities within Gwinnett County	186,794		148,587
Subtotal, Overlapping Debt	1,481,372		1,443,165
Total Direct and Overlapping Debt	$ 1,864,978		$ 1,826,771

Source: Gwinnett County Annual Comprehensive Financial Report – Year Ended December 31, 2023.

(1) In Thousands.

(2) Based upon the percentage of the municipality's population within the County (Source: U.S. Census Bureau's July 31, 2022 population estimates).

(3) As of December 31, 2023.

(4) Tax Allocation Bonds are limited obligations of the county payable solely from the tax allocation increments derived from the tax allocation district.

(5) Obligations under Intergovernmental Contracts relating to bonds issued by the Development Authority. Excludes bonds issued by the Agency (see " DESCRIPTION OF THE SERIES 2024 BONDS –Annual Principal and Interest Requirements" for debt service requirements on Agency bonds). Also excludes obligations issued by the Gwinnett County Water and Sewerage Authority, as such obligations are expected to be paid from revenues of the water and sewerage system.

(6) Based upon the Gwinnett County Board of Education's Comprehensive Annual Financial Report for the fiscal year ended June 30, 2022. According to the Board of Education's Comprehensive Annual Financial Report for the fiscal year ended June 30, 2023, the Series 2019B General Obligation Refunding Bonds were refunded in February 2023 using Taxable Series 2022A General Obligation Refunding Bonds, carrying over the amortization schedule from the Series 2019B Bonds to the Series 2022A Bonds.

(7) Based upon each individual city's audit information for such city's 2021 fiscal year, as set forth in the statistical section of the County's Annual Comprehensive Financial Report for the year ended December 31, 2023, unless indicated otherwise. The County is not aware of any material additional long-term liabilities issued by the listed cities since such time. The audited financial statements for the city of Berkeley Lake for fiscal year ended December 31, 2023 reports $17,730 in outstanding subscription-based information technology arrangements. The 2022 financial statements for the city of Grayson, the most recent financial statements publicly available, do not report any long-term debt as of August 31, 2022. Recent financial statements for the city of Rest Haven are not publicly available; however, the County is not aware of any material long-term liabilities of the city of Rest Haven.

Limitations on County Debt

The Constitution of the State of Georgia provides that the County may not incur long-term obligations payable out of general property taxes without the approval of a majority of the qualified voters of the County voting at an election called to approve the obligations. In addition, under the Constitution of the State of Georgia, the County may not incur long-term obligations payable out of general property taxes in excess of 10 percent of the assessed value of all taxable property within the County. The school district may also incur general obligation debt up to the 10 percent limitation.

Short-term obligations (those payable within the same calendar year in which they are incurred), lease and installment purchase obligations subject to annual appropriation and intergovernmental obligations are not subject to the legal limitations described above. In addition, refunded obligations cease to count against the County's debt limitations.

As computed in the table below, based upon the 2023 assessed value, the County could incur (upon necessary voter approval) approximately $4,794,551,000 in long-term obligations payable out of general property taxes (or general obligation bonds).

Computation of Legal Debt Margin
(in thousands)

Assessed Value	$47,945,507
Debt Limit (10%) of Assessed Value	4,794,551
Debt Applicable to Limit:	-0-
Legal Debt Margin	$ 4,794,551

COUNTY AD VALOREM TAXATION

Introduction

Ad valorem property taxes are an important source of revenue to fund the operations of the County. Ad valorem property taxes are levied annually in mills (one tenth of one percent) upon each dollar of assessed property value.

Property Subject to Taxation

Ad valorem property taxes are levied on all real and personal property within the County. There are, however, certain properties which are totally exempt from taxation, including public property, religious property, charitable property, property of nonprofit hospitals, nonprofit homes for the aged, and nonprofit homes for the mentally handicapped, college and certain educational property, public library property, certain farm products, certain air and water pollution control property, and personal effects. In addition, there are exemptions from ad valorem taxation for maintenance and operation purposes and for general obligation bond purposes known as Freeport Exemption for business inventory, Conservation Use Valuation for bona fide agricultural land, general homestead exemption for each resident and homestead exemptions with age, income or disability qualifications.

Assessed Value

Assessed valuation, which represents the value upon which ad valorem property taxes are levied, is calculated as a percentage of fair market value. Georgia law requires taxable tangible property to be assessed at 40 percent of its fair market value and to be taxed on a levy made by each respective tax jurisdiction.

The County Board of Tax Assessors determines the value of all real property within the County as of January 1 of each year. A Notice of Current Assessment must be issued to each property owner every year. The notice allows certain appeal rights to the property owner for disputing value. A property owner may dispute the value of his property through either the Board of Tax Assessors, a local Board of Equalization/Arbitration/Hearing Officer with

Clerk of Superior Court oversight, or in the Superior Court or other appellant levels of the court system. The Board of Tax Assessors compiles a complete list of each property within the County consisting of a legal description, ownership and corresponding value which becomes the property tax digest for the County. The completed digest must be submitted to the State of Georgia Revenue Commissioner for examination and approval on or before September 1 of each year. The Revenue Commissioner has the authority to examine the digest for the purpose of determining if the valuations are reasonably uniform and equalized between and among counties.

Currently, real property represents more than 85% of the net tax digest. The real property digest has continued to grow each year since 2019, despite the overall economic disruption caused by the COVID-19 global health emergency and pandemic during 2020 and 2021. The County anticipates that the real property digest will continue its path of modest growth into the future. While real property values have increased, the motor vehicle component of the digest has declined as automobiles have transitioned from the annual ad valorem tax system to the title ad valorem tax.

State of Georgia Revenue Commissioner determines the value of motor vehicles by make, model, and year by county and provides this information to each county tax office. As a result of tax reform legislation in 2012, Georgia implemented a Title Ad Valorem Tax ("**TAVT**") in March 2013 such that a title tax is imposed at the time of purchase or initial vehicle registration in the state of Georgia. Thereafter, there is no annual motor vehicle ad valorem tax. An additional TAVT applies each time the title is transferred. As a result of the transition from an annual motor vehicle ad valorem tax to the TAVT, the motor vehicle component of the digest has steadily decreased since implementation of TAVT.

Annual Tax Levy

The County determines a rate of levy for each fiscal year by computing a rate which, when levied upon the assessed value of taxable property within its corporate limits, will produce the necessary amount of property tax revenues.

Property Tax Collections

After the approval of the digest by the State of Georgia Revenue Commissioner, tax bills are issued by the County Tax Commissioner. The County uses a single collection date for property taxes and has maintained a strong single year collection rate. In 2022, the County collected 94.5 percent of the levy within the fiscal year of the levy and more than 99.3 percent of the taxes were collected within the next 12-months. Once ad valorem taxes on real and personal property are delinquent, interest will accrue each calendar month, or any part thereof, on any unpaid amount. Any amount remaining 120 days after the due date will accrue a 5 percent penalty, with an additional 5 percent penalty added at 120 day intervals (20 percent maximum). Delinquent taxes will also subject the property to a tax lien and ultimately, to sale at a tax auction to collect the remaining amount.

[Remainder of Page Intentionally Left Blank]

Assessed and Estimated Value of Taxable Property
County Maintenance and Operations Digest
2019-2024

Fiscal Year Ended Dec. 31,	Residential Property	Commercial Property	Other Real Property	Motor Vehicle	Other[1]	Less Tax Exemption	Total Taxable Assessed Value	Total Direct Tax Rate	Total Actual Taxable Value	Assessed Value as Percentage Actual Value
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	27,559,453,782	10,135,252,032	138,093,118	309,788,180	5,113,058,655	7,980,824,985	35,274,820,782	14.71	88,187,051,955	40
2021	29,198,702,648	10,528,046,400	127,633,160	246,953,080	5,278,174,531	8,435,762,259	36,943,747,560	14.71	92,359,368,900	40
2022	37,909,242,457	12,102,244,296	123,673,040	216,436,480	5,748,018,720	13,608,654,024	42,490,960,969	14.71	106,227,402,423	40
2023	44,222,448,946	13,686,587,516	178,965,390	210,166,380	6,600,268,420	16,952,929,870	47,945,506,782	14.71	119,863,766,955	40
2024[2]	47,043,750,300	17,389,253,480	134,154,140	185,931,600	6,968,247,760	17,782,581,740	53,938,755,540	14.71	134,846,888,850	40

[1] Includes mobile homes, heavy equipment, and utilities.
[2] The 2024 Digest does not account for tax appeals that are currently outstanding.
Source: Gwinnett County Annual Comprehensive Financial Report - Year Ended December 31, 2023; 2024 Consolidation and Evaluation of Digest of County.

[Remainder of Page Intentionally Left Blank]

Property Tax Levies and Collections

The following table shows the property tax levies and collections of the County for the years 2019 - 2023.

Year	Total Tax Levy [1] [2]	Levy Year Tax Collections	Percent of Levy Collected[3]	Collections in Subsequent Years	Total Tax Collections	Total Collections as Percent of Current Levy
2019	$1,160,856,826	$1,127,335,834	97.1	$32,089,340	$1,159,425,174	99.9%
2020	1,285,451,893	1,200,911,661	93.4	81,817,365	1,282,729,026	99.8
2021	1,319,438,066	1,280,129,324	97.0	35,211,107	1,314,340,431	99.7
2022	1,574,399,882	1,487,708,307	94.5	76,130,509	1,563,838,816	99.3
2023	1,701,937,454	1,628,600,917	95.7		1,628,600,917	95.7

(1) Reflects original digest net of all digest corrections to date.
(2) Includes County, School Board and State rate only. State rate ended in 2015. Street Lights, Speed Humps, Stormwater or Solid Waste assessments not included.
(3) Percentages are based on the original tax levy without taking into account subsequent digest corrections.
Source: Gwinnett County Annual Comprehensive Financial Report - Year Ended December 31, 2023.

Property Tax Rates

The following table shows the property tax rates in mills for the County, the County's school district and Georgia for the period 2014-2024.

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund	7.40	7.229	6.826	7.400	7.209	7.209	6.95	6.95	6.95	6.95	6.95
Fire and EMS District	3.20	3.20	3.20	3.20	3.20	3.200	3.20	3.20	3.20	3.20	3.20
Police Services District	1.60	1.60	1.60	1.60	1.60	1.600	2.90	2.90	2.90	2.90	2.90
Development and Enforcement District	0.36	0.36	0.36	0.36	0.36	0.360	0.36	0.36	0.36	0.36	0.36
Recreation District	0.95	0.95	0.95	0.95	0.95	0.950	1.00	1.00	1.00	1.00	1.00
Economic Development	—	—	—	—	—	—	0.30	0.30	0.30	0.30	0.30
G.O. Bond Fund II	0.24	0.24	0.24	—	—	—	—	—	—	—	—
Total County Tax	13.75	13.579	13.176	13.51	13.319	13.319	14.71	14.71	14.71	14.71	14.71
School M & O	19.80	19.80	19.80	19.80	19.80	19.700	19.70	19.70	19.20	19.20	19.10
School Bonds	2.05	2.05	2.05	2.05	1.95	1.900	1.90	1.65	1.45	1.45	1.45
Total School Tax	21.85	21.85	21.85	21.85	21.75	21.600	21.60	21.35	20.65	20.65	20.55
State Government	0.10	0.05	—	—	—	—	—	—	—	—	—
Total Property Tax	35.70	35.479	35.026	35.36	35.069	34.919	36.31	36.06	35.36	35.36	35.26

Source: Gwinnett County Annual Comprehensive Financial Report - Year Ended December 31, 2023; Department of Financial Services—Gwinnett County 2024 Tax Resolution, adopted by the Board of Commissioners on July 16, 2024.

[Remainder of Page Intentionally Left Blank]

Ten Largest Taxpayers

The ten largest taxpayers in the County as of December 31, 2023, and the assessed value of the taxable property of such taxpayers are listed in the table below.

Taxpayer	Nature of Business	Taxable Assessed Value	Percentage of Total Taxable Assessed Value[(1)]
Georgia Power	Utility	$210,820,960	0.18%
Amazon.com Services LLC	Retail	185,406,906	0.15
Mall of Georgia LLC	Real Estate	117,624,880	0.10
Publix Super Markets Inc.	Retail	137,720,606	0.11
Jackson EMC	Utility	89,221,040	0.07
Prologis Inc.	Real Estate	77,008,720	0.06
Atlanta Gas Light	Utility	62,616,520	0.05
2018-4 IH Borrower LP	Home rental	53,829,200	0.04
Intuitive Surgical Inc.	Biotechnology	54,480,266	0.05
McKesson Corporation	Healthcare	53,764,180	0.04

____

(1) Based on the 2023 final tax digest dated February 14, 2024, which is the state certified digest updated with additional adjustments made during the year.

Source: Gwinnett County Comprehensive Annual Financial Report - Year Ended December 31, 2023; Tax Assessor's Office.

TAX MATTERS

General Matters. Kutak Rock LLP, Bond Counsel, is not rendering any opinion with respect to the treatment of interest on the Series 2024 Bonds for federal income tax purposes. The proposed form of opinion of Bond Counsel is included in APPENDIX D attached to this Official Statement.

The following is a summary of certain anticipated federal income tax consequences of the purchase, ownership and disposition of the Series 2024 Bonds under the Internal Revenue Code of 1986, as amended (the "**Code**") and the related regulations, and the judicial and administrative rulings and court decisions now in effect, all of which are subject to change or possible differing interpretations. The summary does not purport to address all aspects of federal income taxation that may affect particular investors in light of their individual circumstances, nor certain types of investors subject to special treatment under the federal income tax laws. Potential purchasers of the Series 2024 Bonds should consult their own tax advisors in determining the federal, state or local tax consequences to them of the purchase, holding and disposition of the Series 2024 Bonds.

In general, interest paid on the Series 2024 Bonds, original issue discount, if any, and market discount, if any, will be treated as ordinary income to the owners of the Series 2024 Bonds, and principal payments (excluding the portion of such payments, if any, characterized as original issue discount or accrued market discount) will be treated as a return of capital.

Bond Premium. An investor that acquires a Series 2024 Bond for a cost greater than its remaining stated redemption price at maturity and holds such bond as a capital asset will be considered to have purchased such bond at a premium. Such premium may generally be amortized under the constant yield method upon prior election permitted by Section 171(c) of the Code and, if so amortized, any call options of the Agency with respect to the Series 2024 Bonds are generally disregarded such that the instruments are amortized to their maturity date. Except as may be provided by regulation, amortized premium will be allocated among, and treated as an offset to, interest payments. The basis reduction requirements of Section 1016(a)(5) of the Code apply to amortizable bond premium that reduces interest payments under Section 171 of the Code. Investors of any Series 2024 Bond purchased with a bond premium should consult their own tax advisors as to the effect of such bond premium with respect to their own tax situation and as to the treatment of bond premium for state tax purposes.

Unearned Income Medicare Contribution Tax. Pursuant to Section 1411 of the Code, as enacted by the Health Care and Education Reconciliation Act of 2010, an additional tax is imposed on individuals earning certain investment income. Holders of the Series 2024 Bonds should consult their own tax advisors regarding the application of this tax to interest earned on the Series 2024 Bonds and to gain on the sale of a Series 2024 Bond.

Sales or Other Dispositions. If an owner of a Series 2024 Bond sells the bond, such person will recognize gain or loss equal to the difference between the amount realized on such sale and such owner's basis in such bond. Ordinarily, such gain or loss will be treated as a capital gain or loss.

If the terms of a Series 2024 Bond were materially modified, in certain circumstances, a new debt obligation would be deemed created and exchanged for the prior obligation in a taxable transaction. Among the modifications that may be treated as material are those that relate to redemption provisions and, in the case of a nonrecourse obligation, those which involve the substitution of collateral. Each potential owner of a Series 2024 Bond should consult its own tax advisor concerning the circumstances in which such bond would be deemed reissued and the likely effects, if any, of such reissuance.

Defeasance. The legal defeasance of the Series 2024 Bonds may result in a deemed sale or exchange of such bonds under certain circumstances. Owners of such Series 2024 Bonds should consult their tax advisors as to the federal income tax consequences of such a defeasance.

Backup Withholding. An owner of a Series 2024 Bond may be subject to backup withholding at the applicable rate determined by statute with respect to interest paid with respect to the Series 2024 Bonds, if such owner, upon issuance of the Series 2024 Bonds, fails to provide to any person required to collect such information pursuant to Section 6049 of the Code with such owner's taxpayer identification number, furnishes an incorrect taxpayer identification number, fails to report interest, dividends or other "reportable payments" (as defined in the Code) properly, or, under certain circumstances, fails to provide such persons with a certified statement, under penalty of perjury, that such owner is not subject to backup withholding.

Foreign Investors. An owner of a Series 2024 Bond that is not a "United States person" (as defined below) and is not subject to federal income tax as a result of any direct or indirect connection to the United States of America in addition to its ownership of a Series 2024 Bond will generally not be subject to United States income or withholding tax in respect of a payment on a Series 2024 Bond, provided that the owner complies to the extent necessary with certain identification requirements (including delivery of a statement, signed by the owner under penalties of perjury, certifying that such owner is not a United States person and providing the name and address of such owner). For this purpose the term "United States person" means a citizen or resident of the United States of America, a corporation, partnership or other entity created or organized in or under the laws of the United States of America or any political subdivision thereof, or an estate or trust whose income from sources within the United States of America is includable in gross income for United States of America income tax purposes regardless of its connection with the conduct of a trade or business within the United States of America.

Except as explained in the preceding paragraph and subject to the provisions of any applicable tax treaty, a 30 percent United States withholding tax will apply to interest paid and original issue discount accruing on Series 2024 Bonds owned by foreign investors. In those instances in which payments of interest on the Series 2024 Bonds continue to be subject to withholding, special rules apply with respect to the withholding of tax on payments of interest on, or the sale or exchange of Series 2024 Bonds having original issue discount and held by foreign investors. Potential investors that are foreign persons should consult their own tax advisors regarding the specific tax consequences to them of owning a Series 2024 Bond.

Tax-Exempt Investors. In general, an entity that is exempt from federal income tax under the provisions of Section 501 of the Code is subject to tax on its unrelated business taxable income. An unrelated trade or business is any trade or business that is not substantially related to the purpose that forms the basis for such entity's exemption. However, under the provisions of Section 512 of the Code, interest may be excluded from the calculation of unrelated business taxable income unless the obligation that gave rise to such interest is subject to acquisition indebtedness. Therefore, except to the extent any owner of a Series 2024 Bond incurs acquisition indebtedness with respect to such bond, interest paid or accrued with respect to such owner may be excluded by such tax-exempt owner from the calculation of unrelated business taxable income. Each potential tax-exempt holder of a Series 2024 Bond is urged to consult its own tax advisor regarding the application of these provisions.

ERISA Considerations. The Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), imposes certain requirements on "employee benefit plans" (as defined in Section 3(3) of ERISA) subject to ERISA, including entities whose underlying assets are considered to include "plan assets" (within the meaning of 29 C.F.R. Section 2510.3 (as modified by Section 3(42) of ERISA), such as collective investment funds and separate accounts whose underlying assets include the assets of such plans (collectively, "**ERISA Plans**," and together with arrangements that are subject to Section 4975 of the Code or similar provisions under any other federal, state, local, non-United States or other laws or regulations or similar law, as applicable, "**Plans**") and on those persons who are fiduciaries with respect to ERISA Plans. Investments by ERISA Plans are subject to ERISA's general fiduciary requirements, including the requirement of investment prudence and diversification and the requirement that an ERISA Plan's investments be made in accordance with the documents governing the ERISA Plan. The prudence of any investment by an ERISA Plan in the Series 2024 Bonds must be determined by the responsible fiduciary of the ERISA Plan by taking into account the ERISA Plan's particular circumstances and all of the facts and circumstances of the investment. Government and non-electing church plans are generally not subject to ERISA. However, such plans may be subject to similar or other restrictions under state or local law.

In addition, ERISA and the Code generally prohibit certain transactions between an ERISA Plan or a qualified employee benefit plan under the Code and persons who, with respect to that plan, are fiduciaries or other "parties in interest" within the meaning of ERISA or "disqualified persons" within the meaning of the Code. In the absence of an applicable statutory, class or administrative exemption, transactions between an ERISA Plan and a party in interest with respect to an ERISA Plan, including the acquisition by one from the other of the Series 2024 Bonds could be viewed as violating those prohibitions. In addition, Section 4975 of the Code prohibits transactions between certain tax-favored vehicles such as Individual Retirement Accounts and disqualified persons. Section 503 of the Code includes similar restrictions with respect to governmental and church plans. In this regard, the Agency or any dealer of the Series 2024 Bonds might be considered or might become a "party in interest" within the meaning of ERISA or a "disqualified person" within the meaning of the Code, with respect to an ERISA Plan or a plan or arrangement subject to Sections 4975 or 503 of the Code. Prohibited transactions within the meaning of ERISA and the Code may arise if the Series 2024 Bonds are acquired by such plans or arrangements with respect to which the Agency or any dealer is a party in interest or disqualified person.

In all events, fiduciaries of ERISA Plans and plans or arrangements subject to the above sections of the Code, in consultation with their advisors, should carefully consider the impact of ERISA and the Code on an investment in the Series 2024 Bonds. The sale of the Series 2024 Bonds to a plan is in no respect a representation by the Agency or the Underwriter that such an investment meets the relevant legal requirements with respect to benefit plans generally or any particular plan. Any plan proposing to invest in the Series 2024 Bonds should consult with its counsel to confirm that such investment is permitted under the plan documents and will not result in a non-exempt prohibited transaction and will satisfy the other requirements of ERISA, the Code and other applicable law.

Neither the Agency nor the Underwriter is acting as a fiduciary, or undertaking to provide impartial investment advice, or to give advice in a fiduciary capacity, to such purchaser or transferee with respect to the decision to purchase or hold the Series 2024 Bonds or an interest in the Series 2024 Bonds.

The foregoing discussion is general in nature and is not intended to be all-inclusive. Due to the complexity of these rules and the penalties that may be imposed on persons involved in non-exempt prohibited transactions, it is particularly important that fiduciaries, or other persons considering purchasing the Series 2024 Bonds on behalf of, or with the assets of, any Plan, consult with their counsel regarding the potential applicability of ERISA, Section 4975 of the Code and any similar laws to such investment and whether an exemption would be applicable to the purchase and holding of the Series 2024 Bonds.

Georgia Income Tax Treatment. In the opinion of Bond Counsel, under existing statutes, interest on the Series 2024 Bonds is exempt from all present state income taxation within the State of Georgia. Interest on the Series 2024 Bonds may or may not be subject to state or local income taxation in jurisdictions other than Georgia under applicable state or local laws. Purchasers of the Series 2024 Bonds should consult their tax advisors as to the taxable status of the Series 2024 Bonds in a particular state or local jurisdiction other than Georgia.

Changes in Federal and State Tax Law. From time to time, there are legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to under this heading "TAX MATTERS" or adversely affect the market value of the Series 2024 Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Series 2024 Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Series 2024 Bonds or the market value thereof would be impacted thereby. Purchasers of the Series 2024 Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based on existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Series 2024 Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending legislation, regulatory initiatives or litigation.

PROSPECTIVE PURCHASERS OF THE SERIES 2024 BONDS ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS PRIOR TO ANY PURCHASE OF THE SERIES 2024 BONDS AS TO THE IMPACT OF THE CODE UPON THEIR ACQUISITION, HOLDING OR DISPOSITION OF THE SERIES 2024 BONDS.

LEGAL MATTERS

Pending Litigation

The County, like other similar bodies, is subject to a variety of suits and proceedings arising in the ordinary conduct of its affairs. The County, after reviewing the current status of all pending and threatened litigation (other than that described below) with its County Attorney, Michael P. Ludwiczak, Esq., believes that, while the outcome of litigation cannot be predicted, the final settlement of all lawsuits which have been filed and of any actions or claims pending or threatened against the County or its officials in such capacity are adequately covered by insurance or sovereign immunity or will not have material adverse effect upon the financial position or results of operations of the County.

There is no litigation now pending or, to the knowledge of the Agency or the County, threatened against the Agency or the County which restrains or enjoins the issuance or delivery of the Series 2024 Bonds, the execution, delivery or performance of the Contract, or the use of the proceeds of the Series 2024 Bonds or which questions or contests the validity of the Series 2024 Bonds, the Contract or the proceedings and authority under which they are to be issued, executed and delivered. Neither the creation or the existence of the Agency nor the County is being contested or questioned.

Opinion of Bond Counsel

Legal matters incident to the authorization, validity, and issuance of the Series 2024 Bonds are subject to the unqualified approving opinion of Kutak Rock LLP, Bond Counsel. The form of the opinion of Bond Counsel is attached to this Official Statement as APPENDIX D. Copies of such opinion will be available at the time of the initial delivery of the Series 2024 Bonds.

Validation Proceedings

The Agency instituted proceedings in the Superior Court of Gwinnett County, Georgia to validate the Series 2024 Bonds and the security therefor. A final judgment confirming and validating the Series 2024 Bonds and the security therefor was entered on October 14, 2024. Under the law of the State of Georgia, the judgment of validation is forever conclusive with respect to the validity of the Series 2024 Bonds and the security therefor against the Agency and the County.

Closing Certificates

The Agency and the County will deliver to the original purchaser a certificate that no litigation is pending or threatened against it which would have a material effect on the issuance or validity of the Series 2024 Bonds or the execution, delivery and performance of the Contract or on the financial condition of the County. In addition, the Agency and the County will represent to the original purchaser that the information contained in this Official Statement does not contain any misrepresentation of a material fact and does not omit or state any material fact necessary to make the statements herein contained, in light of the circumstances under which they were made, not misleading.

MISCELLANEOUS

Ratings

Moody's Investors Services, Inc. has assigned a credit rating for the Series 2024 Bonds of "Aaa." Fitch Ratings, Inc. has assigned a credit rating for the Series 2024 Bonds of "AAA." S&P Global Ratings, a division of Standard & Poor's Financial Services LLC has assigned a credit rating for the Series 2024 Bonds of "AAA." The ratings reflect only the views of the rating agency, and an explanation of the significance of such ratings may be obtained from the rating agency furnishing such ratings. There is no assurance that such ratings will remain unchanged for any given period of time or that the ratings will not be revised downward or withdrawn entirely by the rating agency furnishing the same, if, in its judgment, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the liquidity and market price of the Series 2024 Bonds. Neither the Agency nor the County has undertaken any responsibility to oppose any such revision, suspension or withdrawal.

Competitive Sale

The Series 2024 Bonds are being purchased by Piper Sandler & Co. (the "**Underwriter**") as the successful bidder pursuant to a competitive sale. The Underwriter has agreed to purchase the Series 2024 Bonds at a purchase price of $17,303,757.40 (representing par, plus original issue premium of $110,934.75, less an underwriting discount of $12,177.35). The Underwriter will be obligated to purchase all of the Series 2024 Bonds if any are purchased. The prices of the Series 2024 Bonds may be changed by the Underwriter after the Series 2024 Bonds are released for sale, and the Series 2024 Bonds may be offered and sold by the Underwriter at prices other than the initial offering prices, including sales to dealers who may sell the Series 2024 Bonds to investment accounts.

Independent Auditors

The financial statements of the County as of December 31, 2023, and for the year then ended, included in Appendix A to this Official Statement have been audited by Mauldin & Jenkins, LLC, independent auditors, to the extent indicated in its report thereon, which appears in APPENDIX A. Such financial statements have been included herein in reliance upon the report of Mauldin & Jenkins, LLC. Mauldin & Jenkins, LLC has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. Mauldin & Jenkins, LLC also has not performed any procedures relating to this Official Statement.

Financial Advisor

PFM Financial Advisors LLC, Atlanta, Georgia is serving as Financial Advisor to the Agency and the County with respect to the issuance of the Series 2024 Bonds. The Financial Advisor will not engage in any underwriting activities with regard to the issuance and sale of the Series 2024 Bonds. The Financial Advisor is not obligated to undertake and has not undertaken to make an independent verification or to assume responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement and is not obligated to review or ensure compliance with the undertaking by the Agency to provide continuing secondary market disclosure.

Continuing Disclosure

Pursuant to the Disclosure Agreement, the County will undertake to provide disclosure of certain financial and operating data, including financial statements, on an annual basis and notice of the occurrence of certain events on an ongoing basis, to the Municipal Securities Rulemaking Board via its Electronic Municipal Market Access website (www.emma.msrb.org) for the benefit of the Beneficial Owners. The County is entering into the Disclosure Agreement to allow the original purchaser of the Series 2024 Bonds to comply with Rule 15c2-12. The obligations of the County under the Disclosure Agreement terminate upon the legal defeasance, prior redemption or payment in full of all of the Series 2024 Bonds. The Disclosure Agreement may be amended or modified without the consent of the owners of the Series 2024 Bonds under certain circumstances. The proposed form of the Disclosure Agreement is set forth in APPENDIX E hereto.

In the previous five years, the County has complied, in all material respects, with its existing continuing disclosure obligations.

Additional Information

Use of the words "shall" or "will" in this Official Statement in summaries of documents to describe future events or continuing obligations is not intended as a representation that such event or obligation will occur but only that the document contemplates or requires such event to occur or obligation to be fulfilled.

Any statements made in this Official Statement involving estimates or matters of opinion, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates or matters of opinion will be realized. Neither this Official Statement nor any statement which may have been made orally or in writing is to be construed as a contract with the owners of the Series 2024 Bonds.

[Remainder of Page Intentionally Left Blank]

CERTIFICATION

The execution and delivery of this Official Statement, and its distribution and use by the Underwriter, have been duly authorized and approved by the Agency and the County.

URBAN REDEVELOPMENT AGENCY OF GWINNETT COUNTY, GEORGIA

By: /s/ Nicole L. Hendrickson
Nicole L. Hendrickson, Chairwoman

GWINNETT COUNTY, GEORGIA

By: /s/ Nicole L. Hendrickson
Nicole L. Hendrickson, Chairwoman
Gwinnett County Board of Commissioners

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX A

AUDITED FINANCIAL STATEMENTS OF GWINNETT COUNTY FOR THE FISCAL YEAR ENDED DECEMBER 31, 2023

[THIS PAGE INTENTIONALLY LEFT BLANK]

FINANCIAL SECTION

Independent Auditors' Report
Management's Discussion and Analysis

MAULDIN & JENKINS
CPAs & ADVISORS

INDEPENDENT AUDITORS' REPORT

The Board of Commissioners of Gwinnett County
Lawrenceville, Georgia

Report on the Audit of Financial Statements

Opinions

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, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of other auditor's, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund, Fire and EMS District Fund, Police Services District Fund, CARES Act Grant Fund, and the ARPA Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Gwinnett County Health Department, which represents 12%, 86%, and 48%, respectively, of the assets and deferred outflows of resources, net position, and revenues of the aggregate discretely presented component units as of December 31, 2023, and the respective changes in financial position for the year then ended. Those statements were audited by other auditor's whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Gwinnett County Health Department, is based solely on the report of the other auditor's.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As described in Note 1 to the financial statements, the County adopted the provisions of Governmental Accounting Standards Board Statement No. 96, *Subscription Based Information Technology Arrangement*, as of January 1, 2023. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit 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 County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

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 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 Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2024, 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 County's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

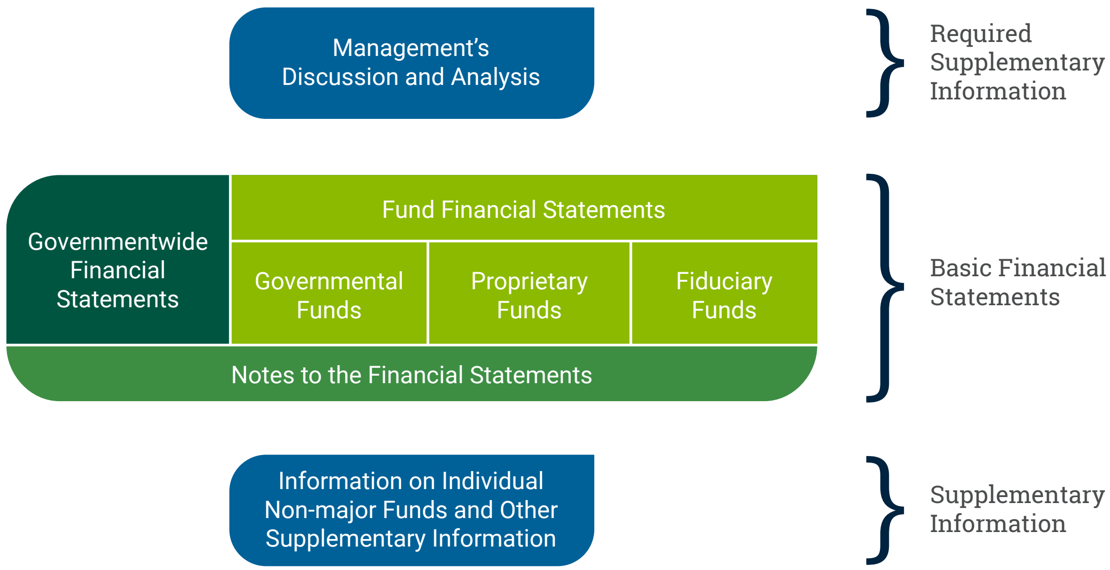
Atlanta, Georgia
June 26, 2024

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, 2023. 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 75 – 77 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 44 – 47 of this report. The component unit combining statements are presented on pages 68 – 70.

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 (Street Lighting, Speed Hump, Opioid Remediation, 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, District Attorney Special State, Corrections Inmate Welfare, Sheriff Inmate, E-911, Fire and Emergency Medical Services District, Loganville Emergency Medical Services District, Development and Enforcement District, Recreation District, Police Services District, Economic Development Tax, Jimmy Carter Boulevard TAD, Indian Trail TAD, Park Place TAD, Lake Lucerne TAD, Gwinnett Place TAD, The Exchange at Gwinnett Tax Allocation District, *CARES Act* Grant, ARPA Fund, Emergency Rental Assistance Fund, and Miscellaneous Grant); Capital Projects (2014 Sales Tax, 2017 Sales Tax, 2023 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, Police Services District, *CARES Act* Grant, ARPA Fund, Other Capital Projects, 2014 Sales Tax, 2017 Sales Tax, and 2023 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 75 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***, ***CARES Act Grant Fund***, and ***American Rescue Plan Act (ARPA) Fund***. These statements are found on pages 54 – 59. The basic governmental fund financial statements can be found on pages 48 – 53.

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 60 – 65 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, 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 66. The County also maintains fiduciary funds for Pension and Other Post-Employment Benefits trust funds. These funds are aggregated and presented on pages 66 – 67.

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 71 – 139 of this report.

FINANCIAL HIGHLIGHTS

- Gwinnett County's assets and deferred outflows of resources exceeded liabilities and deferred inflows at December 31, 2023, by $8,777,948,000 (net position). Of this amount, $707,507,000 (unrestricted net position) may be used to meet the government's ongoing obligations to residents and creditors. For more information, see page 29.
- As of December 31, 2023, the County's governmental funds reported combined fund balances of $1,705,204,000, an increase of $201,382,000, or 13.4 percent, when compared to the prior year. Of the $1,705,204,000 total governmental fund balance, $196,038,000 remains in the General Fund as unassigned. For more information, see pages 34 – 36.
- At December 31, 2023, the County's General Fund reported a fund balance of $238,666,000, an increase of $9,229,000, or 4.0 percent, when compared to the prior year. For more information, see page 35.
- As of December 31, 2023, the County's enterprise funds reported a combined net position of $4,468,138,000, an increase of $148,143,000, or 3.4 percent, when compared to the prior year. Of the $4,468,138,000 total enterprise fund net position, $435,261,000 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 pages 32 – 33.
- Since 1997, the County has maintained a AAA credit rating from each of the three rating agencies that review public sector debt.
- In 2023, the County received 50 new grants totaling $51.5 million. Over $72.8 million in grant funds were expended from a total of 243 active grants representing funding from 9 federal agencies. Over $16 million of this was expended by subrecipient agencies.
- Personal Services expenses for salaries and benefits increased in the County's governmental and business-type funds by approximately $15.3 million or 2.5 percent. Some of the main reasons for this increase include the creation of new positions in 2023, a market adjustment in September 2023, and pay-for-performance increases.
- Investment income revenues increased by $47.8 million across all funds as a result of the rate increases by the Federal Reserve Bank in 2022 and 2023.

GOVERNMENTWIDE FINANCIAL ANALYSIS

As previously noted, over time, net position serves as a useful indicator of a government's financial position. In 2023, Gwinnett County's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $8,777,948,000 at the close of the most recent fiscal year. This represents an increase of $428,330,000, or 5.1 percent, from fiscal year 2022.

Gwinnett County's Net Position
(in thousands)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
Current and other assets	$ 2,246,695	$ 1,984,133	$ 704,053	$ 695,622	$ 2,950,748	$ 2,679,755
Capital assets	3,038,075	2,913,358	4,475,859	4,375,649	7,513,934	7,289,007
Total assets	5,284,770	4,897,491	5,179,912	5,071,271	10,464,682	9,968,762
Deferred outflows of resources	75,306	164,909	13,033	27,338	88,339	192,247
Long-term liabilities outstanding	789,523	780,187	549,788	635,789	1,339,311	1,415,976
Other liabilities	226,105	212,073	131,422	124,123	357,527	336,196
Total liabilities	1,015,628	992,260	681,210	759,912	1,696,838	1,752,172
Deferred inflows of resources	37,835	42,395	40,400	16,824	78,235	59,219
Net position:						
Net investment in capital assets	2,915,840	2,673,237	3,999,293	3,874,921	6,915,133	6,548,158
Restricted	1,121,724	1,005,091	33,584	33,229	1,155,308	1,038,320
Unrestricted	269,049	349,417	438,458	413,723	707,507	763,140
Total net position	$ 4,306,613	$ 4,027,745	$ 4,471,335	$ 4,321,873	$ 8,777,948	$ 8,349,618

By far, the largest portion of the County's net position (78.8 percent) at December 31, 2023, 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 (13.2 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position ($707,507,000) 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 16*.

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 2022.

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

	Governmental Activities		Business-type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
Revenues						
Program revenues:						
Charges for services	$ 126,866	$ 120,082	$ 487,855	$ 461,259	$ 614,721	$ 581,341
Operating grants and contributions	47,992	49,943	8,766	8,803	56,758	58,746
Capital grants and contributions	61,515	88,487	102,366	90,575	163,881	179,062
General revenues:						
Property taxes	769,162	680,675	—	—	769,162	680,675
Sales taxes	237,600	236,257	—	—	237,600	236,257
Other taxes	117,223	106,108	—	—	117,223	106,108
Investment income	54,603	24,884	24,963	6,893	79,566	31,777
Other miscellaneous	10,146	11,724	—	—	10,146	11,724
Total revenues	1,425,107	1,318,160	623,950	567,530	2,049,057	1,885,690
Expenses						
General government	90,267	117,995	—	—	90,267	117,995
Public safety	380,189	353,082	—	—	380,189	353,082
Judiciary	252,379	216,834	—	—	252,379	216,834
Public works	191,829	161,216	—	—	191,829	161,216
Health and welfare	25,844	57,332	—	—	25,844	57,332
Culture and recreation	123,448	121,617	—	—	123,448	121,617
Housing and development	45,508	60,745	—	—	45,508	60,745
Tourism	5,003	5,247	—	—	5,003	5,247
Development authority	9,870	7,619	—	—	9,870	7,619
Interest on long-term debt	2,502	2,502	—	—	2,502	2,502
Water and sewer	—	—	376,674	324,026	376,674	324,026
Airport	—	—	2,623	2,452	2,623	2,452
Economic development	—	—	4,939	5,784	4,939	5,784
Solid waste	—	—	54,875	46,703	54,875	46,703
Stormwater	—	—	25,455	29,066	25,455	29,066
Transit	—	—	29,322	20,924	29,322	20,924
Total expenses	1,126,839	1,104,189	493,888	428,955	1,620,727	1,533,144
Increase in net position before transfers	298,268	213,971	130,062	138,575	428,330	352,546
Transfers	(19,400)	(21,865)	19,400	21,865	—	—
Increase in net position after transfers	278,868	192,106	149,462	160,440	428,330	352,546
Net position – January 1	4,027,745	3,835,639	4,321,873	4,161,433	8,349,618	7,997,072
Net position – December 31	$ 4,306,613	$ 4,027,745	$ 4,471,335	$ 4,321,873	$ 8,777,948	$ 8,349,618

Governmental activities: Governmental activities increased the County's net position by $278,868,000, thereby accounting for 65.1 percent of the total growth in net position.

- Revenues increased by $106.9 million, primarily due to increases in property taxes ($88.5 million), investment income ($29.7 million), other taxes ($11.1 million), charges for services ($6.8 million), and sales taxes ($1.3 million). These increases are offset by decreases in capital grants and contributions ($27.0 million), operating grants and contributions ($2.0 million), and other revenues ($1.6 million). The increase in property taxes is attributable to an improving digest characterized by rising home values and new construction. Investment income increased due to rising interest rates in 2022 and 2023.

- General government expenses decreased by $27.7 million, primarily from a decrease in the mark-to market adjustment ($33.5 million), grants-related expenses for the ARPA fund ($11.0 million), personal services ($1.1 million), and internal fund transfers ($1.0 million). These decreases were partially offset by increases in general operating expenses ($12.6 million), intergovernmental payments to cities within the SPLOST program ($4.2 million), and contributions for self-funded insurance and indirect costs ($1.7 million).

- Public safety expenses increased by $27.1 million, primarily from increases in contributions for self-funded insurance and indirect costs ($13.2 million), pension-related expenses ($13.2 million), general operating expenses ($8.9 million), and personal services resulting from an increase in the number of positions and pay increases ($4.2 million). The increases were partially offset by decreases in internal service fund expense allocations of ($9.0 million) in the governmentwide statements and OPEB-related expenses ($3.3 million).

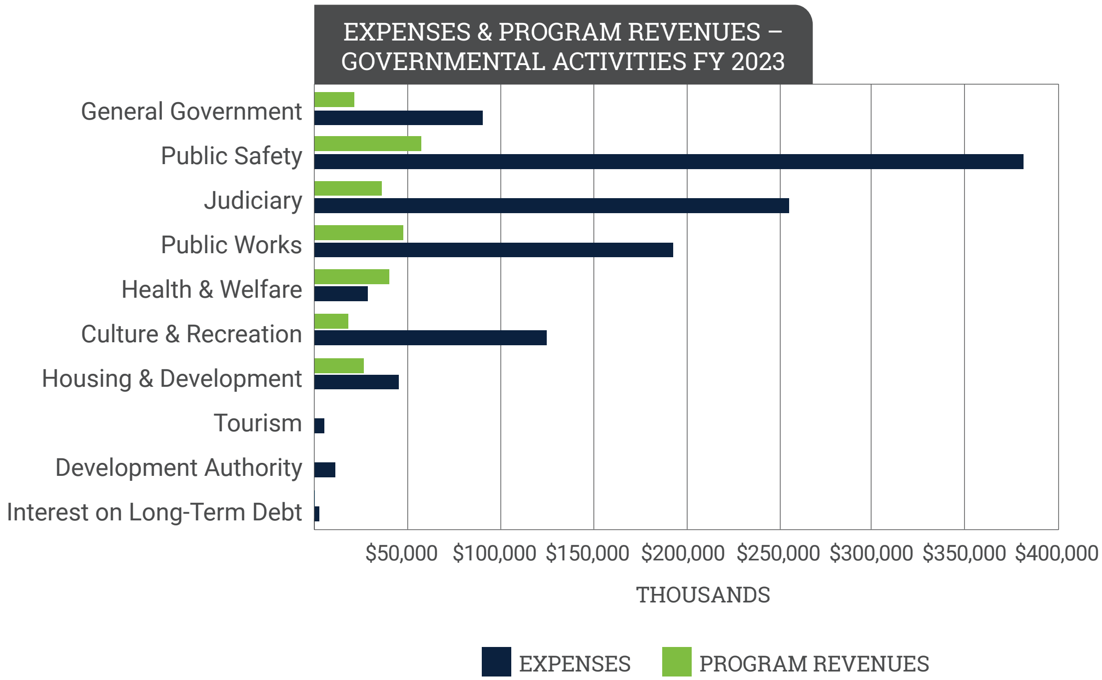
- Judiciary expenses increased by $35.5 million, primarily due to increases in general operating expenses ($26.5 million), contributions to self-funded insurance and indirect costs ($9.7 million), personal services ($1.5 million), grant-related expenses for the ARPA fund ($1.2 million), and pension-related expenses ($4.4 million). These increases were partially offset by decreases in internal service fund expense allocations of ($5.9 million) in the governmentwide statements and OPEB-related expenses ($2.1 million).

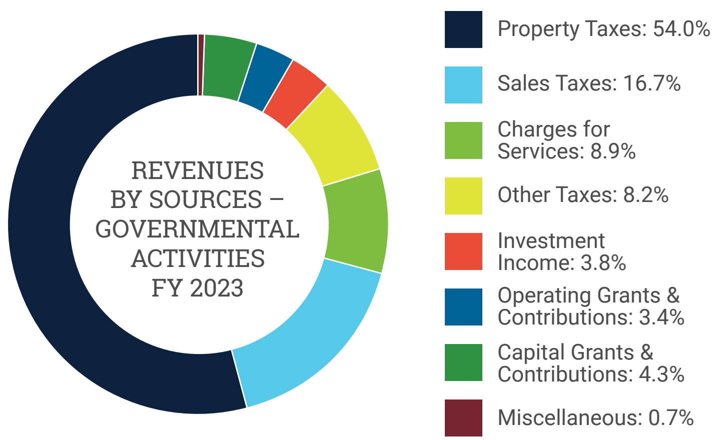
- Public works expenses increased by $30.6 million, primarily due to increases in operating expenses ($29.1 million) and personal services ($1.2 million).

- Housing and development expenses decreased by $15.2 million, primarily due to decreases in operating expenses ($16.6 million) and grant-related expenses for the ARPA fund ($6.0 million). These decreases were partially offset by increases in personal services ($1.6 million), intergovernmental payments to others ($5.1 million), mainly related to Economic Development bond projects, and contributions to self-funded insurance and indirect costs ($1.0 million).

- Culture and recreation expenses increased by $1.8 million, primarily due to increases in the Gwinnett County Public Library subsidy payments ($3.5 million), personal services ($1.5 million), and contributions to self-funded insurance and direct costs ($1.3 million). These increases were partially offset by decreases in general operation expenses ($2.7 million) and internal service fund expense allocations ($2.4 million) in the governmentwide statements.

- Health and welfare expenses decreased by $31.5 million primarily due to decreases in intergovernmental payments to others related to the end of various grant programs ($36.2 million) and personal services ($2.7 million). These decreases were partially offset by increases in general operating expenses ($7.3 million).

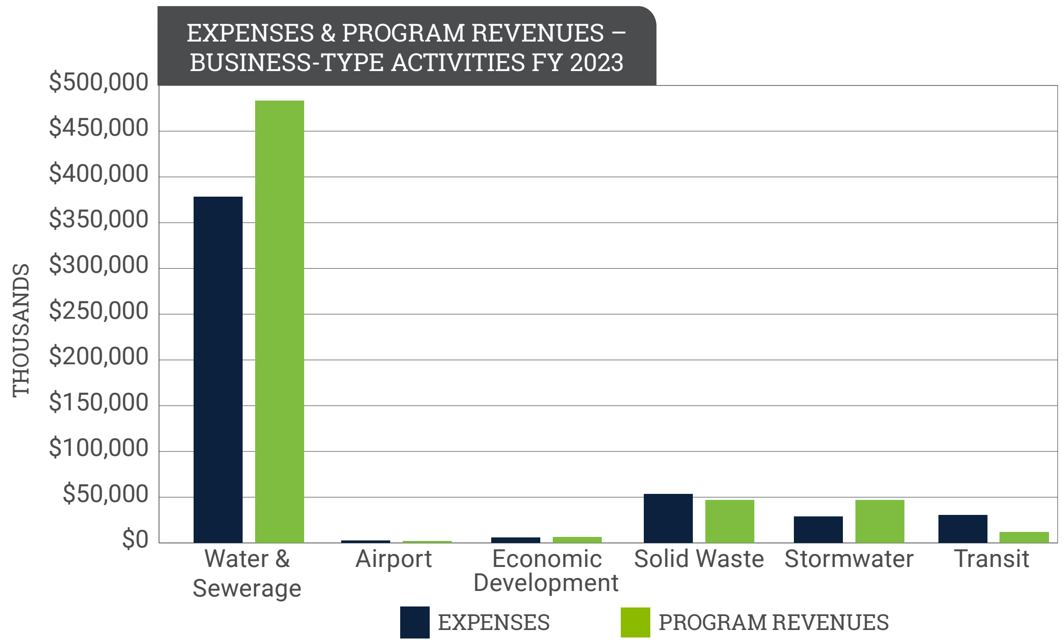


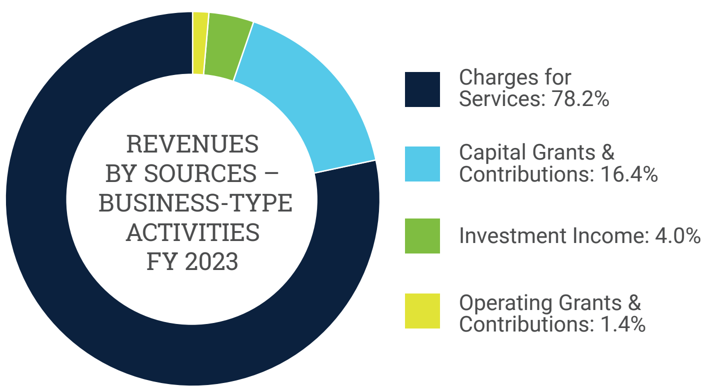


Business-type activities: Business-type activities increased the County's net position by $149,462,000, accounting for 34.9 percent of the total growth in the government's net position. Key elements of this increase were as follows:

- In 2023, the Water and Sewerage Fund reported an increase in net position of 123,375,000, which was 10.4% less than the 2022 increase in net position. The primary factors contributing to the 2023 increase in net position include operating income of $74.3 million and capital contributions of $84.5 million (from system development charges and developer donations of capital assets). Revenues were up 6.1 percent compared to the prior year due to rate increases approved in 2020. Operating expenses increased $23.7 million, or 7.9 percent, from the prior year. The increase was primarily attributable to increases in general and administrative expenses ($10.0 million), distribution and collection ($5.5 million), reclamation ($3.8 million), depreciation ($1.8 million), water production ($1.7 million), and engineering ($0.9 million).

- The Stormwater Fund reported operating income of $6.5 million, which was $3.1 million higher than 2022. The fund ended the year with an increase in net position of $24,177,000, which is up $14.2 million from the 2022 increase in net position. Revenues were up 1.2 percent compared to the prior year. Operating expenses decreased $2.8 million, or 9.9 percent from prior year. The decrease in operating expenses was primarily due to decrease in non-capitalized projects ($3.6 million). The decrease was offset by increases in general and administrative expenses ($0.5 million) and depreciation ($0.3 million).
- The Airport Fund reported an increase in net position of $277,000, which was an increase of approximately $0.3 million from the 2022 change in net position primarily due to an increase in capital contributions related to federal grants for airport improvements compared to 2022.
- The Solid Waste Fund reported a decrease in net position of $2.9 million, which was approximately $2.1 million less than the 2022 change in net position. This decrease to the change in net position was primarily due to an increase in operating expenses of $9.7 million which were offset by increases in operating revenue ($3.8 million) and investment earnings ($3.7 million).
- The Transit Fund reported an increase in net position of $2.2 million, which was approximately $9.6 million less than the 2022 change in net position. This decrease to the change in net position was primarily due to an increase in operating expense of $9.2 million and decrease in contributions from the General fund for future transit needs ($0.7 million) which was offset by an increase in investment earnings ($1.5 million).
- The Economic Development Fund reported an increase in net position of $1.0 million, which was approximately $1.6 million less than the 2022 change in net position, primarily due to an decrease in transfers from other funds when compared to 2022.





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 balances 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 2023, the County's governmental funds reported combined ending fund balances of $1,705,204,000, an increase of $201,382,000 in comparison with the prior year. This increase is approximately $54.5 million greater than the 2022 increase in fund balances. Overall, revenues were up $147.3 million and expenditures were up $79.6 million. Net other financing sources were down $13.2 million.

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

- An increase in property tax revenues of $88.5 million due to increasing home values and new construction
- An increase investment income of $92.2 million, primarily due to a favorable investment environment with higher interest rates compared to 2022
- An increase in charges for services of $5.1 million due to an increase in recreation classes, facility rentals, and increased activity in the courts
- An increase in other tax revenue of $7.7 million including insurance premium, vehicle, excise, and business and occupational taxes. The increase is offset by a decrease in intangible recording taxes of $3.5 million
- An increase in sales tax revenue of $1.3 million
- An increase in fines and forfeitures of $1.2 million due to increased activity in the courts
- An increase in hotel/motel tax revenue of $0.6 million, mainly due to increased average daily rate
- A decrease in intergovernmental revenues of $49.1 million due to the end of various grant programs related to the COVID-19 pandemic
- A decrease in miscellaneous revenues of $1.6 million
- A decrease in permits and licenses of $0.2 million

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

- An increase in capital expenditures of $47.2 million. Capital outlay expenditures fluctuate from year to year as new projects are started and others are completed.
- Capital projects completed in 2023 included Gas South Convention Center expansion and construction of the Snellville branch library, Time Division Multiple Access transition, multiple road improvement projects, and multiple park renovations. *See page 38 for more information.*
- An increase of $33.2 million in operating expenses for repairs and maintenance, court support fees, and computer supplies.
- An increase of $27.4 million in contributions for self-funded insurance and indirect costs.

- An increase of $6.1 million in personal services for new positions and a market adjustment in September.
- An increase of $4.7 million in contributions to the Development Authority related to the Rowen Knowledge Community.
- A decrease of $39.0 million in Emergency Rental Assistance Program expenditures as remaining funding was spent in 2022.

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 $196,038,000, 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 49.6 percent of General Fund expenditures. Total fund balance increased $9.2 million, as compared to an increase of $15.4 million in 2022. This decrease of approximately $6.2 million in operating results compared to 2022 is attributed to a combination of factors:

- An increase in expenditures of $39.9 million due to an increase in general operating expenditures of $22.8 million, primarily related to increases in professional services, an increase in contributions to internal service funds of $12.3 million for indirect cost allocations, and an increase of $3.2 million in personal services due to new positions, a market adjustment in September, and pay-for-performance increases.
- An increase in transfers to other funds of $21.7 million, mainly due to an increase in transfers to capital funds ($22.2 million) for planned projects.
- An increase in revenues of $55.3 million, primarily due to increases in real and personal property taxes, charges for services, motor vehicle *ad valorem* tax, and investment income, offset by slight decreases in permits and licenses, intergovernmental, fines and forfeitures, and miscellaneous revenues.

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 2023, restricted fund balance was $92,162,000, which is above the required fund balance reserve of three months of normal operating expenditures and represents an increase of $10.3 million from the fiscal year 2022 restricted fund balance. Revenues increased $23.3 million, primarily due to an increase in property tax revenues resulting from an increasing digest as well as an increases in investment income and charges for services. Expenditures increased $10.1 million, primarily due to increases in contributions to self-funded insurance and indirect costs of $5.2 million, personal services salary and overtime costs of $3.3 million associated with a market adjustment in September, pay-for-performance increases and new positions, as well as an increase in operating expenditures of $1.9 million.

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 2023, restricted fund balance was $117,633,000, which is above the required fund balance reserve of three months of operating expenditures. Total fund balance increased $10.7 million from the fiscal year 2022 fund balance. Revenues increased $25.1 million, primarily due to increases in property tax and insurance premium tax revenues. Expenditures increased $29.7 million, primarily due to an increase in subscription obligations of $16.9 million. Additionally, expenditures increased in contributions to self-funded insurance and indirect costs ($5.6 million), general operating expenditures ($4.1 million), and personal service costs associated with a market adjustment in September, pay-for-performance increases and new positions ($2.8 million).

The ARPA fund, established in 2021, accounts for funds received under the federal *American Rescue Plan Act* program. At the end of fiscal year 2023, the ARPA fund balance was $8.7 million. Revenues exceeded program expenditures by $6.7 million.

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 2023, the Other Capital Projects Fund balance was $507,093,000, representing an increase of $94.0 million from 2022. Expenditures exceeded revenues by $60.5 million and were offset by transfers in of $138.4 million. In addition, proceeds from issuance of intergovernmental payables were $16.1 million. Transfers to the Other Capital Projects Fund increased approximately $56.0 million from the prior year. Expenditures decreased $8.2 million in 2023 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 38.

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 2023, the 2014 Sales Tax Fund reported a fund balance of $17,495,000. Expenditures exceeded revenues by $21.4 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 2023.

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 2023, the 2017 Sales Tax Fund reported a fund balance of $367,696,000. Revenues were $70.4 million less than expenditures. This is expected as sales tax revenues are no longer being collected under the 2017 program. Capital expenditures continued on eligible projects during fiscal year 2023.

The 2023 Sales Tax Fund accounts for the financial resources provided from the 2023 one percent Special Purpose Local Option Sales Tax. Such funds were approved by voter referendum for capital improvement projects, parks and recreation facilities, public greenspace, new roads and improvements, libraries, and police and fire stations. At the end of fiscal year 2023, the 2023 Sales Tax Fund reported a fund balance of 140,539,000. Revenues exceeded expenditures by 140.5 million.

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 2023 amounted to $329,797,000. This represents an increase of $19.9 million in unrestricted net position from the end of the previous year. The total increase in net position was $123.4 million. Factors concerning the finances of this fund have already been addressed in the discussion of business-type activities on page 32.

GENERAL FUND BUDGETARY HIGHLIGHTS

The original fiscal year 2023 General Fund budget was adopted with a $6.0 million use of fund balance. As of December 31, 2023, there was a budgeted $33.7 million use of fund balance after amendments. Due to salary savings and other budget surpluses, the fund ended the year with a contribution to fund balance of $7.9 million.

Differences between the original budget and the final amended budget resulted in a net increase in budgeted expenditures and transfers out of $53.4 million and can be summarized as follows:

- Increase of $44.3 million in transfers to capital projects and a $7.0 million indirect cost true-up of the 2022 indirect cost plan allocations.
- Increase of $4.9 million in allocations primarily for indigent defense and inmate medical claims.
- Increase of $11.7 million in general operating expenditures, primarily due to a $10.8 million increase in professional services related to inmate healthcare, transport and housing.
- Decrease of $12.8 million in salaries and wages, primarily due to vacancies and retirements for Sheriff.

GENERAL FUND ACTUAL REVENUES AND EXPENDITURES VERSUS BUDGET

Actual revenues were $13.0 million over budget at the end of fiscal year 2023, which was primarily attributable to taxes being over budget by a net of $7.9 million due to an increasing tax digest. Also in 2023, higher than expected revenues in charges for services ($3.2 million), investment income ($686,000), miscellaneous revenues ($922,000), permit and licenses fees ($109,000), and intergovernmental revenue ($244,000) attributed to the increase in actual revenue over budget. These increases in budget revenue were partially offset by a decrease of $116,000 in fines and forfeitures.

Actual expenditures were $28.6 million under budget at the end of fiscal year 2023. The main contributing factors were as follows:

- Personal services expenditures were $14.8 million under budget, primarily due to vacancies in Sheriff and the courts.
- General operating expenditures were $7.8 million under budget with the largest single line item being professional services, which was $2.2 million under budget. Other line items that were significantly under budget include license support agreements, industrial supplies, postal services, and general operating supplies.
- Unspent reserves/contingencies and allocations were $5.0 million under budget
- Subsidy payments ended the year $0.7 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, 2023, amounted to $7,513,934,000 (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	
	2023	2022	2023	2022	2023	2022
Land	$ 769,622	$ 746,426	$ 80,535	$ 79,910	$ 850,157	$ 826,336
Improvements	378,963	377,644	3,030,395	2,968,624	3,409,358	3,346,268
Buildings	770,507	745,421	632,657	621,871	1,403,164	1,367,292
Lease and Subscription assets	70,834	4,483	—	—	70,834	4,483
Equipment	45,525	39,428	363,131	387,159	408,656	426,587
Vehicles	33,495	31,455	21,291	21,418	54,786	52,873
Infrastructure (roads, bridges, and sidewalks)	761,286	764,500	6,289	5,065	767,575	769,565
Construction in progress	207,843	204,001	341,561	291,602	549,404	495,603
Total	$ 3,038,075	$ 2,913,358	$ 4,475,859	$ 4,375,649	$ 7,513,934	$ 7,289,007

Total capital assets for governmental activities for 2023 totaled $3,038,075,000, which is an increase of $124.7 million, or 4.3 percent, over 2022. The total of governmental assets transferred from construction in progress to the asset records during the year totaled approximately $122.0 million. Major projects consisted of the following:

- Gas South Convention Center: $31,849,360
- Replacement of Snellville Branch Library: $13,287,916
- Berkmar/Central Reliever (Discovery): $7,557,385
- Spalding Drive (Winters Chapel Road – Holcomb Bridge): $4,709,172
- Time Division Multiple Access Transition for 800 MHz system for public safety: $4,418,526

Total capital assets for business-type activities for 2023 totaled $4,475,859,000, which is an increase of $100.2 million, or 2.3 percent, over 2022. The total of business-type assets that were transferred from construction in progress to the asset records during the year totaled approximately $142.1 million. Major projects consisted of the following:

- SCADA Instrumentation Programming: $37,236,279
- F. Wayne Hill Water Resource Center Rehabilitation: $13,376,610
- Stormwater Rehabilitation: $12,118,872
- Gravity Sewer Enhancement/Expansion: $20,677,995
- Water Meter Install/Replacement: $6,885,678

Additional information on the County's capital assets can be found in *Note 7* on pages 102 – 104 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 $399.8 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 $59.1 million in revenue bonds issued through the Development Authority to fund redevelopment and development projects and $49.9 million in revenue bonds issued through the Urban Redevelopment Agency. Also, the County has lease agreements totaling $215.5 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.

The County is obligated for $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.

The County is obligated through lease arrangements for $5.0 million in building and land leases and $66.0 million in subscription leases.

The County also has several outstanding notes with the Georgia Environmental Finance Authority for the construction and acquisition of buildings and equipment. As of December 31, 2023, the County is obligated for $21.9 million in outstanding notes payable.

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

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
Revenue bonds	$ $38,485	$ 38,485	$ 449,685	$ 516,850	$ 488,170	$ 555,335
Notes Payable	—	—	21,920	25,152	21,920	25,152
Intergovernmental payable – Development Authority	215,501	206,358	—	—	215,501	206,358
Lease payable	4,973	4,733	—	—	4,973	4,733
Subscription payable	66,021	15,277	—	—	66,021	15,277
Contractual obligations	59,095	62,015	—	—	59,095	62,015
Total	$ 384,075	$ 326,868	$ 471,605	$ 542,002	$ 855,680	$ 868,870

In 2023, the County's revenue bonds, leases, and contractual obligations increased for the following purposes:

- Incurred Development Authority bond-related construction costs of $16 million related to the expansion and renovation of the Gas South District.
- Recorded an increase to lease liability of $886,000 related to the recognition of building and land leases under GASB 87.
- Recorded a subscription liability of $66.0 million for the right-to-use certain subscription-based assets under GASB 96.

These increases were offset by principal payments made in 2023 in the amount of $70.4 million and lease payments of $19.8 million. Overall, the County's bond-related long-term debt had a net decrease of $13.9 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 10* on pages 110 – 118 of this report.

Legal Debt Limit

State statutes limit the amount of general obligation debt a governmental entity may issue which is 10 percent of its total assessed taxable property valuation. The County has no general obligation debt outstanding and has used none of its legal debt limitation of $4,794,551,000.

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 continued to indicate economic progress during 2023. The countywide tax digest has grown more than 78 percent from 2019 to 2023, primarily due to rising property values and new construction. From 2015 to 2023, the average value of all types of residences, including single-family homes, condos, and townhouses, rose 100 percent from $200,000 to $400,000. In 2023, Gwinnett County's unemployment rate was 2.4 percent, but by the end of 2023, it rose slightly to 2.9%.

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 ten budget years, including 2024. 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.

The 2024 budget was developed in consideration of current issues and anticipated future challenges, including continuing population growth, economic uncertainty, and rising costs of goods and services. Developed within the framework of the County's five-year financial plan, the total fiscal year 2024 adopted budget, including operating and capital, is $2,534,473,676 which is up 11.7 percent from the 2023 adopted budget of $2,268,561,162. The budget includes funding to maintain core County services such as police and fire protection, roads, transit, water, jail, and courts, as well as funding for new and ongoing initiatives reflective of the County's priorities set by the Board of Commissioners: Organizational Excellence and Accountability, Safe, Livable, and Healthy Community, Public Infrastructure, Sustainability and Stewardship, and Economic Opportunities.

The 2024 adopted operating budget totals $1,973,515,446, up 10.8 percent from the 2023 adopted operating budget of $1,780,449,306. The year-over-year increase is primarily from increases in Personal Services for increases in salaries and wages as the County adds necessary personnel, continues employee retention measures such as pay-for-performance increases and longevity pay for eligible employees, and also reflects the impact of the market adjustment for employees approved by the Board of Commissioners in September 2023. Also contributing to the increase is additional contributions for capital needs, professional services due to additional contracts and inflationary impacts, chemical costs for water resources, group self-insurance and health insurance claims increases, additional elections-related costs for the 2024 election year, software contracts for the expansion of Microsoft, the implementation of the new Oracle Fusion ERP system, and increased payments to solid waste haulers.

New positions in alignment with the County's strategic priorities were included in both the 2023 and 2024 operating budgets. The 2023 budget added 132 new full-time positions, and the 2024 budget adds 104 new full-time positions. Many of the new positions added in both years were in support of the Safe, Livable, and Healthy Community priority with funding for Police, Fire and Emergency Services, Sheriff and court positions. The budgets supported the Public Infrastructure priority with funding for positions dedicated to traffic management.

The 2024 adopted capital budget totals $560,958,230 up 14.9 percent from the 2023 adopted capital budget of $488,111,856. The year-over-year increase is primarily due to increases for Water Resources to support new projects, the 2023 SPLOST program, and increases in the vehicle fund for the replacement of county vehicles.

Capital project budgets are adopted as multi-year project budgets. As a result, many of the same capital projects funded in 2023 will continue to be funded in 2024. New capital projects funded in the 2024 capital budget include the construction of the Lanier Filter Plant's chemical building, a biosolids dryer, and the Rock Springs Medical Sewer project. The capital budget also includes the continued renovation of Fire Station No. 14 and the completion of the Facility Asset Management Plan for a continued focus on the maintenance of the County's facilities.

Public involvement in the budget process continues to play a significant role in the development of the budget. Chairwoman Nicole Hendrickson, County staff, and six citizen reviewers studied departments' and agencies' business plans, budget requests, and revenue projections to make recommendations for the 2024 budget. The budget was adopted by the Board of Commissioners on January 2, 2024. Departmental business plans and budget presentations made to the budget review team may be viewed at TVGwinnett.com under *Video on Demand*.

The 2024 budget was developed with input from six county residents who served on the Budget Review Team, Michael L. Park and Ronald S. Skeete along with veteran committee members, David Cuffie, Asif Jessani, Hilda Abbot, and Michelle Kang. Each committee member studied departments' and agencies' business plans, budget requests, and revenue projections to make recommendations for the budget. 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

STATEMENT OF NET POSITION

December 31, 2023
(in thousands of dollars)

		Primary Government			
		Governmental Activities	Business–type Activities	Total	Component Units
ASSETS:					
Cash and cash equivalents	$	1,083,484	182,155	1,265,639	31,216
Investments		248,668	73,457	322,125	9,194
Receivables, net of allowance		60,900	50,859	111,759	608
Internal balances		(3,197)	3,197	—	—
Due from other governments		97,831	4,125	101,956	6,919
Due from primary government		—	—	—	2,325
Lease receivable – current		597	1,063	1,660	—
Inventories		4,432	4,974	9,406	—
Prepaid items		8,580	8,771	17,351	87
Restricted assets:					
Cash and cash equivalents		—	49,256	49,256	—
Lease receivable – noncurrent		6,720	34,310	41,030	—
Intergovernmental receivable		—	—	—	215,502
Economic development contract receivable from primary government		—	—	—	59,095
Due from Rowen Foundation		—	—	—	93,709
Noncurrent investments		644,971	234,229	879,200	—
Net OPEB asset		—	—	—	—
Assets held for redevelopment		—	57,657	57,657	1,116
Due from component unit		93,709	—	93,709	—
Capital assets:					
Land and construction in progress		977,465	422,096	1,399,561	—
Other capital assets, net of depreciation and amortization		2,060,610	4,053,763	6,114,373	11,559
Total assets		5,284,770	5,179,912	10,464,682	431,330
DEFERRED OUTFLOWS OF RESOURCES:					
Pension-related deferred outflows		65,177	9,417	74,594	19,708
OPEB-related deferred outflows		10,129	1,411	11,540	5,155
Deferred charge on refunding of bonds		—	1,904	1,904	610
Goodwill		—	301	301	—
Total deferred outflows of resources	$	75,306	13,033	88,339	25,473

continued...

STATEMENT OF NET POSITION – *Continued*

		Primary Government			
		Governmental Activities	Business–type Activities	Total	Component Units
LIABILITIES:					
Current liabilities:					
Accounts payable	$	84,774	58,727	143,501	5,967
Other accrued payables		11,255	1,631	12,886	866
Retainage payable		8,179	5,276	13,455	—
Accrued interest payable		2,325	5,687	8,012	—
Due to others		4,751	707	5,458	—
Due to other governments		130	—	130	5
Customer deposits		—	4,847	4,847	—
Unearned revenue		114,691	54,547	169,238	—
Long-term liabilities:					
Due within one year		69,251	76,859	146,110	13,966
Due in more than one year		720,272	472,929	1,193,201	338,357
Due to primary government – economic development contract		—	—	—	93,709
Total liabilities		1,015,628	681,210	1,696,838	452,870
DEFERRED INFLOWS OF RESOURCES:					
Lease-related deferred inflows		7,099	34,478	41,577	—
Pension-related deferred inflows		—	—	—	452
OPEB-related deferred inflows		30,736	4,283	35,019	8,003
Deferred gain on refunding		—	1,639	1,639	851
Total deferred inflows of resources		37,835	40,400	78,235	9,306
NET POSITION:					
Net investment in capital assets		2,915,840	3,999,293	6,915,133	2,429
Restricted for:					
Capital projects		807,635	—	807,635	—
Debt service		167	33,584	33,751	—
Special programs		313,922	—	313,922	—
Grant programs		—	—	—	81
Health programs		—	—	—	22,251
Unrestricted		269,049	438,458	707,507	(30,134)
Total net position	$	4,306,613	4,471,335	8,777,948	(5,373)

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

STATEMENT OF ACTIVITIES

Year Ended December 31, 2023

(in thousands of dollars)

		Program Revenues			Net (Expenses) Revenues and Changes in Net Position			
					Primary Government			
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	Component Units
Primary government:								
Governmental activities:								
General government	$ 90,267	18,775	991	17	(70,484)	–	(70,484)	–
Public safety	380,189	53,453	1,730	2,212	(322,794)	–	(322,794)	–
Judiciary	252,379	25,807	6,993	2,245	(217,334)	–	(217,334)	–
Public works	191,829	9,799	864	34,269	(146,897)	–	(146,897)	–
Health and welfare	25,844	90	37,009	435	11,690	–	11,690	–
Culture and recreation	123,448	5,751	263	10,545	(106,889)	–	(106,889)	–
Housing and development	45,508	13,191	142	11,792	(20,383)	–	(20,383)	–
Tourism	5,003	–	–	–	(5,003)	–	(5,003)	–
Development authority	9,870	–	–	–	(9,870)	–	(9,870)	–
Interest on long-term debt	2,502	–	–	–	(2,502)	–	(2,502)	–
Total governmental activities	1,126,839	126,866	47,992	61,515	(890,466)	–	(890,466)	–
Business-type activities:								
Water and sewer	376,674	397,707	–	84,540	–	105,573	105,573	–
Airport	2,623	1,455	–	276	–	(892)	(892)	–
Economic development	4,939	5,612	–	–	–	673	673	–
Solid waste	54,875	49,145	–	–	–	(5,730)	(5,730)	–
Stormwater	25,455	31,649	–	16,777	–	22,971	22,971	–
Transit	29,322	2,287	8,766	773	–	(17,496)	(17,496)	–
Total business-type activities	493,888	487,855	8,766	102,366	–	105,099	105,099	–
Total primary government	$ 1,620,727	614,721	56,758	163,881	(890,466)	105,099	(785,367)	–
Component units:	$ 80,276	9,779	32,853	–	–	–	–	(37,644)

continued...

STATEMENT OF ACTIVITIES – *Continued*

Year Ended December 31, 2023
(in thousands of dollars)

		Program Revenues			Net (Expenses) Revenues and Changes in Net Position			
					Primary Government			
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	Component Units
General revenues:								
Property taxes					769,162	–	769,162	–
Sales taxes					237,600	–	237,600	–
Hotel motel taxes					14,621	–	14,621	–
Insurance premium tax					67,522	–	67,522	–
Business taxes					24,645	–	24,645	–
Other taxes					10,435	–	10,435	–
Lease interest income – development authority					–	–	–	6,355
Intergovernmental revenue from primary government, not restricted for specific programs					–	–	–	22,901
Intergovernmental revenue from State of Georgia, not restricted for specific programs					–	–	–	1,434
Investment income					54,603	24,963	79,566	716
Loan interest income					–	–	–	31
Economic development contract income					–	–	–	8,766
Miscellaneous					10,146	–	10,146	(1,061)
Total general revenues					1,188,734	24,963	1,213,697	39,142
Transfers					(19,400)	19,400	–	–
Total general revenues and transfers					1,169,334	44,363	1,213,697	39,142
Change in net position					278,868	149,462	428,330	1,498
Net position – beginning					4,027,745	4,321,873	8,349,618	(6,871)
Net position – ending					$ 4,306,613	4,471,335	8,777,948	(5,373)

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

GOVERNMENTAL FUNDS BALANCE SHEET

December 31, 2023

(in thousands of dollars)

	General	Fire and EMS District	Police Services District	*CARES Act* Grant	ARPA	Other Capital Projects	2014 Sales Tax	2017 Sales Tax	2023 Sales Tax	Other Governmental Funds	Total
ASSETS:											
Cash and cash equivalents	$ 171,293	81,451	86,327	5	116,921	261,616	12,410	74,357	63,743	140,539	1,008,662
Investments	80,196	10,852	33,282	—	—	258,978	7,821	313,448	59,310	70,268	834,155
Receivables, net of allowance:											
Taxes	15,376	7,218	5,029	—	—	—	—	—	—	4,468	32,091
Accounts	1,235	5,749	63	—	10,101	1,643	358	1,790	413	5,926	27,278
Lease receivable	272	—	—	—	—	—	—	—	—	785	1,057
Due from other funds	—	—	—	—	—	—	—	—	—	162	162
Due from other governments	—	—	60,204	—	—	—	—	7,536	22,848	7,243	97,831
Inventories	3,227	—	—	—	—	—	—	—	—	554	3,781
Prepaid items	235	—	541	—	—	—	—	—	—	235	1,011
Total assets	$ 271,834	105,270	185,446	5	127,022	522,237	20,589	397,131	146,314	230,180	2,006,028
LIABILITIES:											
Accounts payable	$ 14,721	1,251	1,105	5	4,811	11,517	2,023	23,746	5,775	9,614	74,568
Due to other governments	—	—	—	—	—	—	—	—	—	130	130
Payroll payable	4,352	2,422	2,118	—	—	—	—	—	—	963	9,855
Retainage payable	—	—	—	—	422	2,136	221	5,400	—	—	8,179
Due to other funds	—	—	—	—	—	—	—	—	—	162	162
Unearned revenue	—	—	—	—	113,130	—	—	—	—	146	113,276
Due to others	2,041	—	22	—	—	1,491	850	289	—	58	4,751
Total liabilities	21,114	3,673	3,245	5	118,363	15,144	3,094	29,435	5,775	11,073	210,921

continued...

GOVERNMENTAL FUNDS BALANCE SHEET – *Continued*

December 31, 2023

(in thousands of dollars)

	General	Fire and EMS District	Police Services District	*CARES Act* Grant	ARPA	Other Capital Projects	2014 Sales Tax	2017 Sales Tax	2023 Sales Tax	Other Governmental Funds	Total
DEFERRED INFLOWS OF RESOURCES:											
Lease related deferred inflows	262	—	—	—	—	—	—	—	—	747	1,009
Unavailable revenue	11,792	9,435	64,027	—	—	—	—	—	—	3,640	88,894
Total deferred inflows of resources	12,054	9,435	64,027	—	—	—	—	—	—	4,387	89,903
FUND BALANCES:											
Nonspendable	3,472	—	541	—	—	—	—	—	—	827	4,840
Restricted	—	92,162	117,633	—	8,659	241,957	17,495	367,696	140,539	213,250	1,199,391
Committed	—	—	—	—	—	—	—	—	—	643	643
Assigned	39,156	—	—	—	—	265,136	—	—	—	—	304,292
Unassigned	196,038	—	—	—	—	—	—	—	—	—	196,038
Total fund balance	238,666	92,162	118,174	—	8,659	507,093	17,495	367,696	140,539	214,720	1,705,204
Total liabilities, deferred inflows of resources and fund balances	$ 271,834	105,270	185,446	5	127,022	522,237	20,589	397,131	146,314	230,180	2,006,028

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, 2023

(in thousands of dollars)

Fund balances – total governmental funds		$ 1,705,204
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.		
Long-term accounts receivable – economic development contract	$ 93,709	
		93,709
Capital assets are not reported in governmental fund statements.		
Capital, lease, and subscription assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds.	2,985,457	
Capital, lease, and subscription assets used in internal service funds are reported in the governmental activities column of the governmentwide statement of net position.	52,618	
		3,038,075
Deferred outflows/(inflows) for governmental activities are not current financial resources and therefore are not reported in the governmental funds.		
Pension-related deferred outflows	65,177	
OPEB-related deferred outflows	10,129	
OPEB-related deferred inflows	(30,736)	
		44,570
Certain unearned revenue is recorded only in the governmentwide statements.		(1,392)
Interest payable to component unit is not accrued in the fund statements.		(2,325)
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	469	
Economic development contract payable to component unit	(59,095)	
Lease payable	(4,973)	
Subscription payable	(66,021)	
Intergovernmental payable	(215,501)	
Accrued leave	(40,710)	
Estimated claims payable	(22,720)	
Net pension liability is not recorded on the fund financial statements.	(332,153)	
Net OPEB liability is not recorded on the fund financial statements.	(10,334)	
		(789,523)

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	24,646	
Insurance premium tax	60,204	
Public safety – EMS	3,821	
Special assessments	223	
		88,894
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	89,314	
Less items accounted for above:		
Capital assets	(52,618)	
Pension-related deferred outflows	(4,156)	
OPEB-related deferred outflows	(1,294)	
Lease payable	4,287	
Subscription payable	42,247	
Net pension liability	21,177	
Net OPEB liability	1,321	
Plus accrued leave already accounted for above	5,671	
Plus claims payable already accounted for above	22,720	
OPEB-related deferred inflows	3,929	
Less amount due to enterprise funds	(3,197)	
		129,401
Net position of governmental activities		$ 4,306,613

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, 2023
(in thousands of dollars)

	General	Fire and EMS District	Police Services District	*CARES Act* Grant	ARPA	Other Capital Projects	2014 Sales Tax	2017 Sales Tax	2023 Sales Tax	Other Governmental Funds	Total
REVENUES:											
Taxes	$ 440,832	153,231	173,872	–	–	–	–	56,204	181,395	105,429	1,110,963
Permits and licenses	5,373	1,070	–	–	–	–	–	–	–	5,232	11,675
Intergovernmental	4,452	857	620	–	34,820	1,007	408	20,034	–	20,048	82,246
Charges for services	34,695	20,382	1,186	–	–	–	–	–	–	42,097	98,360
Fines and forfeitures	3,085	–	10,986	–	–	–	–	–	–	1,988	16,059
Investment income (loss)	9,025	2,997	3,742	–	6,651	20,205	1,521	21,780	2,549	8,211	76,681
Miscellaneous	2,857	191	727	–	–	2,259	253	593	–	3,201	10,081
Total revenues	500,319	178,728	191,133	–	41,471	23,471	2,182	98,611	183,944	186,206	1,406,065
EXPENDITURES:											
Current operating:											
General government	38,583	–	–	–	5,808	–	–	–	–	–	44,391
Public safety	33,217	152,213	143,735	–	203	–	–	–	–	20,255	349,623
Judiciary	237,134	–	4,505	–	1,998	–	–	–	–	1,560	245,197
Public works	31,166	–	–	–	597	–	–	–	–	9,310	41,073
Health and welfare	10,242	–	–	–	11,981	–	–	–	–	–	22,223
Culture and recreation	37,889	–	–	–	–	–	–	–	–	47,203	85,092
Housing and development	5,259	1,362	–	–	3,773	–	–	–	–	17,375	27,769
Tourism	–	–	–	–	–	–	–	–	–	5,003	5,003
Development authority	–	–	–	–	–	–	–	–	–	26,114	26,114
Grant programs	–	–	–	–	–	–	–	–	–	18,179	18,179
Capital outlay	1,410	163	17,250	–	10,460	83,933	23,593	157,085	528	766	295,188
Debt service	–	–	–	–	–	–	–	–	–	2,502	2,502
Intergovernmental	135	–	–	–	–	–	–	11,938	42,877	2,923	57,873
Total expenditures	395,035	153,738	165,490	–	34,820	83,933	23,593	169,023	43,405	151,190	1,220,227
Revenues in excess of (less than) expenditures	105,284	24,990	25,643	–	6,651	(60,462)	(21,411)	(70,412)	140,539	35,016	185,838
OTHER FINANCING SOURCES (USES):											
Transfers in	–	–	–	–	–	138,371	–	–	–	2,461	140,832
Transfers out	(96,942)	(14,641)	(31,842)	–	–	–	–	–	–	(15,725)	(159,150)
Issuance of lease obligation	887	–	–	–	–	–	–	–	–	–	887
Issuance of subscription obligation	–	–	16,902	–	–	–	–	–	–	–	16,902
Issuance of intergovernmental payable	–	–	–	–	–	16,073	–	–	–	–	16,073
Other financing sources (uses), net	(96,055)	(14,641)	(14,940)	–	–	154,444	–	–	–	(13,264)	15,544
Net change in fund balances	9,229	10,349	10,703	–	6,651	93,982	(21,411)	(70,412)	140,539	21,752	201,382
Fund balances – January 1	229,437	81,813	107,471	–	2,008	413,111	38,906	438,108	–	192,968	1,503,822
Fund balances – December 31	$ 238,666	92,162	118,174	–	8,659	507,093	17,495	367,696	140,539	214,720	1,705,204

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, 2023

(in thousands of dollars)

Net change in fund balances – total governmental funds		$ 201,382
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays reported in the governmental funds exceed depreciation/amortization expense recorded in the statement of activities as follows:		
Capital expenditures – general	$ 295,188	
Capital expenditures reclassified as expense	(135,928)	
Depreciation/amortization expense – general capital assets	(108,479)	
		50,781
Contributions of capital assets are not recorded in governmental funds.		20,298
The loss on disposition of capital assets is not reported in the governmental fund statements.		(637)
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.		
Amortization of discount on tax allocation district bonds	$ (33)	
		(33)
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.		(20,697)
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.		6,626
Accrued interest payable to component unit is not included on the governmental fund financial statements.		48
Payments to the Development Authority are reported as expenditures in the fund statement and as a reduction of intergovernmental payable and contract payable in the governmentwide statements.		9,850
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 (expense) of the internal service funds is reported with governmental activities.		22,722
Accrued expenses related to compensated absences are not reported in the governmental fund statements.		(3,133)
Proceeds on intergovernmental payable to the Development Authority are reported as revenue in the governmental fund statements and as an increase in intergovernmental payable in the governmentwide statements.		(16,073)
Proceeds on issuance of lease and subscription obligations.		(17,789)
Lease and subscription payments are reported as expenditures in the fund statement and as a reduction of the lease and subscription payables in the governmentwide statements.		4,792
Some revenue earned is deferred in the governmental funds due to availability criteria.		13,035
Revenues (expenses) from the intergovernmental economic development contract are not reported in the governmental fund statements.		7,696
Change in net position of governmental activities		$ 278,868

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, 2023

(in thousands of dollars)

	Original Budget	Final Budget	Actual (non–GAAP budget basis)	Variance–positive (negative)
REVENUES:				
Taxes	$ 413,318	432,892	440,832	7,940
Permits and licenses	5,263	5,263	5,373	110
Intergovernmental	4,013	4,208	4,452	244
Charges for services	31,466	31,466	34,695	3,229
Fines and forfeitures	3,201	3,201	3,085	(116)
Investment income	1,174	7,006	7,692	686
Miscellaneous	1,850	1,910	2,861	951
Total revenues	460,285	485,946	498,990	13,044
EXPENDITURES:				
Current operating:				
General government:				
Board of Commissioners	2,121	2,338	2,323	15
County administration	3,920	3,018	2,281	737
Elections	6,466	6,597	5,156	1,441
Financial services	11,684	12,024	11,510	514
Tax commissioner	18,388	18,757	17,364	1,393
Support services	255	261	259	2
Total general government	42,834	42,995	38,893	4,102
Public safety:				
Police services	2,970	3,052	2,607	445
Correctional services	21,676	22,232	21,125	1,107
Total public safety	24,646	25,284	23,732	1,552
Judiciary:				
Courts	62,896	75,632	69,987	5,645
District attorney	22,502	23,107	22,097	1,010
Sheriff	139,462	142,865	137,710	5,155
Solicitor	8,888	9,050	7,592	1,458
Total judiciary	233,748	250,654	237,386	13,268
Public works	32,253	32,363	31,207	1,156

continued...

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

	Original Budget	Final Budget	Actual (non–GAAP budget basis)	Variance–positive (negative)
Health and welfare:				
Physical health	2,500	2,500	2,500	—
Indigent medical care	550	550	—	550
Various subsidized agencies	4,178	4,188	4,007	181
General community services	25,319	26,015	23,487	2,528
Total health and welfare	32,547	33,253	29,994	3,259
Culture and recreation:				
Library	24,123	24,123	24,026	97
Total culture and recreation	24,123	24,123	24,026	97
Housing and development:				
Planning and development	2,403	2,632	2,283	349
Total housing and development	2,403	2,632	2,283	349
Miscellaneous	21,130	11,386	6,627	4,759
Total expenditures	413,684	422,690	394,148	28,542
Revenues in excess of expenditures	46,601	63,256	104,842	41,586
OTHER FINANCING USES:				
Transfers out	(52,627)	(96,989)	(96,942)	47
Other financing uses, net	(52,627)	(96,989)	(96,942)	47
Revenues more (less) than expenditures and other financing uses	(6,026)	(33,733)	7,900	41,633
Fund balance allocation	6,026	33,733	—	(33,733)
Fund balance – January 1	—	—	231,661	231,661
Fund balance – December 31	$ —	—	239,561	239,561

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, 2023

(in thousands of dollars)

	Original Budget	Final Budget	Actual (non–GAAP budget basis)	Variance–positive (negative)
REVENUES:				
Taxes	$ 143,377	150,762	153,231	2,469
Permits and licenses	1,070	1,070	1,070	–
Intergovernmental	584	584	857	273
Charges for services	16,288	17,539	20,382	2,843
Investment income	347	2,100	2,966	866
Miscellaneous	3	3	191	188
Total revenues	161,669	172,058	178,697	6,639
EXPENDITURES:				
Current operating:				
Public safety:				
Fire and emergency services	165,634	167,456	152,376	15,080
Total public safety	165,634	167,456	152,376	15,080
Housing and development:				
Planning and development	1,428	1,477	1,362	115
Total housing and development	1,428	1,477	1,362	115
Miscellaneous	1,081	1,081	–	1,081
Total expenditures	168,143	170,014	153,738	16,276
Revenues in excess of (less than) expenditures	(6,474)	2,044	24,959	22,915
OTHER FINANCING USES:				
Transfers out	(4,661)	(14,661)	(14,641)	20
Other financing uses, net	(4,661)	(14,661)	(14,641)	20
Revenues more (less) than expenditures and other financing uses	(11,135)	(12,617)	10,318	22,935
Fund balance allocation	11,135	12,617	–	(12,617)
Fund balance – January 1	–	–	81,919	81,919
Fund balance – December 31	$ –	–	92,237	92,237

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, 2023

(in thousands of dollars)

	Original Budget	Final Budget	Actual (non-GAAP budget basis)	Variance-positive (negative)
REVENUES:				
Taxes	$ 158,385	170,478	173,872	3,394
Intergovernmental	276	585	620	35
Charges for services	2,001	1,001	1,186	185
Fines and forfeitures	13,548	11,064	10,986	(78)
Investment income	515	3,000	3,371	371
Miscellaneous	477	477	727	250
Total revenues	175,202	186,605	190,762	4,157
EXPENDITURES:				
Current operating:				
Public safety:				
Police services	162,236	164,790	143,586	21,204
Total public safety	162,236	164,790	143,586	21,204
Judiciary:				
Courts	1,973	1,990	1,789	201
Solicitor	859	874	640	234
Recorder's court	1,788	2,166	2,076	90
Total judiciary	4,620	5,030	4,505	525
Miscellaneous	2,177	1,790	495	1,295
Total expenditures	169,033	171,610	148,586	23,024
Revenues in excess of expenditures	6,169	14,995	42,176	27,181
OTHER FINANCING (USES):				
Transfers out	(21,842)	(31,842)	(31,842)	—
Other financing uses	(21,842)	(31,842)	(31,842)	—
Revenues more (less) than expenditures and other financing uses	(15,673)	(16,847)	10,334	27,181
Fund balance allocation	15,673	16,847	—	(16,847)
Fund balance – January 1	—	—	108,338	108,338
Fund balance – December 31	$ —	—	118,672	118,672

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

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

Year Ended December 31, 2023

(in thousands of dollars)

		Original Budget	Final Budget	Actual (non–GAAP budget basis)	Variance–positive (negative)
REVENUES:					
Intergovernmental revenues	$	3,609	2,465	—	(2,465)
Total revenues		3,609	2,465	—	(2,465)
EXPENDITURES:					
Program expenditures		3,609	2,465	—	2,465
Total expenditures		3,609	2,465	—	2,465
Revenues in excess of expenditures		—	—	—	—
Fund balance – January 1		—	—	—	—
Fund balance – December 31	$	—	—	—	—

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

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

Year Ended December 31, 2023

(in thousands of dollars)

		Original Budget	Final Budget	Actual (non–GAAP budget basis)	Variance–positive (negative)
REVENUES:					
Intergovernmental revenues	$	144,974	35,023	34,820	(203)
Investment income		—	—	6,651	6,651
Total revenues		144,974	35,023	41,471	6,448
EXPENDITURES:					
Program expenditures		144,974	35,023	34,820	203
Total expenditures		144,974	35,023	34,820	203
Revenues in excess of expenditures		—	—	6,651	6,651
Fund balance – January 1		—	—	2,008	2,008
Fund balance – December 31	$	—	—	8,659	8,659

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

PROPRIETARY FUNDS STATEMENT OF NET POSITION

December 31, 2023

(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	$ 98,581	24,702	58,872	182,155	74,822
Investments	54,232	3,348	15,877	73,457	9,211
Accounts receivable, net of allowance	46,500	1,633	2,726	50,859	1,531
Lease receivable	—	—	1,063	1,063	509
Due from other governments	—	76	4,049	4,125	—
Inventories	4,974	—	—	4,974	651
Prepaid items	8,769	2	—	8,771	7,569
Restricted cash and cash equivalents	49,256	—	—	49,256	—
Total current assets	262,312	29,761	82,587	374,660	94,293
Noncurrent assets:					
Investments	179,451	9,245	45,533	234,229	50,273
Lease receivable	—	—	34,310	34,310	5,751
Assets held for redevelopment	—	—	57,657	57,657	—
Land and construction in progress	376,854	14,967	30,275	422,096	1,684
Other capital assets, net of depreciation	3,427,672	581,760	44,331	4,053,763	50,934
Total noncurrent assets	3,983,977	605,972	212,106	4,802,055	108,642
Total assets	4,246,289	635,733	294,693	5,176,715	202,935
DEFERRED OUTFLOWS OF RESOURCES:					
Pension-related deferred outflows	8,770	558	89	9,417	4,156
OPEB-related deferred outflows	1,224	124	63	1,411	1,294
Deferred charge on refunding of bonds	1,904	—	—	1,904	—
Goodwill	301	—	—	301	—
Total deferred outflows of resources	12,199	682	152	13,033	5,450
LIABILITIES:					
Current liabilities:					
Accounts payable	44,473	5,282	8,972	58,727	10,206
Payroll payable	1,441	124	66	1,631	1,400
Retainage payable	5,076	200	—	5,276	—
Accumulated leave benefits – current	3,784	297	132	4,213	3,520
Estimated claims payable – current	—	—	—	—	10,647

continued...

PROPRIETARY FUNDS STATEMENT OF NET POSITION – *Continued*

	Enterprise Funds				
	Water and Sewerage	Stormwater	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Current liabilities *(continued)*:					
Lease payable – current	—	—	—	—	485
Subscription payable – current	—	—	—	—	10,134
Customer deposits payable	4,564	—	283	4,847	—
Accrued interest payable – from restricted assets	5,178	—	509	5,687	—
Due to others	80	209	418	707	—
Notes payable – current	3,047	294	—	3,341	—
Revenue bonds payable – current – from restricted assets	66,830	—	2,475	69,305	—
Unearned revenue	8	—	54,539	54,547	23
Total current liabilities	134,481	6,406	67,394	208,281	36,415
Noncurrent liabilities:					
Accumulated leave benefits	2,128	158	107	2,393	2,151
Estimated claims payable	—	—	—	—	12,073
Lease payable	—	—	—	—	3,802
Subscription payable	—	—	—	—	32,113
Notes payable	16,496	2,083	—	18,579	—
Revenue bonds payable	354,907	—	47,624	402,531	—
Net pension liability	44,691	2,844	451	47,986	21,177
Net OPEB liability	1,248	127	65	1,440	1,321
Total noncurrent liabilities	419,470	5,212	48,247	472,929	72,637
Total liabilities	553,951	11,618	115,641	681,210	109,052
DEFERRED INFLOWS OF RESOURCES:					
Lease-related deferred inflows	—	—	34,478	34,478	6,090
OPEB-related deferred inflows	3,713	376	194	4,283	3,929
Deferred gain on refunding	1,639	—	—	1,639	—
Total deferred inflows of resources	5,352	376	34,672	40,400	10,019
NET POSITION:					
Net investment in capital assets	3,335,804	589,013	74,476	3,999,293	6,084
Restricted for debt service	33,584	—	—	33,584	—
Unrestricted	329,797	35,408	70,056	435,261	83,230
Total net position	$ 3,699,185	624,421	144,532	4,468,138	89,314
Adjustment to reflect consolidation of internal service fund activities related to enterprise funds				3,197	
Net position of business-type activities				$ 4,471,335	

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, 2023

(in thousands of dollars)

	Enterprise Funds				
	Water and Sewerage	Stormwater	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
OPERATING REVENUES:					
Residential and commercial service	$ 386,223	—	—	386,223	—
Wholesale service	1,483	—	—	1,483	—
Public fire protection charges	757	—	—	757	—
Connection charges	3,266	—	—	3,266	—
Lease income and rental income	—	—	7,055	7,055	509
Charges to other funds	—	—	—	—	224,357
Employee contributions	—	—	—	—	11,167
User fees and charges	—	31,546	51,403	82,949	—
Miscellaneous	5,978	103	38	6,119	1,794
Total operating revenues	397,707	31,649	58,496	487,852	237,827
OPERATING EXPENSES:					
Water production	20,078	—	—	20,078	—
Distribution and collection	53,051	—	—	53,051	—
Engineering	9,758	—	—	9,758	—
Reclamation	58,179	—	—	58,179	—
Vehicle maintenance and repair	—	—	—	—	4,463
Benefit claims	—	—	—	—	50,054
Insurance premiums	—	—	—	—	33,305
Depreciation and amortization	106,452	11,796	4,034	122,282	7,745
Transit operations	—	—	26,347	26,347	—
General and administrative	75,932	13,310	60,326	149,568	121,107
Total operating expenses	323,450	25,106	90,707	439,263	216,674
Operating income (loss)	74,257	6,543	(32,211)	48,589	21,153
NON-OPERATING REVENUES (EXPENSES):					
Intergovernmental	—	—	8,766	8,766	—
Investment and interest earnings	18,906	1,279	4,778	24,963	3,919
Interest expense	(8,930)	(76)	(1,554)	(10,560)	—
Gain (loss) on disposal of capital assets	(45,398)	(346)	363	(45,381)	52
Total non-operating revenues (expenses)	(35,422)	857	12,353	(22,212)	3,971
Income (loss) before transfers and contributions	38,835	7,400	(19,858)	26,377	25,124
Capital contributions	84,540	16,777	1,049	102,366	—
Transfers in	—	—	19,400	19,400	—
Transfers out	—	—	—	—	(1,082)
Change in net position	123,375	24,177	591	148,143	24,042
Net position – January 1	3,575,810	600,244	143,941		65,272
Net position – December 31	$ 3,699,185	624,421	144,532		89,314
Adjustment to reflect consolidation of internal service fund activities related to enterprise funds				1,318	
Change in net position of business-type activities				$ 149,461	

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

DID YOU KNOW

Gwinnett Water Resources produced 25.5 billion gallons of drinking water and treated 21.9 billion gallons of reclaimed water in 2023.

PROPRIETARY FUNDS STATEMENT OF CASH FLOWS

Year Ended December 31, 2023

(in thousands of dollars)

	Enterprise Funds				
	Water and Sewerage	Stormwater	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES:					
Cash received from customers	$ 383,045	31,339	64,608	478,992	237,859
Cash payments to suppliers for goods and services	(122,218)	(2,794)	(80,837)	(205,849)	(44,313)
Cash payments to employees for services	(70,130)	(6,527)	(3,030)	(79,687)	(64,382)
Cash payments for interfund services	(19,164)	(1,542)	(2,135)	(22,841)	(5,997)
Claims and premiums paid	—	—	—	—	(78,551)
Net cash flows provided/(required) by operating activities	171,533	20,476	(21,394)	170,615	44,616
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Operating grants	—	(76)	11,867	11,791	—
Transfers from other funds	—	—	19,400	19,400	—
Transfers (to) other funds	—	—	—	—	(1,082)
Net cash provided/(required) by noncapital activities	—	(76)	31,267	31,191	(1,082)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Capital grants received	—	160	906	1,066	—
Acquisition and construction of capital assets	(175,897)	(17,450)	(4,188)	(197,535)	(7,184)
Proceeds from sale of capital assets	389	149	743	1,281	54
Proceeds from notes payable	10	—	—	10	—
Principal payments – revenue bonds	(64,755)	—	(2,410)	(67,165)	—
Principal payments – notes payable	(2,956)	(286)	—	(3,242)	—
Lease payments	—	—	—	—	(446)
Subscription payments	—	—	—	—	(7,622)
Interest expense	—	—	—	—	(242)
Receipts for lease receivables	—	—	765	765	480
Interest received on lease receivables	—	—	149	149	33
Interest paid	(14,794)	(76)	(1,592)	(16,462)	—
Capital contributed by others	28,832	—	—	28,832	—
Net cash (required) by capital and related financing activities	(229,171)	(17,503)	(5,627)	(252,301)	(14,927)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Proceeds from the sale of investments	77,101	5,419	15,782	98,302	23,787
Purchase of investments	(73,163)	(4,000)	(28,153)	(105,316)	(16,234)
Investment earnings	14,200	1,028	3,922	19,150	3,000
Net cash provided/(required) by investing activities	18,138	2,447	(8,449)	12,136	10,553
Net increase (decrease) in cash and cash equivalents	(39,500)	5,344	(4,203)	(38,359)	39,160
Cash and cash equivalents at beginning of year	187,337	19,358	63,075	269,770	35,662
Cash and cash equivalents at end of year	$ 147,837	24,702	58,872	231,411	74,822

continued...

PROPRIETARY FUNDS STATEMENT OF CASH FLOWS – *Continued*

	Enterprise Funds				
	Water and Sewerage	Stormwater	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Reconciliation of operating income (loss) to net cash provided/(required) by operating activities:					
CASH FLOWS FROM OPERATING ACTIVITIES:					
Operating income (loss)	$ 74,257	6,543	(32,211)	48,589	21,153
Adjustments to reconcile operating income (loss) to net cash provided/(required) by operating activities:					
Depreciation and amortization	106,452	11,796	4,034	122,282	7,745
CHANGE IN ASSETS AND LIABILITIES:					
Changes in net pension liability and related deferred inflows of resources	2,491	409	(120)	2,780	1,656
Changes in net OPEB liability and related deferred inflows of resources	(1,100)	(105)	(49)	(1,254)	(1,051)
Change in net lease asset, liability, and related deferred inflows of resources	—	—	(1,105)	(1,105)	40
Change in net subscription asset and liability	—	—	—	—	5,436
(Increase) decrease in receivables	(14,771)	(310)	(401)	(15,482)	517
(Increase) decrease in inventories	(977)	—	—	(977)	64
Decrease in prepaid items	5,792	54	1	5,847	3,633
Increase (decrease) in payables	(1,513)	2,131	647	1,265	1,688
Increase (decrease) in payroll payables	793	(42)	—	751	—
Increase (decrease) in unearned revenue	(2)	—	7,336	7,334	—
Increase in liabilities	111	—	474	585	3,735
Net cash provided/(required) by operating activities	$ 171,533	20,476	(21,394)	170,615	44,616
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:					
Decrease amounts due from other governments	$ —	76	(3,101)	(3,025)	—
Loss on disposal of capital assets	45,156	853	380	46,389	—
(Increase) decrease accrued interest	781	—	(21)	760	—
Capital contributed by others	55,745	16,777	—	72,522	—
Subscription asset acquisition	—	—	—	—	51,600
Amortization of bond premium and deferred items on refunding	(232)	—	—	(232)	—
Increase in fair value of investments not classified as cash and cash equivalents	4,706	251	584	5,541	753

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

FIDUCIARY FUNDS STATEMENT OF FIDUCIARY NET POSITION

December 31, 2023

(in thousands of dollars)

	Custodial Funds	Pension and OPEB Trust Funds
ASSETS:		
Cash and cash equivalents	$ 138,632	38,734
Investments, at fair value:		
U.S. treasury bonds	—	75,102
Asset-backed securities	—	7,604
U.S. governmental agencies	—	72,083
Commercial mortgage-backed securities	—	14,340
Futures contracts	—	294
Corporate bonds	—	171,863
Collateralized mortgage obligations	—	2,325
Corporate equities	—	922,616
International government bonds	—	747
International equities	—	152,318
Preferred stock	—	7,136
Total investments	—	1,426,428
Securities lending collateral investment pool	—	22,290
Contributions receivable from employer	—	545
Prepaid benefit payments	—	8,315
Taxes receivable	52,056	—
Total assets	190,688	1,496,312
LIABILITIES:		
Accounts payable	—	3,330
Liability for securities lending agreement	—	22,290
Due to others	177,175	—
Total liabilities	177,175	25,620
NET POSITION:		
Net position – restricted for pension benefits	—	1,288,515
Net position – restricted for OPEB	—	182,177
Net position – restricted for individuals, organizations, and other governments	13,513	—
Total net position	$ 13,513	1,470,692

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, 2023

(in thousands of dollars)

		Custodial Funds	Pension and OPEB Trust Funds
ADDITIONS:			
Contributions:			
Employer	$	—	54,537
Employee		—	5,167
Total contributions		—	59,704
Investment income:			
Net increase in the fair value of investments		—	176,341
Securities lending income		—	42
Interest and dividends		—	34,913
		—	211,296
Less – Investment expense		—	(5,256)
Securities lending expense		—	(3)
Net investment income		—	206,037
Taxes collected for other agencies		2,198,204	—
Court fees collected for other agencies		105,399	—
Court individual cases		11,526	—
Sheriff fees collected		13,100	—
Sheriff inmate account deposits		3,563	—
Corrections inmate account deposits		710	—
Seized assets		1,784	—
Total additions		2,334,286	265,741
DEDUCTIONS:			
Benefits paid		—	107,582
Insurance premiums		—	1,220
Administrative expenses		—	1,737
Payments of court fees to other agencies		105,399	—
Payments to others		22,360	—
Payments of taxes to other agencies		2,198,204	—
Payments of Sheriff fees to agencies		13,100	—
Payments from inmates to others		3,967	—
Distribution of seized assets		1,529	—
Total deductions		2,344,559	110,539
Net increase (decrease) in fiduciary net position		(10,273)	155,202
Net position – beginning of year		23,786	1,315,490
Net positions – end of year	$	13,513	1,470,692

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

COMPONENT UNITS COMBINING STATEMENT OF NET POSITION

December 31, 2023
(in thousands of dollars)

	Public Library	Development Authority	Health Department	Total
ASSETS:				
Current assets:				
Cash and cash equivalents	$ 10,747	6,245	14,224	31,216
Receivables, net of allowance	608	—	—	608
Intergovernmental receivable from primary government, current portion	—	9,420	—	9,420
Due from primary government	—	2,325	—	2,325
Economic development contract receivable from primary government, current portion	—	2,980	—	2,980
Due from other governments	—	—	6,919	6,919
Investments	—	—	9,194	9,194
Prepaid items	87	—	—	—
Total current assets	11,442	20,970	30,337	62,662
Noncurrent assets:				
Intergovernmental receivable from primary government	—	206,082	—	206,082
Economic development contract receivable from primary government, current portion	—	56,115	—	56,115
Due from Rowen Foundation	—	93,709	—	93,709
Asset held for redevelopment	—	1,116	—	1,116
Capital assets, net of depreciation	1,840	—	1,876	3,716
Right of use assets, net of amortization	—	—	7,843	7,843
Total noncurrent assets	1,840	357,022	9,719	368,581
Total assets	13,282	377,992	40,056	431,330
DEFERRED OUTFLOWS OF RESOURCES:				
Pension experience differences	1,214	—	61	1,275
Pension assumption changes	2,459	—	5,055	7,514
Pension investment differences	1,681	—	3,304	4,985
Proportionate share of pension contributions	734	—	133	867
Pension contributions subsequent to the measurement date	1,210	—	3,857	5,067
OPEB experience differences	265	—	69	334
OPEB assumption changes	1,649	—	35	1,684
OPEB investment differences	5	—	1,040	1,045
Proportionate share of OPEB contributions	303	—	893	1,196
OPEB contributions subsequent to the measurement date	164	—	732	896
Deferred charge on refunding of bonds	—	610	—	610
Total deferred outflows of resources	9,684	610	15,179	25,473

continued...

COMPONENT UNITS COMBINING STATEMENT OF NET POSITION – *Continued*

	Public Library	Development Authority	Health Department	Total
LIABILITIES:				
Current liabilities:				
Accounts payable	568	3,936	1,463	5,967
Accrued salaries and related payments	866	—	—	866
Due to other governments	—	—	5	5
Unearned revenue	—	—	—	—
Total current liabilities	1,434	3,936	1,468	6,838
Noncurrent liabilities:				
Due within one year	651	12,400	915	13,966
Due in more than one year	34,721	265,726	28,913	329,360
Right of use liabilities	—	—	8,997	8,997
Due to primary government – economic development contract	—	93,709	—	93,709
Total noncurrent liabilities	35,372	371,835	38,825	446,032
Total liabilities	36,806	375,771	40,293	452,870
DEFERRED INFLOWS OF RESOURCES:				
Pension experience differences	99	—	258	357
Pension investment differences	—	—	—	—
Proportionate share of pension contributions	28	—	67	95
OPEB experience differences	2,607	—	1,930	4,537
OPEB assumption changes	1,133	—	251	1,384
OPEB investment differences	—	—	—	—
Proportionate share of OPEB contributions	1,847	—	235	2,082
Deferred gain on refunding bonds	—	851	—	851
Total deferred inflows of resources	5,714	851	2,741	9,306
NET POSITION:				
Net investment in capital assets	553	—	1,876	2,429
Restricted for health programs	—	—	22,251	22,251
Restricted for grant programs	81	—	—	81
Unrestricted	(20,188)	1,980	(11,926)	(30,134)
Total net position	$ (19,554)	1,980	12,201	(5,373)

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

COMPONENT UNITS COMBINING STATEMENT OF ACTIVITIES

Year Ended December 31, 2023
(in thousands of dollars)

	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Public Library Total	Development Authority Total	Health Department Total	Total
Public library	$ 26,079	1,789	701	(23,589)	—	—	(23,589)
Development authority	14,863	—	—	—	(14,863)	—	(14,863)
Health department	39,334	7,990	32,152	—	—	808	808
Total component units	$ 80,276	9,779	32,853	(23,589)	(14,863)	808	(37,644)
General Revenues:							
Lease interest income – development authority				—	6,355	—	6,355
Intergovernmental revenue from primary government, not restricted for specific programs				22,901	—	—	22,901
Intergovernmental revenue from State of Georgia, not restricted for specific programs				1,434	—	—	1,434
Investment income				—	716	—	716
Loan interest income				31	—	—	31
Economic development contract income				—	8,766	—	8,766
Miscellaneous				4	—	(1,065)	(1,061)
Total general revenues				24,370	15,837	(1,065)	39,142
Change in net position				781	974	(257)	1,498
Net position – beginning				(20,335)	1,006	12,458	(6,871)
Net position – ending				$ (19,554)	1,980	12,201	(5,373)

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

DID YOU KNOW

Gwinnett Corrections achieved a perfect health inspection score of 100 by the Georgia Department of Public Health for two inspections in 2023.

NOTES TO THE FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

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, 90, and 97 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, 2023, the Authority had no assets, liabilities, or fund equity. In addition, during 2023, 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, 2023, the Authority had no assets, liabilities, or fund equity. In addition, during 2023, 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, 2023, the Authority had no assets, liabilities, or fund equity. In addition, during 2023, 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, 2023, the Authority had no assets, liabilities, or fund equity. In addition, during 2023, 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 2023 activity of the Urban Redevelopment Agency included debt service on existing bonds. 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 2023 activity of the Water and Sewerage Authority included 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 4.6 percent of the board's revenues during its fiscal year ended June 30, 2023. 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, 2023.

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 $1,192,442 to the ARC for the year ended December 31, 2023. 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 are 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. 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. 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, including lease and subscription liabilities, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions, including entering into contracts giving the County the right to use lease assets, are reported as expenditures in governmental funds. Issuance of long-term debt and financing through leases are reported as other financing sources. 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 2023, the County has recorded a $60.2 million receivable and unavailable revenue for insurance premium tax due from the state of Georgia for taxes collected in 2023, which will be paid to the County in 2024. The County has recorded a $24.9 million receivable and unavailable revenue for property taxes and special assessments levied in 2023 and prior years, but expected to be collected in 2024 (adjusted for an allowance for doubtful accounts). The County also recorded a $3.8 million receivable and unavailable revenue for emergency medical services provided in 2023, but expected to be collected in 2024 (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 **ARPA Fund** accounts for all Local Fiscal Recovery Funds received through the *American Rescue Plan* (ARP) *Act* of 2021 .

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 **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 **2023 Sales Tax Fund** accounts for the financial resources provided from the 2023 one percent Special Purpose Local Option Sales Tax. Such resources are to be used for the purpose of funding transportation projects, public safety facilities including a new police headquarters, recreational facilities, renovations of County facilities, and senior service facilities.

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, 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 and on behalf of 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 AAAf 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 interfund 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, right-to-use lease assets, subscription-based information technology arrangements (SBITA), 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 $300,000 for right-to-use leases, IT subscriptions, and public-private partnership arrangements, $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 estimated 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 for capital assets and right-to-use leased assets are 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
Right-to-use lease assets	15
Equipment	3 – 10
Intangibles	3 – 5
Intangible Right-to-use assets	
Software	3 – 5
Equipment	3 – 5
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 assets 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. This amount is deferred and amortized over future periods. Pension and OPEB-related deferred outflows of resources are discussed more in ***Note 14*** and ***Note 15***.

Deferred inflows of resources represent an acquisition of net assets 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 also reports a deferred inflow of resources for leasing arrangements. The deferred inflow of resources is recognized as revenue over the life of the lease term.

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. The following is a summary of changes in Goodwill for the year ended December 31, 2023 (in thousands of dollars):

Goodwill	Balance January 1, 2023	Increase	Decrease	Balance December 31, 2023
City of Grayson Water System	$ 23	$ —	$ 2	$ 21
City of Duluth Water System	315	—	35	280
Total	$ 338	$ —	$ 37	$ 301

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 (in thousands of dollars):

Unavailable Revenues	General	Fire and EMS Services District	Police Services District	Non-Major Governmental	Total
Property taxes	$ 11,792	$ 5,614	$ 3,823	$ 3,417	$ 24,646
Insurance premium taxes	—	—	60,204	—	60,204
Emergency medical services	—	3,821	—	—	3,821
Special assessments	—	—	—	223	223
Total	$ 11,792	$ 9,435	$ 64,027	$ 3,640	$ 88,894

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 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 14*, 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.
- **Unassigned –** The General Fund is the only fund that reports a positive unassigned fund balance. In other governmental funds, it is not appropriate to report a positive unassigned fund balance amount. However, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

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. The remaining 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.

W. Leases

A lease is a contract that discloses control of the right to use another entity's nonfinancial asset (i.e., buildings, land, vehicles, and equipment) in an exchange for a period of time as specified in the contract.

In accordance with the Governmental Accounting Standards Board Statement No. 87, the preparation of government-wide financial statements with a lease contract necessitates the lessee to recognize a lease liability and an intangible right-to-use lease asset. A lessor must recognize a lease receivable and a deferred inflow of resources. Gwinnett County recognizes lease liabilities with an initial value of $300,000. Meeting these requirements will enhance the relevance and consistency of information about governments' leasing activities.

Lessee

At the commencement of a lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the County determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments:

a. The County uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for leases.

b. The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option prices that the County is reasonably certain to exercise.

The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Lessor

At the commencement of a lease, the County initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflow of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Key estimates and judgments related to leases include how the County determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments:

a. The lessee uses the interest rate charged by the County as the discount rate. When the interest rate charged by the County is not provided, the lessee generally uses its estimated incremental borrowing rate as the discount rate for leases.

b. The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option prices that the lessee is reasonably certain to exercise. More information on lease receivables can be found in ***Note 9***.

X. Subscription Based Information Technology Arrangements (SBITA)

The County implemented GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA),* as of January 1, 2023. This statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA.

The subscription asset should be initially measured as the sum of (1) the initial subscription liability amount, (2) payments made to the SBITA vendor before commencement of the subscription term, and (3) capitalizable implementation costs, less any incentives received from the SBITA vendor at or before the commencement of the subscription term. A government should recognize amortization of the subscription asset on a straight-line bases as an outflow of resources over the subscription term or the useful life of the assets.

The objective of this standard is to better meet the informational needs of financial statement users by establishing uniform accounting and financial reporting requirements for SBITAs, improving the comparability of financial statements among governments that have entered into SBITAs, and enhancing the understandability, reliability, relevance, and consistency of information about SBITAs.

Y. Public-Private and Public-Public Partnerships (PPPs)

The County implemented GASB Statement No. 94, *Public-Private and Public-Public Partnerships (PPPs) and Availability Payment Arrangements (APAs)*, as of January 1, 2023. The Gwinnett County Airport Authority's agreement with Sheltair Aviation met the criteria set forth in GASB No. 94.

Per GASB No. 94, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the GASB Board defines in Statement No. 94 as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement.

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 Board requires additional review of the proposed budget) at the first regular meeting in January of the current budget year. Once the Board has agreed on the proposed budget, a resolution is adopted by the Board 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 $51,705,000 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 $190,874,761 and remaining funding of $139,169,761 anticipated from direct revenues and taxes.
7. Capital project budgets are adopted on a multi-year basis as provided for in *Official Code of Georgia Annotated § 36-81-3(b)(2)*.
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 budget shall be amended so as to adapt to changing governmental needs during the fiscal year as follows:

    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; and

(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.

The County Administrator to:

(a) transfer funds from Department or Agency budgets to Contribution to Capital Projects for amounts up to $100,000;

(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 $250,000;

(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. Such amendments shall be recognized as approved changes to this resolution in accordance with *Official Code of Georgia Annotated § 36-81-3*. 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. The compensation for County appointments by the Board of Commissioners to the various Boards and Authorities have been set. This does not preclude any department from reimbursing those members for actual expenses incurred in the performance of duty.

14. 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. Thirty-five unallocated positions shall be available to allocate to Department or Agency with the authorization of the County Administrator as necessary.

15. The County Administrator is granted authority to authorize benefits pursuant to *O.C.G.A. § 47-23-106* for retired Superior Court Judges.

16. Eligible County employees may receive a pay increase as specified in the 2023 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 2023 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, 2023, was amended through supplemental appropriations as follows (in thousands of dollars):

	Original Appropriation Budget	Increase/(Decrease) in Appropriation	Amended Appropriation Budget
General Fund	$ 466,311	$ 53,368	$ 519,679
Special Revenue Funds	747,607	(120,557)	627,050
Debt Service Fund	2,502	—	2,502
Capital Projects Funds	284,422	19,459	303,881

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	ARPA	Non-major Special Revenue Funds*	Capital Projects
GAAP basis fund balance	$ 238,666	$ 92,162	$ 118,174	$ 8,659	$ 208,667	$ 1,032,823
Fair value adjustments	898	75	498	–	1,181	14,133
Other GASB adjustments	(3)	–	–	–	(5)	–
Budget basis	$ 239,561	$ 92,237	$ 118,672	$ 8,659	$ 209,843	$ 1,046,956

*Excludes grant funds

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, 2023 (in thousands of dollars):

	Unrestricted	Restricted	Custodial Funds	Pension and Other Employee Trust Funds	Primary Government Total
Cash and Equivalents	$ 1,265,639	$ 49,256	$ 138,632	$ 38,734	$ 1,492,261
Investments	1,201,325	—	—	1,426,428	2,627,753
Total	$ 2,466,964	$ 49,256	$ 138,632	$ 1,465,162	$ 4,120,014

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 (dollars in thousands) as of December 31, 2023:

Investment	Fair Value Measurement Using			Fair Value
	Level 1	Level 2	Level 3	
Federal agency securities	$ —	$ 694,381	$ —	$ 694,381
Federal mortgage-backed securities/collateralized mortgage obligations	—	301,275	—	301,275
Georgia state securities	—	37,577	—	37,577
U.S. treasury notes	168,092	—	—	168,092
Total investments measured at fair value	$ 168,092	$ 1,033,233	$ —	$ 1,201,325
Investments not subject to level disclosure:				
Georgia Fund 1 (classified as cash equivalents)				1,233,774
Total investments				$ 2,435,099

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 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, 2023, 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, 2023, the County's credit and interest rate risk related to the County's cash equivalents and investments (dollars in thousands) was as follows:

Investment	Fair Value	Duration (Years)	Credit Quality
Federal agency securities	$ 694,381	1.82	AA
Federal mortgage-backed securities/collateralized mortgage obligations	301,275	1.74	AA
Georgia state securities	37,577	1.7	AAA
U.S. treasury notes	168,092	1.35	AAA
Georgia Fund 1 Bank of New York Mellon Bonds	33,584	0.071	AAAf
Georgia Fund 1 2020 W&S Bonds	12,467	0.071	AAAf
Georgia Fund 1 TAD Bonds	5,957	0.071	AAAf
Georgia Fund 1	1,181,766	0.071	AAAf
Total fair value	$ 2,435,099		

Pension Trust Fund Investments

Credit Risk – As of December 31, 2023, the Pension Trust Fund had $1,246,262,000 invested in the following types of investments (dollars in thousands) as categorized by credit risk:

Investment	Fair Value	Credit Quality
U.S. treasury bonds	$ 65,616	AA
Asset-backed securities	1,782	AAA
Asset-backed securities	809	AA
Asset-backed securities	1,810	A
Asset-backed securities	2,081	BBB
Asset-backed securities	162	–
U.S. government agencies	62,824	AA
U.S. government agencies	155	–
Commercial mortgage-backed securities	3,746	AAA
Commercial mortgage-backed securities	221	AA
Commercial mortgage-backed securities	600	A
Commercial mortgage-backed securities	29	BBB
Commercial mortgage-backed securities	7,933	–
Futures contracts	257	–
Corporate bonds	5,156	AAA
Corporate bonds	2,150	AA
Corporate bonds	26,650	A
Corporate bonds	40,606	BBB
Corporate bonds	1,638	BB
Corporate bonds	22	B
Corporate bonds	73,934	–
Collateralized mortgage obligations	115	AAA
Collateralized mortgage obligations	1,917	AA
Corporate equities	806,084	–
International government bonds	356	AA
International government bonds	296	BBB
International equities	133,079	–
Preferred stock	6,234	–
Total	$ 1,246,262	

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, 2023, 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.

Interest Rate Risk – On December 31, 2023, the Pension Trust Fund had $1,246,262,000 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	$ 65,616	14.24
Asset-backed securities	6,644	6.26
U.S. government agencies	62,979	18.09
Commercial mortgage-backed securities	12,529	29.63
Futures contracts	257	0.23
Corporate bonds	150,156	11.91
Collateralized mortgage obligations	2,032	22.84
Corporate equities	806,084	—
International government bonds	652	—
International equities	133,079	—
Preferred stock	6,234	0.21
Total investments measured at fair value	$ 1,246,262	

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, 2023, the Fixed Income Assets had an effective duration of 6.09 years compared to the Barclays Capital U.S. Aggregate of 6.19 years. The weighted average yield to maturity of the Portfolio was 5.19 percent compared to the Barclays Aggregate of 4.53 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 I 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, 2023, 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	$ 65,616	$ —	$ —	$ 65,616
Asset-backed securities	—	6,644	—	6,644
U.S. government agencies	—	62,979	—	62,979
Commercial mortgage-backed securities	—	12,529	—	12,529
Futures contracts	—	257	—	257
Corporate bonds	—	150,156	—	150,156
Collateralized mortgage obligations	—	2,032	—	2,032
Global fixed income mutual funds	—	—	—	—
Corporate equities	806,084	—	—	806,084
International government bonds	—	652	—	652
International equities	129,232	—	3,847	133,079
Preferred stock	6,234	—	—	6,234
Total investments measured at fair value	$ 1,007,166	$ 235,249	$ 3,847	$ 1,246,262

The U.S. treasury bonds, corporate equities, fixed income mutual funds, global fixed income mutual funds, international equities, and preferred stock 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, 2023, $143,656,000, or 11.5 percent of Retirement Plan investment assets, had exposure of foreign currency risk through investments in foreign companies. The investments by related currency (in thousands of dollars) are as follows:

Investment	Amount
Australian dollar	$ 11,444
British pound	4,412
Canadian dollar	18,556
Norwegian krone	1,221
Euro	108,023
U.S. dollars invested in mutual funds with only international holdings*	–
Total	$ 143,656

**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.

These futures contracts are exchange-traded securities to buy or sell United States treasuries at a future date (March 2024, 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 $6,484,265 on the maturity date in March 2024, while the Pension Trust Fund also has futures contracts obligating it to sell United States treasury notes with a notional amount of $5,487,068 on the maturity date in March 2024. These contracts had no significant value when entered into during 2023, and the change in the fair value is an increase of $256,556 resulting in a net fair value balance of these contracts on December 31, 2023, of $1,253,753.

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 2024.

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

Credit Risk – As of December 31, 2023, the OPEB Trust Fund had $180,166,000 invested in the following types of investments (dollars in thousands) as categorized by credit risk:

Investment	Fair Value	Credit Quality
U.S. treasury bonds	$ 9,486	AA
Asset-backed securities	258	AAA
Asset-backed securities	117	AA
Asset-backed securities	261	A
Asset-backed securities	301	BBB
Asset-backed securities	23	–
U.S. government agencies	9,082	AA
U.S. government agencies	22	–
Commercial mortgage-backed securities	541	AAA
Commercial mortgage-backed securities	32	AA
Commercial mortgage-backed securities	87	A
Commercial mortgage-backed securities	4	BBB
Commercial mortgage-backed securities	1,147	–
Futures contracts	37	–
Corporate bonds	745	AAA
Corporate bonds	310	AA
Corporate bonds	3,853	A
Corporate bonds	5,870	BBB
Corporate bonds	237	BB
Corporate bonds	3	B
Corporate bonds	10,689	–
Collateralized mortgage obligations	16	AAA
Collateralized mortgage obligations	277	AA
Corporate equities	116,532	–
International government bonds	52	AA
International government bonds	43	BBB
International equities	19,239	–
Preferred stock	902	–
Total	$ 180,166	

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, 2023, 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.

Interest Rate Risk – On December 31, 2023, the OPEB Trust Fund had $180,166,000 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	$ 9,486	14.24
Asset-backed securities	960	6.26
U.S. government agencies	9,104	18.09
Commercial mortgage-backed securities	1,811	29.63
Futures contracts	37	0.23
Corporate bonds	21,707	11.91
Collateralized mortgage obligations	293	22.84
Corporate equities	116,532	—
International government bonds	95	—
International equities	19,239	—
Preferred stock	902	0.21
Total investments measured at fair value	$ 180,166	

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, 2023, the Fixed Income Assets had an effective duration of 6.09 years compared to the Barclays Capital U.S. Aggregate of 6.19 years. The weighted average yield to maturity of the Portfolio was 5.19 percent compared to the Barclays Aggregate of 4.53 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, 2023, 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	$ 9,486	$ —	$ —	$ 9,486
Asset-backed securities	—	960	—	960
U.S. government agencies	—	9,104	—	9,104
Commercial mortgage-backed securities	—	1,811	—	1,811
Futures contracts	—	37	—	37
Corporate bonds	—	21,707	—	21,707
Collateralized mortgage obligations	—	293	—	293
Corporate equities	116,532	—	—	116,532
International government bond	95	—	—	95
International equities	19,239	—	—	19,239
Preferred stock	902	—	—	902
Total investments measured at fair value	$ 146,254	$ 33,912	$ —	$ 180,166

The U.S. treasury bonds, corporate equities, global fixed income mutual funds, international equities, and preferred stock 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, and fixed income mutual funds 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, 2023, $20,768,000, or 11.5 percent of OPEB Plan investment assets, had exposure of foreign currency risk through investments in foreign companies. The investments by related currency (in thousands of dollars) are as follows:

Investment	Amount
Australian dollar	$ 1,654
British pound	638
Canadian dollar	2,683
Norwegian krone	177
Euro	15,616
U.S. dollars invested in a mutual fund with only international holdings*	–
Total	$ 20,768

**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.

These futures contracts are exchange-traded securities to buy or sell United States treasuries at a future date (March 2024, 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 $937,350 on the maturity date in March 2024, while the Pension Trust Fund also has futures contracts obligating it to sell United States treasury notes with a notional amount of $793,198 on the maturity date in March 2024. These contracts had no significant value when entered into during 2023, and the change in the fair value is an increase of $37,087 resulting in a net fair value balance of these contracts on December 31, 2023, of $181,240.

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 2024.

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, 2023, upon which the 2023 levy was based, was the taxable assessed value of $47,945,506,782 (40 percent of the estimated actual taxable value of $119,863,766,955).

The County's 2023 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 2023 were due in a single installment on October 15.

Levy date	January 1, 2023
Tax bills mailed by	July 19, 2023
Payment due date	October 15, 2023
Delinquency date	October 17, 2023
Approximate lien date	February 20, 2024

** 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 millage rate of 0.30.*

NOTE 5.

Allowances For Uncollectible Receivables

Allowances for uncollectible receivables at December 31, 2023, were as follows (in thousands of dollars):

Taxes receivable:		
General Fund	$	3,006
Fire and EMS District		1,411
Development and Enforcement Services District		94
Police Services District		984
Other Governmental Funds		620
	$	6,115
Accounts receivable:		
Fire and EMS District	$	5,721
Water and Sewerage Fund		1,801
Stormwater Fund		269
Other Enterprise Funds		258
	$	8,049

NOTE 6.

Due from/to Other Governments

The total amount due from other governments as of December 31, 2023, is $101,956,000. A total of $60,204,000 is due from the state of Georgia for insurance premium tax collected by the state in 2023 but not yet paid to the County. This amount was estimated using the amount received for 2023 and adjusting it for projected population growth or decline. A total of $30,384,000 is due from the state for sales tax. The majority of the remaining $11,368,000 is due from various grant agencies.

The total amount due to other governments as of December 31, 2023, is $130,000 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, 2023, is $93,709,000.

NOTE 7.

Capital Assets

The County's capital asset activity for the year ended December 31, 2023, was as follows (in thousands of dollars):

Primary Government

		Balance January 1, 2023	Increases	Decreases	Balance December 31, 2023
Governmental Activities:					
Capital assets, not being depreciated:					
Land	$	746,426	23,196	—	769,622
Construction in progress		204,001	125,796	121,954	207,843
Total capital assets, not being depreciated		950,427	148,992	121,954	977,465
Capital assets, being depreciated:					
Land Improvements		662,667	23,650	597	685,720
Buildings		1,108,931	53,472	167	1,162,236
Equipment		233,361	16,115	6,433	243,043
Vehicles		139,215	13,664	4,604	148,275
Infrastructure		1,316,103	28,558	—	1,344,661
Lease assets – Buildings		5,548	547	—	6,095
Lease assets – Land		—	339	—	339
Subscription assets		15,277	62,921	—	78,198
Total capital assets, being depreciated		3,481,102	199,266	11,801	3,668,567
Less accumulated depreciation for:					
Land Improvements		285,023	22,018	284	306,757
Buildings		363,510	28,302	83	391,729
Equipment		193,933	9,813	6,228	197,518
Vehicles		107,760	11,586	4,566	114,780
Infrastructure		551,603	31,772	—	583,375
Lease assets – Buildings		1,065	664	—	1,729
Lease assets – Land		—	80	—	80
Subscription assets		—	11,989	—	11,989
Total accumulated depreciation		1,502,894	116,224	11,161	1,607,957
Total capital assets, being depreciated, net		1,978,208	83,042	640	2,060,610
Governmental-type activities capital assets, net	$	2,928,635	232,034	122,594	3,038,075

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

Governmental Activities:		
General government	$	26,219
Public safety		18,523
Judiciary		6,089
Public works		41,922
Health and Welfare		356
Culture and recreation		22,828
Housing and development		287
Total increase in accumulated depreciation	$	116,224

		Balance January 1, 2023	Increases	Decreases	Balance December 31, 2023
Business-type Activities:					
Capital assets, not being depreciated:					
Land	$	79,910	656	31	80,535
Construction in progress		291,602	192,030	142,071	341,561
Total capital assets, not being depreciated		371,512	192,686	142,102	422,096
Capital assets, being depreciated:					
Buildings		949,579	42,181	20,713	971,047
Improvements		4,006,128	137,585	35,779	4,107,934
Equipment		848,453	32,515	77,474	803,494
Vehicles		63,994	3,668	1,261	66,401
Infrastructure		7,783	1,538	—	9,321
Total capital assets, being depreciated		5,875,937	217,487	135,227	5,958,197
Less accumulated depreciation for:					
Buildings		327,708	24,064	13,382	338,390
Improvements		1,037,504	57,796	17,761	1,077,539
Equipment		461,294	36,276	57,207	440,363
Vehicles		42,576	3,795	1,261	45,110
Infrastructure		2,718	314	—	3,032
Total accumulated depreciation		1,871,800	122,245	89,611	1,904,434
Total capital assets, being depreciated, net		4,004,137	95,242	45,616	4,053,763
Business-type activities capital assets, net	$	4,375,649	287,928	187,718	4,475,859

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	$	106,415
Airport		991
Solid waste		6
Stormwater		11,796
Transit		3,037
Total increase in accumulated depreciation	$	122,245

Construction and Other Commitments

The County has active construction projects and other commitments as of December 31, 2023. At year-end the County's commitments with contractors were as follows (in thousands of dollars):

Contract value	$	3,155,470
Spent-to-date		2,216,801
Remaining commitments	$	938,669

NOTE 8.

Lease Assets and Subscription-Based IT Arrangements (SBITA)

Gwinnett County implemented GASB No. 87, *Leases* and GASB No. 96, *Subscription-Based IT Arrangements*. A summary of lease and subscription asset activity for the county for the year ended December 31, 2023, is as follows (in thousands of dollars):

	Beginning Balance	Additions	Remeasurements	Deductions	Ending Balance
Governmental Activities:					
Lease assets:					
Buildings	$ 5,548	$ 547	$ —	$ —	$ 6,095
Land	—	339	—	—	339
Subscription assets	15,277	62,921	—	—	78,198
Total	20,825	63,807	—	—	84,632
Less accumulated amortization for:					
Buildings	1,065	664	—	—	1,729
Land	—	80	—	—	80
Subscription assets	—	11,989	—	—	11,989
Total	1,065	12,733	—	—	13,798
Total lease and subscription assets, net	$ 19,760	$ 51,074	$ —	$ —	$ 70,834

NOTE 9.

Lease Receivables

GASB No. 87 – Leases

Gwinnett County has entered into twenty-two lease agreements as the lessor for land and buildings resulting in the recording of lease receivables and deferred inflow of resources for the General, Recreation, Airport, and Administrative Support funds.

The County received monthly payments in amounts ranging from $1,700 to $29,000. As the lease contracts do not contain a specific interest rate, the County has used its incremental borrowing rate of 0.5% as the discount rate for each lease. For the current year, the County recognized $1,495,000 in lease revenue and $105,470 in interest revenue related to the leases. The total accrued interest receivable for governmental activities was $20,000, while total accrued interest receivable for business-type activities was $5,000.

The County has a deferred inflow of resources associated with each lease that will be recognized over the lease term. Total deferred inflows of resources for the County is $19,380,000 as of December 31, 2023. As of December 31, 2023, the ending balance of the lease receivables for these funds was $19,188,000, of which $1,233,000 and $17,955,000 are short-term and long-term lease receivables, respectively.

A summary of lease receivable activity during the year ended December 31, 2023 is as follows (in thousands of dollars):

	Balance January 1, 2023	Additions	Remeasurements	Reductions	Balance December 31, 2023	Due Within One Year
Governmental Activities:						
Lease Receivable	$ 6,714	20	1,146	563	7,317	597

	Balance January 1, 2023	Additions	Remeasurements	Reductions	Balance December 31, 2023	Due Within One Year
Business-type Activities:						
Airport Fund						
Lease Receivable	$ 9,770	5	2,730	634	11,871	636
Total lease receivables for governmental and business-type activities, net	$ 16,484	25	3,876	1,197	19,188	1,233

The principal ongoing operations of the Airport Authority consist of leasing land and buildings to other entities. The value of future payments included in the measurement of the lease receivables to be received by the Airport Fund is as follows (in thousands of dollars):

Year Ended December 31	Principal	Interest	Total
2024	$ 636	$ 58	$ 694
2025	542	55	597
2026	562	52	614
2027	583	49	632
2028	605	46	651
2029 – 2033	3,380	182	3,562
2034 – 2038	2,467	103	2,570
2039 – 2043	1,891	53	1,944
2044 – 2048	1,205	12	1,217
Total	$ 11,871	$ 610	$ 12,481

GASB No. 94 – Public Private Partnership

In 2023, in accordance with GASB No. 94, *Public-Private and Public-Public Partnership (PPPs) and Availability Payment Arrangements (APAs)*, the Gwinnett County Airport Authority entered into an agreement with Sheltair Aviation LZU, LLC, which grants the lessee the right to use and occupy the land area specified in the contract at the Airport together with all buildings, structures, improvements, additions, and permanent installations existing or to be constructed and installed for a 25-year period with three renewal terms.

The County receives monthly payments in the amount of approximately $49,000. As the lease contracts do not contain a specific interest rate, the County has used its incremental borrowing rate of 0.5% as the discount rate for each lease. For the current year, the County recognized $443,000 in lease revenue and $98,000 in interest revenue related to the lease. The total accrued interest receivable in 2023 for governmental activities was $9,655.

Also, the County has a deferred inflow of resources that will be recognized over the agreement term. Total deferred inflows of resources for the County is a balance of $23,181,000 as of December 31, 2023. As of December 31, 2023, the ending balance of the agreement was $23,502,000, of which $427,000 and $23,075,000 are short-term and long-term lease receivable, respectively.

The value of future lease payments included in the measurement of the lease receivable by the Airport Fund under GASB No. 94 is as follows (in thousands of dollars):

	Balance January 1, 2023	Increases	Decreases	Balance December 31, 2023	Due Within One Year
Business-type Activities:					
Lease Receivable	$ —	23,502	—	23,502	427
Total lease receivables for business-type activities, net	$ —	23,502	—	23,502	427

The value of lease payments to be received by the Airport Fund as principal ongoing operations during the term under GASB No. 94 is as follows (in thousands of dollars):

Year Ended December 31	Principal	Interest	Total
2024	$ 427	$ 117	$ 544
2025	763	113	876
2026	340	110	450
2027	169	109	278
2028	169	109	278
2029 – 2033	861	530	1,391
2034 – 2038	882	508	1,390
2039 – 2043	905	486	1,391
2044 – 2048	3,313	447	3,760
2049 – 2053	5,373	324	5,697
2054 – 2058	5,509	188	5,697
2059 – 2063	4,791	52	4,843
Total	$ 23,502	$ 3,093	$ 26,595

NOTE 10.

Long-Term Obligations

The following is a summary of changes in long-term obligations for the year ended December 31, 2023 (in thousands of dollars):

Governmental Activities:	January 1, 2023	Additions	Retirements	December 31, 2023	Amounts due within one year
Revenue bonds:					
Tax allocation district revenue bonds	$ 38,485	–	–	38,485	–
Less: amounts for issuance discount	(502)	–	33	(469)	–
Total revenue bonds payable	37,983	–	33	38,016	–
Economic development contract	62,015	–	(2,920)	59,095	2,980
Intergovernmental payable – Development Authority	206,358	16,073	(6,930)	215,501	9,420
Lease payable	4,733	887	(647)	4,973	699
Subscription payable	15,277	62,921	(12,177)	66,021	16,099
Accumulated leave benefits	37,088	31,386	(27,764)	40,710	29,406
Estimated claims payable	19,727	53,047	(50,054)	22,720	10,647
Net pension liability	386,336	–	(54,183)	332,153	–
Net OPEB liability	25,947	–	(15,613)	10,334	–
Total governmental activity long-term liabilities	$ 795,464	164,314	(170,255)	789,523	69,251
Business-Type Activities:					
Revenue bonds:					
Water and Sewerage:					
2016A Water and Sewerage Refunding bonds*	$ 90,510	–	(14,460)	76,050	14,705
2016 Water and Sewerage Refunding bonds*	62,730	–	(20,425)	42,305	20,905
2019 Water and Sewerage Refunding bonds	96,505	–	(11,865)	84,640	12,460
2020 Water and Sewerage Construction bonds	170,030	–	(3,670)	166,360	3,855
2021 Water and Sewerage Refunding bonds	44,740	–	(14,335)	30,405	14,905
Total water and sewerage bonds before discounts and premiums	464,515	–	(64,755)	399,760	66,830
Add: amounts for issuance premiums	27,292	–	(5,315)	21,977	–
Total water and sewer bonds payable	491,807	–	(70,070)	421,737	66,830
2018 Urban Redevelopment Agency revenue bonds	29,815	–	(1,410)	28,405	1,455
2021 Urban Redevelopment Agency revenue bonds	22,520	–	(1,000)	21,520	1,020
Total Urban Redevelopment Agency before premiums	52,335	–	(2,410)	49,925	2,475
Add: amounts for issuance premiums	191	–	(17)	174	–
Total Urban Redevelopment Agency bonds payable	52,526	–	(2,427)	50,099	2,475
Total revenue bonds payable	544,333	–	(72,497)	471,836	69,305
Notes payable	25,152	10	(3,242)	21,920	3,341
Accumulated leave benefits	6,040	4,709	(4,143)	6,606	4,213
Net pension liability	56,525	–	(8,539)	47,986	–
Net OPEB liability	3,739	–	(2,299)	1,440	–
Total business-type activity long-term liabilities	635,789	4,719	(90,720)	549,788	76,859

Direct placement bonds

Governmental Activities

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, 2023 was $4,794,551,000. The County has no general obligation bond debt outstanding as of December 31, 2023 and has used none of its legal debt limitation of $4,794,551,000.

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, 2023, 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

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.

Development Authority Intergovernmental Payable

Revenue Bonds – The County has entered into an agreement 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 an intergovernmental payable to component units, and the Development Authority reports an intergovernmental receivable from the primary government in an amount, and with future requirements, equal to the Development Authority bonds.

At December 31, 2023, proceeds and investment earnings from the issuance of the 2020 bonds in the amount of $5,588,711 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 intergovernmental payable will increase and equal the bonds payable.

The value of assets acquired under this intergovernmental agreement by major asset class is as follows (in thousands of dollars):

	Cost	Accumulated Depreciation	Book Value
Assets under construction	$ 7,353	$ —	$ 7,353
Land	5,000	—	5,000
Site improvements	41,950	(10,490)	31,460
Buildings	258,659	(68,066)	190,593
Equipment	10,103	(3,551)	6,552

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, $5,671,000 of internal service fund accumulated leave benefits, $22,720,000 of internal service fund claims payable, $21,177,000 of internal service fund net pension liability, and $1,321,000 of internal service fund net OPEB liability were included in the table on page 110.

Lease Liabilities

The County entered into a fifteen-year lease agreement as lessee for the acquisition and use of a building. In 2022, with the implementation of GASB 87, the County recognized an initial lease liability in the amount of $5,548,000. In 2023, the County increased its lease liability adding land and a building lease. The lease liability increased by $876,000 at the beginning of 2023 with the addition of these leases. At December 31, 2023 the remaining lease liability is $4,973,000.

Lease Payable Annual Requirements (in thousands of dollars)

Year Ended December 31	Principal	Interest	Total
2024	$ 699	$ 138	$ 837
2025	725	116	841
2026	767	94	861
2027	593	74	667
2028	602	56	658
2029 – 2033	1,587	55	1,642
Total	4,973	533	5,506

Subscription Liabilities
The County entered into several SBITA leases as lessee for the right-to-use certain subscription-based assets. In 2023, with the implementation of GASB 96, the County recognized an initial subscription liability in the amount of $66,021,000.

Subscription Payable Annual Requirements (in thousands of dollars)

Year Ended December 31	Principal	Interest	Total
2024	$ 16,099	$ 1,609	$ 17,708
2025	15,371	1,149	16,520
2026	9,718	795	10,513
2027	7,431	573	8,004
2028	3,171	501	3,672
2029 – 2033	14,231	1,157	15,388
Total	66,021	5,784	71,805

Business-Type Activities

For 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 $399,760,000 in Water and Sewerage Authority Revenue Bonds. Debt Service on these revenue bonds is paid 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, 2023, were as follows (in thousands of dollars):

	Interest Rate %	Interest Dates	Issue Date	Maturity Date	Authorized and Issued	Cumulatively Retired	Outstanding
Business-Type							
2016A Water and Sewerage Refunding*	1.69	2/1 – 8/1	5/19/16	8/1/28	$ 145,990	$ 69,940	$ 76,050
2016 Water and Sewerage Refunding*	2.36	2/1 – 8/1	8/1/16	8/1/25	108,860	66,555	42,305
2019 Water and Sewerage Refunding	5.0	2/1 – 8/1	9/26/19	8/1/29	128,540	43,900	84,640
2020 Water and Sewerage Construction	1.79	2/1 – 8/1	12/29/20	8/1/50	176,895	10,535	166,360
2021 Water and Sewerage Refunding	4.0	2/1 – 8/1	8/31/21	8/1/25	58,705	28,300	30,405
					$ 618,990	$ 219,230	$ 399,760
	Premiums						21,977
	Net Business-Type Bonds Outstanding						$ 421,737

** 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. 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.

Advance Refunding of Water and Sewerage Revenue Bonds

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 bonds were 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.

In 2021, 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 2011 Water and Sewerage Revenue Bonds. The bonds were awarded to Hilltop Securities as they offered the lowest true interest rate of 0.1748 percent, a decrease in future debt service payments of $9 million, and a net present value savings (or economic gain) of $7.4 million. These 2021 refunding bonds had a principal amount of $58,705,000 and the date of issuance for these bonds was August 31, 2021. The 2011 bonds were retired.

Advance Refunding of Debt (Direct Placement)

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.

On March 11, 2021, the Urban Redevelopment Agency issued $23,500,000 in Series 2021 bonds bearing interest rates ranging from 1.26 percent to 2.65 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, 2023, 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	$ 7,030	$ 28,405
2021 Urban Redevelopment Agency Revenue Bonds	1.26 – 2.65	3/1 – 9/1	3/11/2021	9/1/2041	23,500	1,980	21,520
					$ 58,935	$ 9,010	$ 49,925
	Premiums						174
	Net Business-Type Bonds Outstanding						$ 50,099

The annual requirements to amortize revenue bonds payable as of December 31, 2023, excluding net unamortized bond premiums and discounts of $21,682,000, 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	
2024	$ —	$ 2,502	$ 2,475	$ 1,527	$ 31,220	$ 9,884	$ 35,610	$ 2,284	$ 85,502
2025	225	2,501	2,540	1,460	32,630	8,472	36,355	1,542	85,725
2026	535	2,487	2,620	1,388	17,985	6,996	15,205	784	48,000
2027	1,065	2,452	2,690	1,313	18,885	6,097	15,460	527	48,489
2028	1,130	2,383	2,760	1,241	18,425	5,152	15,725	266	47,082
2029 – 2033	6,865	10,711	15,065	4,948	44,055	15,462	—	—	97,106
2034 – 2038	9,395	8,172	17,630	2,387	30,960	10,493	—	—	79,037
2039 – 2043	12,875	4,694	4,145	215	33,860	7,596	—	—	63,385
2044 – 2048	6,395	630	—	—	37,325	4,134	—	—	48,484
2049 – 2050	—	—	—	—	16,060	520	—	—	16,580
Total	$ 38,485	$ 36,532	$ 49,925	$ 14,479	$ 281,405	$ 74,806	$ 118,355	$ 5,403	$ 619,390

The amortization expense for fiscal year 2023 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, 2023, were as follows (in thousands of dollars):

Enterprise Funds	Interest Rates %	Interest Dates	Maturity Dates	Notes Payable January 1, 2023	Additions	Retirements	Notes Payable December 31, 2023
GEFA (CW4005PA)	3.00	Monthly	11/1/28	$ 21,353	$ —	$ (2,852)	$ 18,501
GEFA (CW03-002NP)	3.00	Monthly	4/1/31	2,663	—	(286)	2,377
GEFA (09-055)	3.00	Monthly	6/1/32	1,136	—	(104)	1,032
GEFA (CW2022031)	3.00	—	—	—	10	—	10
				$ 25,152	$ 10	$ (3,242)	$ 21,920

The annual requirements to pay the notes outstanding at December 31, 2023, including interest of approximately $2,152,000 were as follows (in thousands of dollars):

Year Ended December 31	Principal	Interest	Total
2024	$ 3,341	$ 612	$ 3,953
2025	3,443	510	3,953
2026	3,547	405	3,952
2027	3,655	297	3,952
2028	3,640	186	3,826
2029 – 2033	4,284	142	4,426
Total	$ 21,910	$ 2,152	$ 24,062

The above schedule does not include GEFA loan CW2022031 as this loan is still in the drawdown phase and no amortization schedule is available.

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	$ 5,875	$ 23,910
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	8,590	59,095
2020A Refunding Bonds	0.18 – 1.45	3/1 – 9/1	10/6/20	9/1/31	39,165	11,235	27,930
2020B Gwinnett Center Projects	0.97 – 3.00	3/1 – 9/1	10/6/20	9/1/50	75,295	5,830	69,465
Subtotal					$ 307,640	$ 31,530	$ 276,110
Premium							2,016
Total							$ 278,126

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 (originally 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 (originally 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 construction 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, 2023, were as follows (in thousands of dollars):

Development Authority Revenue Bonds Annual Requirements

Year Ended December 31	Principal	Interest	Total Debt Service
2024	$ 12,400	$ 7,423	$ 19,823
2025	12,655	7,177	19,832
2026	12,900	6,929	19,829
2027	13,175	6,666	19,841
2028	12,635	6,412	19,047
2029 – 2033	60,820	27,864	88,684
2034 – 2038	58,350	20,483	78,833
2039 – 2043	43,875	12,499	56,374
2044 – 2048	42,640	5,509	48,149
2049 – 2050	6,660	251	6,911
Total	$ 276,110	$ 101,213	$ 377,323

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 20 series of industrial development bonds issued from January 1, 1998, to December 31, 2023, that have outstanding amounts. The total amount issued was $855,570,849. The total amount of those bonds outstanding as of December 31, 2023, was $573,628,908.

NOTE 11.

Interfund Balances and Transfers

The Interfund receivables and payables as of December 31, 2023, are as follows (in thousands of dollars):

	DUE FROM	
DUE TO	The Exchange at Gwinnett TAD	Total
Debt Service	$ 162	$ 162
Total	$ 162	$ 162

Interfund receivables and payables result from year-end transactions. These balances will clear within one year.

Interfund transfers for the year ended December 31, 2023, consisted of the following (in thousands of dollars):

	TRANSFER FROM						
TRANSFER TO	General	Fire and EMS District	Police Services District	Other Capital	Non-major Governmental	Internal Service Funds	Total
General	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Other Capital	77,346	14,641	31,842	—	13,460	1,082	138,371
Non-major Governmental	196	—	—	—	2,265	—	2,461
Non-major Enterprise	19,400	—	—	—	—	—	19,400
Total	$ 96,942	$ 14,641	$ 31,842	$ —	$ 15,725	$ 1,082	$ 160,232

The majority of transfers from the General, Fire and EMS District, Police Services District, Other Capital, Non-major Governmental, and Internal Service Funds are to fund ongoing and planned capital projects and vehicle replacements. Other transfers made during 2023 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 Economic Development Capital Fund transferred funds to the Economic Development Operating Fund in order to support the health of the fund for future economic development.
- Non-major governmental: The Exchange at Gwinnett TAD fund transferred funds to The Exchange at Gwinnett Debt Service Fund for debt service.

NOTE 12.

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 five years when settlement claims exceeded self-funded coverage in 2017. In 2021, the County purchased cyber liability insurance with a limit of $5,000,000 and a $100,000 deductible.

Between June 1, 2002, and December 31, 2007, the County joined 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 ACCG 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 vary 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.

On January 1, 2008, Gwinnett County left the ACCG Self-Insurance Workers' Compensation Fund Large Deductible Program and became independently self-insured. The County hired a third party administrator, Alternative Service Concepts, Inc., now Davies, 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, 2023, were as follows (in thousands of dollars):

Fiscal Year	Beginning of Fiscal-Year Liability	Current-Year Claims and Changes in Estimates	Claims Payments	Balance at Fiscal Year-End
2023	$ 15,030	$ 12,933	$ 10,556	$ 17,406
2022	14,089	11,064	10,123	15,030

At December 31, 2023, the Risk Management Fund held $17,243,000 in cash and cash equivalents and the Auto Liability Fund held $5,274,000 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 $350,000 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 2023 and 2022 were as follows (in thousands of dollars):

Fiscal Year	Beginning of Fiscal-Year Liability	Current-Year Claims and Changes in Estimates	Claims Payments	Balance at Fiscal Year-End
2023	$ 4,697	$ 40,115	$ 39,498	$ 5,314
2022	4,291	31,520	31,114	4,697

2023 Claims for Active Employees:
In 2023, there were 2,267 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, 2023, were as follows (in thousands of dollars):

2,267 Self-Insured Active Employees Electing Medical Coverage		
Administrative Costs	$	1,374
Stop Loss Insurance		4,152
Claims Experience		40,836
Total	$	46,362

In 2023, there were 2,099 active employees electing medical coverage in the fully insured medical plans. The County pays approximately 90 percent of the actuarial projected cost for medical and hospitalization costs incurred by these eligible participants. Expenses for the year ended December 31, 2023, were as follows (in thousands of dollars):

2,099 Fully Insured Active Employees Electing Medical Coverage		
Fully Insured Premium	$	22,221

NOTE 13.

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 14.

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, 2023, the following employees were covered by the benefit terms:

Plan Membership as of January 1, 2023

Inactive members or beneficiaries currently receiving benefits	2,776
Inactive members entitled to but not yet receiving benefits	704
Active members	730
Total	4,210

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, 2023, plan year, the recommended contribution for the County was set at $48,110,000, and the County contributed $48,494,000. The actuarially determined contribution for employees was $5,072,277.

Net Pension Liability
The County's net pension liability was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2023, with update procedures performed by the actuary to roll forward the total pension liability measured as of December 31, 2023.

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, 2023, 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, 2023, valuation were based on the results of the last actuarial experience study, dated January 27, 2010, with the exception of the mortality assumption and the termination rates. The mortality assumption was updated for the December 31, 2019 measurement date. The termination assumptions will be updated over a five-year period beginning with the December 31, 2021 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	Allocation	Long-Term Expected Real Rate of Return
U.S. large cap growth	15.0%	7.2%
U.S. large cap value	15.0%	7.6%
U.S. mid cap	7.5%	8.1%
U.S. small cap	7.5%	9.1%
REITs	5.0%	7.7%
Foreign developed	10.0%	7.5%
Emerging markets	5.0%	8.9%
Global equity	10.0%	7.5%
Core fixed income	25.0%	2.6%
Total	100.0%	

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 that plan member contributions will be made at the current contribution rate and the County will contribute the actuarially determined amount in subsequent years. 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)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) – (b)
Balances at December 31, 2022	$ 1,594,988,892	$ 1,152,126,000	$ 442,862,892
Changes for the year:			
Service cost	10,979,211	—	10,979,211
Interest	109,051,817	—	109,051,817
Difference between expected and actual experience	47,343,620	—	47,343,620
Changes in assumptions	2,459,999	—	2,459,999
Contributions – employer	—	48,494,000	(48,494,000)
Contributions – employee	—	5,167,000	(5,167,000)
Net investment income	—	179,934,000	(179,934,000)
Benefit payments, including refunds of employee contributions	(96,170,000)	(96,170,000)	—
Administrative expense	—	(1,036,000)	1,036,000
Net changes	$ 73,664,647	$ 136,389,000	$ (62,724,353)
Balances at December 31, 2023	$ 1,668,653,539	$ 1,288,515,000	$ 380,138,539

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	$ 570,282,043	$ 380,138,539	$ 220,762,619

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

For the year ended December 31, 2023, the County recognized pension expense of $73,627,286. The following table provides a summary of the deferred inflows and outflows related to pensions as of December 31, 2023 (the measurement date):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ —	$ —
Changes of assumptions	—	—
Net difference between projected and actual earnings on plan investments	74,593,559	—
Total	$ 74,593,559	$ —

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)
2024	$ 15,965,989	$ —	$ 15,965,989
2025	30,678,932	—	30,678,932
2026	48,110,489	—	48,110,489
2027	—	20,161,851	(20,161,851)
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, 2023, there were 4425 active participants. Plan participants are required to make a one-time, irrevocable election of either 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, 2023, the amount contributed by employees was $15,491,276. The amount contributed by the County was $26,910,552. Effective January 1, 2007, a 1 percent match of pensionable earnings for each employee who contributes at least 3.0 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 2023, the County contributed $428,622 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*. The balance of the accumulated forfeiture account in the plan as of December 31, 2023 was $79,285.

NOTE 15.

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, area 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 37 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, and
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, 2023:

Active participants	5,020
Inactive members or their beneficiaries currently receiving benefits	1,752
Inactive members entitled to but not yet receiving benefits	—
Total	6,772

Contributions
In 2023, 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, 2023 plan year, the recommended contribution for the County was set at $5,601,385 and the County contributed $6,042,501.

Net OPEB Liability
The County's net OPEB liability was measured as of December 31, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2023, with update procedures performed by the actuary to roll forward the total OPEB liability measured as of December 31, 2023.

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, 2023, actuarial valuation were as follows:

Valuation date	January 1, 2023
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	5.125 percent
Ultimate trend rate:	
Pre-Medicare eligible	4.50 percent
Medicare eligible	4.50 percent
Year of ultimate trend rate:	
Pre-Medicare	2033
Medicare	2026
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, 2023 valuation were based on the results of an actuarial experience study done concurrently with the January 1, 2023 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	Allocation	Long-Term Expected Real Rate of Return
U.S. large cap growth	15.0%	7.2%
U.S. large cap value	15.0%	7.6%
U.S. mid cap	7.5%	8.1%
U.S. small cap	7.5%	9.1%
REITs	5.0%	7.7%
Foreign developed	10.0%	7.5%
Emerging markets	5.0%	8.9%
Global equity	10.0%	7.5%
Core fixed income	25.0%	2.6%
Total	100.0%	

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 in subsequent years. 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, 2022	$ 193,050,356	$ 163,364,000	$ 29,686,356
Changes for the year:			
Service cost	4,595,577	—	4,595,577
Interest	13,393,095	—	13,393,095
Difference between expected and actual experience	(5,031,146)	—	(5,031,146)
Changes of assumptions	575,210	—	575,210
Contributions – employer	—	6,043,000	(6,043,000)
Net investment income	—	26,103,000	(26,103,000)
Benefit payments	(12,632,000)	(12,632,000)	—
Administrative expense	—	(701,000)	701,000
Net changes	900,736	18,813,000	(17,912,264)
Balances at December 31, 2023	$ 193,951,092	$ 182,177,000	$ 11,774,092

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	$ 28,347,130	$ 11,774,092	$ (2,559,034)

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	$ 7,744,574	$ 11,774,092	$ 15,666,117

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

For the year ended December 31, 2023, the County recognized OPEB expense of ($2,888,872). The following table provides a summary of the deferred inflows and outflows related to OPEB as of December 31, 2023 (the measurement date):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ —	$ 32,654,710
Changes of assumptions	1,150,139	2,364,550
Net difference between projected and actual earnings on plan investments	10,389,371	—
Total	$ 11,539,510	$ 35,019,260

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)
2024	$ 2,579,107	$ 10,815,683	$ (8,236,576)
2025	4,540,987	9,244,313	(4,703,326)
2026	7,120,420	7,647,980	(527,560)
2027	170,615	8,884,164	(8,713,549)
Thereafter	112,915	1,411,654	(1,298,739)

NOTE 16.

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, 2023, were as follows (in thousands of dollars):

Fund balances	General	Fire and EMS District	Police Services District	ARPA	Other Capital Projects	2014 Sales Tax	2017 Sales Tax	2023 Sales Tax	Other Governmental	Total
Nonspendable:										
Inventories	$ 3,227	–	–	–	–	–	–	–	554	3,781
Prepaid items	235	–	541	–	–	–	–	–	235	1,011
Lease Receivables	10	–	–	–	–	–	–	–	38	48
Restricted for:										
Capital projects	–	–	–	–	241,957	17,495	367,696	140,539	–	767,687
Debt service	–	–	–	–	–	–	–	–	167	167
Special programs:										
Street lighting	–	–	–	–	–	–	–	–	3,073	3,073
Speed humps	–	–	–	–	–	–	–	–	470	470
Opioid Remediation	–	–	–	–	–	–	–	–	2,163	2,163
Document printing	–	–	–	–	–	–	–	–	6,759	6,759
Juvenile court supervision	–	–	–	–	–	–	–	–	283	283
Tourism	–	–	–	–	–	–	–	–	28,273	28,273
Stadium operations	–	–	–	–	–	–	–	–	3,992	3,992
Law enforcement – sheriff	–	–	–	–	–	–	–	–	993	993
Law enforcement – police	–	–	–	–	–	–	–	–	2,054	2,054
Crime victims assistance	–	–	–	–	–	–	–	–	432	432
Law enforcement – district attorney	–	–	–	–	–	–	–	–	257	257
Corrections inmate welfare	–	–	–	–	–	–	–	–	392	392
Sheriff inmate store	–	–	–	–	–	–	–	–	4,466	4,466
E-911 services	–	–	–	–	–	–	–	–	39,399	39,399
Loganville EMS district	–	–	–	–	–	–	–	–	484	484
Development and enforcement services district	–	–	–	–	–	–	–	–	15,813	15,813
Recreation district	–	–	–	–	–	–	–	–	26,176	26,176
Economic development	–	–	–	–	–	–	–	–	15,890	15,890
Jimmy Carter Boulevard tax allocation district	–	–	–	–	–	–	–	–	24,881	24,881
Indian Trail tax allocation district	–	–	–	–	–	–	–	–	8,087	8,087
Park Place tax allocation district	–	–	–	–	–	–	–	–	5,189	5,189
Lake Lucerne tax allocation district	–	–	–	–	–	–	–	–	2,641	2,641
Gwinnett Place tax allocation district	–	–	–	–	–	–	–	–	7,485	7,485
The Exchange at Gwinnett tax allocation district	–	–	–	–	–	–	–	–	7,545	7,545
Grants	–	–	–	–	–	–	–	–	5,886	5,886
American Rescue Plan Act	–	–	–	8,659	–	–	–	–	–	8,659
Fire and EMS district	–	92,162	–	–	–	–	–	–	–	92,162
Police services district	–	–	117,633	–	–	–	–	–	–	117,633
Committed to:										
Tree replacement	–	–	–	–	–	–	–	–	643	643
Assigned to:										
General fund – 2024 budget: appropriation of fund balance	39,156	–	–	–	–	–	–	–	–	39,156
Capital projects:										
General government projects	–	–	–	–	265,136	–	–	–	–	265,136
Unassigned	196,038	–	–	–	–	–	–	–	–	196,038
Total fund balances	**$ 238,666**	**92,162**	**118,174**	**8,659**	**507,093**	**17,495**	**367,696**	**140,539**	**214,720**	**1,705,204**

B. Net Position

Net position in the governmentwide statements as of December 31, 2023, was as follows (in thousands of dollars):

Net Position	Governmental Activities	Business-type Activities	Total
Net investment in capital assets	$ 2,915,840	$ 3,999,293	$ 6,915,133
Restricted for:			
Capital projects:			
2014 sales tax capital project fund	19,739	—	19,739
2017 sales tax capital project fund	396,842	—	396,842
2023 sales tax capital project fund	146,314	—	146,314
Fire and EMS district projects	78,376	—	78,376
Police services district projects	127,732	—	127,732
Development and enforcement services district projects	21,368	—	21,368
Recreation district projects	17,264	—	17,264
Debt service	167	33,584	33,751
Special programs:			
Street lighting	3,292	—	3,292
Speed humps	474	—	474
Opioid Remediation	2,163	—	2,163
Document printing	6,759	—	6,759
Juvenile court supervision	283	—	283
Tourism	28,273	—	28,273
Stadium operations	3,992	—	3,992
Law enforcement – sheriff	993	—	993
Law enforcement – police	2,054	—	2,054
Crime victims assistance	402	—	402
Law enforcement – district attorney	257	—	257
Corrections inmate welfare	386	—	386
Sheriff inmate store	4,466	—	4,466
E-911 services	31,236	—	31,236
Loganville EMS district	484	—	484
Development and enforcement services district	8,110	—	8,110
Recreation district	17,818	—	17,818
Economic development	16,400	—	16,400
Jimmy Carter Boulevard tax allocation district	25,162	—	25,162
Indian Trail tax allocation district	8,179	—	8,179
Park Place tax allocation district	5,227	—	5,227
Lake Lucerne tax allocation district	2,688	—	2,688
Gwinnett Place tax allocation district	7,840	—	7,840
The Exchange at Gwinnett tax allocation district	7,547	—	7,547
CARES Act grant	8,659	—	8,659
Miscellaneous grants	5,743	—	5,743
Fire and EMS district	13,811	—	13,811
Police services district	101,224	—	101,224
Unrestricted	269,049	438,458	707,507
Total net position	**$ 4,306,613**	**$ 4,471,335**	**$ 8,777,948**

NOTE 17.

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, 2023, the County abated property taxes totaling $1,149,471 under this program.

NOTE 18.

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		(1,040,760)
Balance	$	12,259,240

D. Development Authority of Gwinnett County

In August 2021, the Gwinnett County Development Authority entered into a management agreement with Rowen Foundation, Inc., in which Rowen transferred Land Lot 340 of the 5th District to the Authority. The land is being held by the Authority with the intention of controlling the future redevelopment of the property and is not held primarily for the purpose of income or profit. As such, the asset is recorded at cost. The cost of the assets held for redevelopment at December 31, 2023, is $1,116,200. As part of the management agreement with Rowen, any future sale of the land will be used to reduce the receivable due to the Development Authority from Rowen.

REQUIRED SUPPLEMENTARY INFORMATION

Defined Benefit Pension Plan

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

		2023	2022	2021	2020	2019
Total pension liability:						
Service cost	$	10,979	10,357	10,686	11,469	11,329
Interest		109,052	106,749	101,936	98,703	91,586
Difference between expected and actual experience		47,344	3,086	41,663	19,435	25,253
Changes of assumptions		2,460	5,663	3,321	–	50,586
Benefit payments		(96,170)	(91,000)	(86,038)	(79,248)	(75,169)
Net change in total pension liability		73,665	34,855	71,568	50,359	103,585
Total pension liability – beginning		1,594,988	1,560,133	1,488,565	1,438,206	1,334,621
Total pension liability – ending (a)	$	1,668,653	1,594,988	1,560,133	1,488,565	1,438,206
Plan fiduciary net position						
Contributions – employer		48,494	56,271	54,637	46,767	41,620
Contributions – employee		5,167	5,600	5,990	6,289	6,176
Net investment income		179,934	(242,689)	175,503	153,062	212,029
Benefit payments		(96,170)	(91,000)	(86,038)	(79,248)	(75,169)
Administrative expense		(1,036)	(461)	(934)	(789)	(731)
Net change in plan fiduciary net position		136,389	(272,279)	149,158	126,081	183,925
Plan fiduciary net position – beginning		1,152,126	1,424,405	1,275,247	1,149,166	965,241
Plan fiduciary net position – ending (b)	$	1,288,515	1,152,126	1,424,405	1,275,247	1,149,166
Net pension liability – ending (a) – (b)	$	380,138	442,863	135,728	213,318	289,040
Plan fiduciary net position as a percentage of the total pension liability		77.22%	72.23%	91.30%	85.67%	79.90%
Covered payroll		71,318	82,841	84,086	93,541	90,763
County's net pension liability as a percentage of covered payroll		533.02%	534.59%	161.42%	228.05%	318.46%

continued...

Defined Benefit Pension Plan

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

		2018	2017	2016	2015	2014
Total pension liability:						
Service cost	$	11,729	12,020	12,413	10,381	11,390
Interest		88,706	85,244	82,914	81,013	77,618
Difference between expected and actual experience		14,048	21,474	3,738	17,981	–
Changes of assumptions		–	–	–	121,862	–
Benefit payments		(70,723)	(67,254)	(63,539)	(59,323)	(54,595)
Net change in total pension liability		43,760	51,484	35,526	171,914	34,413
Total pension liability – beginning		1,290,861	1,239,377	1,203,851	1,031,937	997,524
Total pension liability – ending (a)	$	1,334,621	1,290,861	1,239,377	1,203,851	1,031,937
Plan fiduciary net position						
Contributions – employer		41,633	38,366	28,036	33,636	48,713
Contributions – employee		6,419	6,441	6,652	6,852	7,264
Net investment income		(54,537)	140,526	56,004	(2,182)	58,212
Benefit payments		(70,723)	(67,254)	(63,539)	(59,323)	(54,595)
Administrative expense		(757)	(724)	(818)	(638)	(878)
Net change in plan fiduciary net position		(77,965)	117,355	26,335	(21,655)	58,716
Plan fiduciary net position – beginning		1,043,206	925,851	899,516	921,171	862,455
Plan fiduciary net position – ending (b)	$	965,241	1,043,206	925,851	899,516	921,171
Net pension liability – ending (a) – (b)	$	369,380	247,655	313,526	304,335	110,766
Plan fiduciary net position as a percentage of the total pension liability		72.32%	80.81%	74.70%	74.72%	89.27%
Covered payroll		94,553	94,048	97,303	104,557	109,082
County's net pension liability as a percentage of covered payroll		390.66%	263.33%	322.22%	291.07%	101.54%

Defined Benefit Pension Plan

Schedule of County Contributions (in thousands)

		2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined employer contribution	$	48,110	55,619	54,002	46,586	41,350	41,102	37,945	28,036	33,636	38,713
Actual County contributions		48,494	56,271	54,637	46,767	41,620	41,633	38,366	28,036	33,636	48,713
Annual contribution (excess)	$	(384)	(652)	(635)	(181)	(270)	(531)	(421)	—	—	(10,000)
Covered payroll	$	71,318	82,841	84,086	93,541	90,763	94,553	94,048	97,303	104,557	109,082
Actual contributions as a percentage of covered payroll		68.00%	67.93%	64.98%	50.00%	45.86%	44.03%	40.79%	28.81%	32.17%	44.66%

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, 2022
Actuarial cost method	Entry age normal
Amortization method	Level dollar
Amortization period	Closed
Remaining amortization period	11 years
Asset valuation method	Five-year smoothed market value
Actuarial assumptions:	
Investment rate of return (includes inflation)	7.00%
Projected salary increases (includes 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

Since 2021, the termination rates in effect prior to January 1, 2021 have been reduced by 60%.

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)

	2023	2022	2021	2020	2019	2018	2017
Total OPEB liability:							
Service cost	$ 4,596	4,328	4,662	4,818	4,697	4,809	4,877
Interest	13,393	14,834	15,379	15,654	15,568	13,927	13,095
Difference between expected and actual experience	(5,031)	(27,642)	(9,801)	(10,877)	(9,026)	15,018	–
Changes of assumptions	575	467	(4,554)	125	2,169	476	–
Benefit payments	(12,632)	(13,046)	(13,236)	(13,747)	(10,840)	(10,525)	(11,279)
Net change in total OPEB liability	901	(21,059)	(7,550)	(4,027)	2,568	23,705	6,693
Total OPEB liability – beginning	193,050	214,109	221,659	225,686	223,118	199,413	192,720
Total OPEB liability – ending (a)	$ 193,951	193,050	214,109	221,659	225,686	223,118	199,413
Plan net position							
Contributions – employer	6,043	8,785	9,509	10,698	11,910	10,649	10,212
Net investment income	26,103	(35,578)	25,609	22,709	30,365	(7,699)	19,436
Benefit payments	(12,632)	(13,046)	(13,236)	(13,747)	(10,840)	(10,525)	(11,279)
Administrative expense	(701)	(532)	(601)	(571)	(583)	(617)	(672)
Net change in plan net position	18,813	(40,371)	21,281	19,089	30,852	(8,192)	17,697
Plan net position – beginning	163,364	203,735	182,454	163,365	132,513	140,705	123,008
Plan net position – ending (b)	$ 182,177	163,364	203,735	182,454	163,365	132,513	140,705
Net OPEB liability – ending (a) – (b)	$ 11,774	29,686	10,374	39,205	62,321	90,605	58,708
Plan net position as a percentage of the total OPEB liability	93.93%	84.62%	95.15%	82.31%	72.39%	59.39%	70.56%
Covered payroll	366,032	327,723	317,746	296,133	272,337	260,420	240,315
Net OPEB liability as a percentage of covered payroll	3.22%	9.06%	3.26%	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)

		2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined employer contribution	$	5,601	7,992	9,238	10,188	10,563	9,327	9,521	10,494	9,895	9,389
Actual County contributions		6,043	8,785	9,509	10,698	11,910	10,649	10,212	13,257	11,587	9,977
Annual contribution (excess)	$	(442)	(793)	(271)	(510)	(1,347)	(1,322)	(691)	(2,763)	(1,692)	(588)
Covered payroll	$	366,032	327,723	317,746	296,133	272,337	260,420	240,315	224,112	215,187	206,640
Actual contributions as a percentage of covered payroll		1.65%	2.68%	2.99%	3.61%	4.37%	4.09%	4.25%	5.92%	5.38%	4.83%

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, 2022
Actuarial cost method	Entry Age Normal
Amortization method	Level percent of pay
Amortization period	Closed
Remaining amortization period	23 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: 5.125%
Ultimate trend rate	Pre-Medicare eligible: 4.50% Medicare eligible: 4.50%
Year of ultimate trend rate	Pre-Medicare: 2032 Medicare: 2025

For actuarial assumptions used in the actuarial valuation above, refer to *Note 15* 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, changes were made to the assumed initial per capita health care costs and rates of health care inflation used to project the per capita costs. Also, the assumed rates of termination for participants in the Defined Benefit Plan have been reduced by 60% of the rates in effect prior to January 1, 2021. These rates will be reduced by another 20% of the original rate for each of the next two valuations until zero terminations by participants in the Defined Benefit Plan are assumed for valuation purposes. Finally, assumptions have been updated to assume decrements occur in the middle of the year.

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

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX B

GWINNETT COUNTY
ECONOMIC AND GENERAL INFORMATION

[THIS PAGE INTENTIONALLY LEFT BLANK]

GWINNETT COUNTY ECONOMIC AND GENERAL INFORMATION

Demographic Information

The following information is provided to give prospective investors an overview of certain demographic information of the County. These statistics have not been adjusted to reflect population or economic trends and are not to be relied upon as a representation or guarantee of the Agency or the County.

Economy

The County is home to a diverse business community consisting of industry representing a cross-section of domestic and international companies. The County is home to more than 26,000 businesses made up of healthcare and life sciences, advanced communications, information technology, corporate headquarters, regional offices and professional services and trade and distribution (logistics).

Estimated Population

The table below shows the dramatic growth in the County, the other counties comprising the 10-county Atlanta Region and the City of Atlanta since 1990, as well as the change in population and the percentage change in the population numbers from the decennial census periods 1990 to 2000, 2000 to 2010, and 2010 to 2020, as well as the 30-year period from 1990 to 2020. The estimated population of the County as of July 1, 2023 is 983,526, and its population is expected to reach one million by the end of 2024.

	1990	2000	2010	2020	1990-2000	2010-2000	2020-2010	1990-2020
Atlanta Region	2,514,066	3,429,379	4,107,750	5,214,946	36.4%	19.8%	27.0%	107.4%
Cherokee	90,204	141,903	214,346	266,620	57.3	51.1	24.4	195.6
Clayton	182,052	236,517	259,424	297,595	29.9	9.7	14.7	63.5
Cobb	447,745	607,751	688,078	766,149	35.7	13.2	11.3	71.1
DeKalb	545,837	665,865	691,893	764,382	22.0	3.9	10.5	40.0
Douglas	71,120	92,174	132,403	144,237	29.6	43.6	8.9	102.8
Fayette	62,415	91,263	106,567	119,194	46.2	16.8	11.8	91.0
Fulton	648,951	816,006	920,581	1,066,710	25.7	12.8	15.9	64.4
Gwinnett	**352,910**	**588,448**	**805,321**	**957,062**	**66.7**	**36.9**	**18.8**	**171.2**
Henry	58,741	119,341	203,922	240,712	103.2	70.9	18.0	309.8
Rockdale	54,091	70,111	85,215	93,570	29.6	21.5	9.9	72.0
City of Atlanta	394,017	416,474	420,003	498,715	5.7	0.8	18.7	26.6

SOURCE: U.S. Census Bureau, 1990, 2000, 2010 and 2020 census data.

Employment

Set forth below are the ten largest employers in the County based on a survey of businesses by the Gwinnett County Office of Economic Development in the first quarter of 2024. There can be no assurance that any employer listed below will continue to be located in the County or will continue employment at the level stated. No independent investigation has been made of, and no representation can be made as to, the stability or financial condition of the companies listed below.

Employer	Employees
Gwinnett County Public Schools	29,523
Publix	6,377[(1)]
Gwinnett County Government	6,157[(2)]
Northside Hospital formerly Gwinnett Health Care System	5,971[(1)]
Wal-Mart	3,500[(1)]
State of Georgia (includes Georgia Gwinnett College)	2,569[(1)]
U.S. Postal Service	2,223[(1)]
Kroger	1,849[(1)]
Primerica	1,800
Home Depot	1,080

[(1)]Full-time equivalent employees.
[(2)]Based on total authorized positions as of December 31, 2023.

The following table reflects the preliminary estimated labor force and employment for the ten counties within the Atlanta Region as of April 2024. These statistics are based on annual averages, are not seasonally adjusted and include all persons 16 years and over who live and reside in the counties regardless of where they work.

County	Labor Force	Employment	Unemployment	Unemployment Rate (%)
Cherokee	147,104	143,743	3,361	2.3
Clayton	144,052	138,571	5,481	3.8
Cobb	444,698	433,282	11,416	2.6
DeKalb	417,048	404,392	12,656	3.0
Douglas	77,305	74,898	2,407	3.1
Fayette	61,218	59,723	1,495	2.4
Fulton	592,688	574,056	18,632	3.1
Gwinnett	**516,370**	**502,976**	**13,394**	**2.6**
Henry	124,020	120,086	3,934	3.2
Rockdale	46,681	44,999	1,684	3.6
Georgia	5,385,064	5,231,256	153,808	2.8
United States	167,484,000	161,590,000	5,894,000	3.5

SOURCE: Georgia Department of Labor, Workforce Statistics & Economic Research, Local Area Unemployment Statistics Unit. Preliminary figures for April 2024; not seasonally adjusted.

The following table shows the average employment and the average weekly wage in the County for the calendar year 2023 broken down by industry types.

	Average Number of Establishments	Average Employment	Average Percent	Average Weekly Wages
Goods Producing	**4,113**	**52.621**	**13.8**	**1.498**
Agriculture, Forestry, Fishing and Hunting	31	389	0.1	882
Mining, Quarrying, and Oil and Gas Extraction	14	*	*	*
Construction	2,959	25,059	6.6	1,530
Manufacturing	1,109	26,945	7.1	1,475
Apparel	13			
Beverage and Tobacco Product	21	490	0.1	1,077
Chemical	95	2,470	0.6	1,557
Computer and Electronic Product	84	3,475	0.9	2,119
Electrical Equipment, Appliance and Component	44	1,525	0.4	1,670
Fabricated Metal Product	106	2,587	0.7	1,117
Food	75	2,634	0.7	1,069
Furniture and Related Product	72	1.017	0.3	1,139
Leather and Allied Product	4	67	0.0	1,159
Machinery	95	2,206	0.6	1,188
Miscellaneous	140	1,400	0.4	1,419
Nonmetallic Mineral Product	57	1,107	0.3	1,503
Paper	24	1,047	0.3	1,340
Petroleum and Coal Products	5	56	0.0	1,512
Plastics and Rubber Products	35	2,305	0.6	1,236
Primary Metal	8	58	0.0	1,493
Printing and Related Support Activities	129	1,712	0.4	1,256
Textile Mills	13	239	0.1	1,694
Textile Product Mills	39	487	0.1	1,038
Transportation Equipment	25	588	0.2	1,291
Wood Product	28	1,424	0.4	1,227
Service Providing	**24,059**	**284,353**	**74.7**	**1,210**
Utilities	16	460	0.1	1,987
Wholesale Trade	2,385	33,182	8.7	1,701
Retail Trade	2,897	48,137	12.6	855
Transportation and Warehousing	965	12,571	3.3	1,223
Information	588	7,050	1.9	2,257
Finance and Insurance	1,507	11,330	3.0	1,784
Real Estate and Rental and Leasing	1,316	6,547	1.7	1,359
Professional Scientific and Technical Services	4,149	30,353	8.0	1,929
Management of Companies and Enterprises	148	7,522	2.0	2,364
Administrative, Support, Waste Management and Remediation Services	2,037	32,378	8.5	989
Education Services	409	4,856	1.3	874
Health Care and Social Assistance	2,894	42,033	11.0	1,039
Arts, Entertainment and Recreation	434	4,797	1.3	581
Accommodation and Food Services	2,382	33,287	8.7	476
Other Services (except Public Administration)	1,932	9,850	2.6	1,043

	Average Number of Establishments	Average Employment	Average Percent	Average Weekly Wages
Unclassified—industry not assigned	**5,664**	**3,027**	**0.8**	**1,109**
Total—Private Sector	**33,836**	**340,001**	**89.3**	**1,254**
Total—Government	**278**	**40,804**	**10.7**	**1,185**
Federal government	51	3,718	1.0	1,733
State government	48	3,206	0.8	1,034
Local government	179	33,880	8.9	1,139
All Industries	**34,111**	**380,805**	**100.0**	**1,246**

NOTE: *Denotes confidential data relating to individual employers and cannot be released. These data use the North American Industrial Classification System (NAICS) categories. Average weekly wage is derived by dividing gross payroll dollars paid to all employees—both hourly and salaried—by the average number of employees who had earnings; average earnings are then divided by the number of weeks in a reporting period to obtain weekly figures. Figures in other columns many not sum accurately due to rounding. All figures are annual averages of 2023.
SOURCE: Georgia Department of Labor. These data represent jobs that are covered by unemployment insurance laws.

Per Capita Personal Income

The following table is a historical comparison of per capita personal income figures for the counties within the ten county Atlanta Region from 2017 through 2022.

	2017	2018	2019	2020	2021	2022
Cherokee	49,713	51,282	53,574	57,355	63,168	66,230
Clayton	26,322	26,983	28,074	31,757	34,575	32,831
Cobb	55,137	57,447	59,653	62,551	68,273	69,932
DeKalb	48,721	51,287	52,624	55,996	62,588	62,632
Douglas	34,697	35,921	37,190	40,654	43,855	43,652
Fayette	60,008	64,030	64,965	68,059	72,745	75,294
Fulton	83,377	87,609	93,307	92,999	101,688	100,614
Gwinnett	**39,650**	**41,191**	**42,779**	**45,934**	**50,121**	**50,866**
Henry	37,818	39,036	39,762	42,920	46,657	46,921
Rockdale	33,242	34,152	34,152	38,989	41,988	41,230
Georgia	44,838	46,626	48,535	51,469	56,184	56,589
United States	51,004	53,309	55,547	59,153	64,430	65,470

NOTE: Numbers as of November 16, 2023 – new statistics for 2022; revised statistics for 1979-2021.
SOURCE: U.S. Department of Commerce, Bureau of Economic Analysis.

[Remainder of Page Intentionally Left Blank.]

Construction Activity

The table below presents information on the number and estimated construction cost of major new construction building permits issued by the County during the five years 2019 through 2023 (i.e., does not include permits issued for swimming pools, renovations, additions and other similar uses).

	Residential		Non-Residential	
Year	Permits	Estimated Cost	Permits	Estimated Cost
2019	2,335	$479,222,930	242	$322,643,926
2020	3,019	349,818,136	79	503,354,070
2021	2,918	376,674,236	172	647,204,719
2022	2,413	278,590,370	133	321,891,745
2023	3,066	359,441,365	65	357,138,427

SOURCE: Gwinnett County Department of Planning and Development.

Other Economic Indicators—Gwinnett County

Transportation

Aviation: The County is served by commercial aviation at the Hartsfield-Jackson Atlanta International Airport, located south of downtown Atlanta. The County's general aviation needs are served at the Gwinnett County Airport-Briscoe Field in Lawrenceville. In January, 2023, the County entered into a new lease with Sheltair Aviation LZU, LLC to act as the Fixed Based Operator on the north side of the airport. Sheltair has committed to invest $17 million in airport upgrades by the end of 2026. The initial lease is for 25 years with options to renew the lease up to 40 years total.

In addition, County residents and businesses have access to one other general aviation airport: DeKalb-Peachtree Airport, in adjacent DeKalb County.

Railroads: The County is served by Norfolk-Southern Railway and CSX Railroad, both of which traverse the County.

Highways: The County is served by the following major highways, plus an extensive network of local roads, which make its total mileage one of the largest of any county in the State of Georgia.

Interstate: Interstate 85, Interstate 285 (intersection with I-85 one-half mile southwest of the County line), and Interstate 985 (formerly Ga. 365).

Federal: U.S. Highways 23, 78, and 29.

State: Georgia Highways 20, 120, 124, 141, 84, 264, 316, 317, and 324.

Truck Lines: The Norcross area of the County is located in the Atlanta trucking district and is therefore served by approximately 60 inter/intrastate carriers and approximately 31 interstate-only carriers at 70 local terminals. Other areas of the County also are served by inter/intrastate carriers.

Healthcare

The largest provider of healthcare in the County is Northside Hospital Gwinnett, formerly the Gwinnett Medical Center, a 388 bed full-service facility with a 24-hour emergency room. An expansion project is underway at Northside Hospital Gwinnett that is expected to increase capacity to 696 beds, and is expected to be completed in 2025. In addition, Northside Hospital Duluth provides 81 private patient rooms and six family suites, with a full-time emergency department. The second largest healthcare facility is Eastside Medical Center in Snellville, which has 310 beds and an emergency facility. There are many smaller general and specialized facilities located throughout the County, including satellites of Egleston Children's Hospital, Northside Hospital and Emory University Hospital.

Utilities

Electricity is supplied by Georgia Power Company and various municipalities and electric membership corporations. Various companies and municipalities provide natural gas service to the County.

The County has approved water and sewer improvements that will serve 13,000 acres in eastern Gwinnett, including the future Rowen knowledge community. The Eastern Regional infrastructure project includes five miles of new and upsized water mains, six miles of new gravity sewer along the Apalachee River, seven miles of parallel wastewater force mains along Harbins and Brooks Road, and a new 14 million-gallon-per-day sewer pump station.

Business

The County is the second most populated county in the state of Georgia and a premier area for locating, growing, and conducting business. The County is home to Fortune 500 companies and numerous small businesses. The County works to attract domestic and international businesses of all sizes and to promote certain targeted sectors, including advanced manufacturing, professional and corporate services, health sciences and services, information and technology solutions, and supply chain management.

Rowen, a 2,000-acre knowledge community, will include more than 22 million square feet of lab, office, and civic spaces alongside a mix of multi-family residential, cafes, start-up hubs, parks, and public trails. At complete buildout, Rowen is projected to bring nearly 100,000 jobs to Georgia, contributing $8 to $10 billion to the state's economy annually. The project will focus on three of the State's historic economic drivers – agriculture, the environment, and medicine.

Tourism and Film Industry

The County has acted over the years to enhance tourism in the County. In 2021, visitor expenditures were almost $1 billion dollars, with visitors spending $996 million countywide. The County's hotel occupancy for 2023 ended the year at 68 percent. The County continues to lead with the highest hotel occupancy in the 12-area metro Atlanta region for the past 48 months/4 years.

The County has an extensive array of film-friendly locations, with more than 500 in the statewide film database, and more added each month. The Gwinnett area is home to three large studios including OFS Studios, a County-owned facility in Norcross, which is part of the OFS Fiberoptics facility on Crescent Drive. This facility has been home to multiple franchise productions, and is home to one of the largest backlot green screens in the world. Eagle Rock TV Studios has two locations in the County, including one located in Norcross which is the largest TV production studio under one roof in the U.S. One of Atlanta's largest studios, Assembly Studios in Doraville, is just across the county line. Assembly, anchored by NBC/Universal, is one of Atlanta's most expansive studios, with full production services and permanent outdoor sets.

APPENDIX C

SUMMARIES OF BOND RESOLUTION AND CONTRACT

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX C

DEFINITIONS AND SUMMARIES OF BOND RESOLUTION AND CONTRACT

DEFINITIONS

Certain words and terms used in this Official Statement are defined herein. In addition to the words and terms defined elsewhere herein, the following words and terms are defined in this Official Statement.

"**Act**" means Chapter 61 of Title 36 of the Official Code of Georgia Annotated, entitled the "Urban Redevelopment Law," as amended, and as the same may be from time to time additionally supplemented and amended.

"Additions" or **"Alterations"** means modifications, repairs, renewals, improvements, replacements, alterations, additions, enlargements, or expansions in, on, or to the Project, including any and all machinery, furnishings, and equipment therefor.

"Agency" means the Urban Redevelopment Agency of Gwinnett County, Georgia, a public corporation created and existing under the laws of the State, and its successors and assigns.

"Agreement of Purchase and Sale" means the Agreement of Purchase and Sale dated as of September 24, 2024 between Macy's Retail Holdings, LLC, as seller, and the Agency, as purchaser, as amended, modified, or supplemented from time to time.

"Authorized Agency Representative" means the person at the time designated to act on behalf of the Agency by written certificate furnished to the County and the Project Fund Depository, containing the specimen signature of such person and signed on behalf of the Agency by the Chair or Vice Chair of its Governing Body. Such certificate or any subsequent or supplemental certificate so executed may designate an alternate or alternates.

"Authorized County Representative" means the person at the time designated to act on behalf of the County by written certificate furnished to the Agency and the Project Fund Depository, containing the specimen signature of such person and signed on behalf of the County by the Chair or Vice Chair of its Governing Body. Such certificate or any subsequent or supplemental certificate so executed may designate an alternate or alternates.

"Bond Counsel" means Kutak Rock LLP or any other firm of nationally recognized bond counsel experienced in matters relating to the tax-exempt nature of interest on municipal bonds, appointed by the County or the Agency.

"Bond Registrar" means the commercial bank appointed by the Agency to maintain, in accordance with the provisions of the Bond Resolution, the registration books of the Agency for any series of Bonds. Regions Bank, Atlanta, Georgia, is the initial Bond Registrar for the Bonds.

"Bond Resolution" means, collectively, the Bond Resolution adopted by the Governing Body of the Agency on September 17, 2024 and the Supplemental Bond Resolution adopted by the Governing Body of the Agency on October 15, 2024 authorizing the issuance and sale of the Bonds and the security therefor.

"Bondholders" means the Persons in whose names any of the Bonds are registered on the registration books of the Agency.

"Bonds" or **"Series 2024 Bonds"** means the revenue bonds designated "Urban Redevelopment Agency of Gwinnett County, Georgia Revenue Bonds (Gwinnett Place Mall Phase II Project), Federally Taxable Series 2024," to be dated the date of issuance and delivery thereof, in the aggregate principal amount of $17,205,000, to be issued pursuant to the Bond Resolution.

"Contract" means the Intergovernmental Contract dated as of November 1, 2024 between the Agency and the County, as the same may be amended from time to time in accordance with the provisions thereof.

"County" means the Gwinnett County, Georgia, a political subdivision of the State, and its successors and assigns.

"Equipment" means the equipment, machinery, furnishings, and other property described in Exhibit B attached to the Contract, which, by this reference thereto, is incorporated herein.

"**Event of Default**" means, with respect to the Bond Resolution, any of the events described as such in "**THE BOND RESOLUTION** – **Events of Defaults**" in this Appendix C, or, with respect to the Contract, any of the events described as such in "**THE CONTRACT** – **Events of Default**" in this Appendix C.

"Facilities" means those certain buildings, facilities, and improvements constituting part of the Project and not constituting part of the Equipment, which are located on the Premises.

"Fiscal Year" means any period of twelve consecutive months adopted by the County as its fiscal year for financial reporting purposes and shall initially mean the period beginning on January 1 of each calendar year and ending on December 31 of such calendar year.

"Fitch" means Fitch Ratings or, if such corporation is dissolved or liquidated or otherwise ceases to perform securities rating services, such other nationally recognized securities rating agency as may be designated in writing by the County. The notice address of Fitch shall be One State Street Plaza, New York, New York 10004.

"Governing Body" means, in the case of the Agency, the Board of Commissioners of the Agency and, in the case of the County, the Board of Commissioners of the County.

"Government Obligations" means direct general obligations of the United States of America (including obligations issued or held in book entry form on the books of the Department of Treasury of the United States of America) or obligations the payment of the principal of and interest on which when due are fully and unconditionally guaranteed by the United States of America.

"Interest Payment Date" means March 1 and September 1 of each year, commencing on March 1, 2025.

"Moody's" means Moody's Investors Service, Inc. or, if such corporation is dissolved or liquidated or otherwise ceases to perform securities rating services, such other nationally recognized securities rating agency as may be designated in writing by the County. The notice address of Moody's shall be 99 Church Street, New York, New York 10007.

"Outstanding Bonds" or "**Bonds Outstanding"** or **"Outstanding"** means all Bonds that have been duly authenticated and delivered by the Bond Registrar under the Resolution, except:

(a) Bonds theretofore cancelled or required to be cancelled by the Bond Registrar,

(b) Bonds that are deemed to have been paid in accordance with the Bond Resolution, and

(c) Bonds in substitution for which other Bonds have been authenticated and delivered under the Resolution.

If the Resolution shall be discharged, no Bonds shall be deemed to be outstanding within the meaning of this provision.

"Paying Agent" means the commercial bank or banks appointed by the Agency to serve as paying agent in accordance with the terms of the Bond Resolution for the Bonds, and their successors and assigns. Regions Bank, Atlanta, Georgia, is the initial Paying Agent for the Bonds.

"Permitted Investments" means obligations in which the Agency is permitted to invest moneys of the Agency pursuant to applicable law that have (or are collateralized by obligations that have) a Rating by any Rating Agency which is equal to or greater than the third highest long term Rating of such Rating Agency, or that bears (or are collateralized by obligations that bear) the second highest short-term Rating of such Rating Agency.

"Person" means natural persons, firms, joint ventures, associations, trusts, partnerships, corporations, and public bodies.

"Pledged Revenues" means the revenues received by the Agency or the Sinking Fund Custodian constituting payments pursuant to the Contract.

"Premises" means the real estate described in Exhibit A attached to the Contract.

“Project” means the urban redevelopment project consisting of the acquisition of (1) approximately 16.21 acres of land, together with the improvements and personal property thereon, including the building thereon consisting of approximately 244,451 square feet currently known as the Macy’s Store, located at 2100 Pleasant Hill Road, Suite 2318, Duluth, Georgia 30096 in the County and (2) approximately 6.90 acres of land, together with the improvements and personal property thereon, including the building thereon consisting of approximately 50,770 square feet currently known as the Macy’s Furniture Store, located at 3360 Venture Parkway NW, Duluth, Georgia 30096 in the County, pursuant to the terms of the Agreement of Purchase and Sale, and all related property both real and personal, consisting of the Premises, the Facilities, and the Equipment.

“Project Fund” means the Urban Redevelopment Agency of Gwinnett County, Georgia Project Fund, Series 2024 created pursuant to the Bond Resolution.

“Project Fund Depository” means initially Regions Bank, Atlanta, Georgia, and its successors and assigns, or any successor depository for the Project Fund hereafter appointed by the Agency at the direction of the County; provided, however, the Project Fund Depository shall at all times be a commercial bank.

“Rating” means a rating in one of the categories by a Rating Agency, disregarding pluses, minuses, and numerical gradations.

“Rating Agencies” or **“Rating Agency”** means Fitch, Moody’s and Standard & Poor’s or any successors thereto and any other nationally recognized credit rating agency then maintaining a rating on any Bonds at the request of the County. If at any time a particular Rating Agency does not have a rating outstanding with respect to the relevant Bonds, then a reference to Rating Agency or Rating Agencies shall not include such Rating Agency.

“Resolution” means the Bond Resolution as it may from time to time be modified, supplemented, or amended by Supplemental Resolutions.

“Sinking Fund” means the Urban Redevelopment Agency of Gwinnett County, Georgia Sinking Fund, Series 2024 pursuant to the Bond Resolution.

“Sinking Fund Custodian” means initially Regions Bank, Atlanta, Georgia, and its successors and assigns, or any successor custodian for the Sinking Fund hereafter appointed by the Agency at the direction of the County; provided, however, the Sinking Fund Custodian shall at all times be a commercial bank.

“Standard and Poor’s” or **“S&P”** means Standard & Poor’s Ratings Services, a division of The McGraw-Hill Companies, Inc., or, if such corporation is dissolved or liquidated or otherwise ceases to perform securities rating services, such other nationally recognized securities rating agency as may be designated in writing by the County. The notice address of Standard & Poor’s shall be 55 Water Street, New York, New York 10041.

“State” means the State of Georgia.

“Supplemental Resolution” means any modification, amendment, or supplement to the Bond Resolution.

“Unassigned Rights” means all of the rights of the Agency to receive reimbursements and payments, to give consents and approvals, and to be held harmless and indemnified pursuant to the Contract.

THE BOND RESOLUTION

Introduction

The Bond Resolution is a contract for the benefit of the owners of the Bonds that specifies the terms and details of the Bonds and that defines the security for the Bonds. The following is a summary, which does not purport to be comprehensive or definitive, of certain provisions of the Resolution. Reference is made to the Resolution in its entirety for a complete recital of the detailed provisions thereof, copies of which are available from the Agency upon request.

Pledge of Revenues and Assignment of Contract

Under the terms of the Resolution, all Pledged Revenues are pledged by the Agency to the prompt payment of the principal of, redemption premium, if any, and interest on the Bonds. Such moneys will immediately be subject to the lien of this pledge for the benefit of the Bondholders without any physical delivery thereof or further act, and the lien of this pledge will be valid and binding against the Agency and against all other persons having claims against the Agency, whether such claims shall have arisen in tort, contract, or otherwise and irrespective of whether such parties have notice thereof. Under the terms of the Resolution, the Agency agrees that it will not make any further pledge of the Pledged Revenues while the Bonds remain outstanding.

Under the terms of the Resolution, in order to secure the Agency's obligations under the Bonds, the Agency has collaterally assigned, for the benefit of the Bondholders, all of the right, title, and interest of the Agency in and to the Contract (except for the Unassigned Rights), and all extensions and renewals of the term thereof, if any, and all amounts encumbered thereby, including, but without limiting the generality of the foregoing, the present and continuing right to make claim for, collect, receive, and make receipt for payments and other sums of money payable, receivable, or to be held thereunder, to bring any actions and proceedings thereunder or for the enforcement thereof, and to do any and all other things that the Agency is or may become entitled to do under the foregoing, provided that the assignment made by the Resolution shall not impair or diminish any obligation of the Agency under the provisions of the Contract or impair or diminish the right of the Agency to enforce compliance with the obligations of the County under the Contract.

Funds Created by the Resolution and Flow of Funds

Under the terms of the Resolution, the Agency has established the following funds and accounts, and the moneys deposited in such funds and accounts shall be held in trust for the purposes set forth in the Resolution:

(1) the Sinking Fund; and

(2) the Project Fund.

The Sinking Fund shall be maintained by the Sinking Fund Custodian, and the Project Fund shall be maintained by the Project Fund Depository.

Sinking Fund

Under the terms of the Resolution, all Pledged Revenues shall be deposited in the Sinking Fund from time to time as received by the Agency. No further payments need be made into the Sinking Fund whenever the amount available therein is sufficient to retire all Bonds then Outstanding and to pay all unpaid interest accrued and to accrue prior to such retirement.

The Sinking Fund shall be used as a sinking fund to pay the principal of, premium, if any, and interest on the Bonds. The payments provided for in the Contract are to be remitted directly to the Sinking Fund Custodian for the account of the Agency and deposited in the Sinking Fund. Moneys in the Sinking Fund shall be used solely as a fund for the payment of the principal of, premium, if any, and interest on the Bonds, for the redemption of the Bonds at or prior to maturity, and to purchase Bonds in the open market pursuant to the Resolution; provided, however, that moneys in the Sinking Fund may be invested in Permitted Investments maturing or redeemable at the option of the holder prior to the next succeeding Interest Payment Date.

Project Fund

The proceeds of the Bonds will be deposited into the Project Fund. Moneys in the Project Fund shall be held by the Project Fund Depository and applied to the payment of costs in accordance with and subject to the provisions and restrictions set forth in the Resolution. The Agency will not cause or permit to be paid from the Project Fund any sums except in accordance with such provisions and restrictions; provided, however, that any moneys in the Project Fund not needed for the payment of current obligations during the course of acquisition of the Project may be invested in Permitted Investments maturing not later than (i) the date upon which such moneys will be needed according to a schedule of anticipated payments from the Project Fund filed with the Project Fund Depository by the Agency, as modified from time to time by supplemental filings made by the Agency, or (ii) in the absence of such schedule, 24 months from the date of purchase, in either case upon written direction of the County.

Moneys in the Project Fund shall be used solely for the purposes set forth in the Resolution and the Contract. Except as otherwise provided in the Resolution, all disbursements from the Project Fund shall be made upon requisition, signed by an Authorized County Representative, presented with such other requisitions, certificates, applications for payment and other documents as may be required under the Contract. Withdrawals for investment purposes only may be made by the Project Fund Depository to comply with written directions from the Authorized County Representative without any requisition other than such direction.

All proceeds of Bonds remaining in the Project Fund after the completion of the Project, less amounts retained or set aside to meet costs not then due and payable or which are being contested, shall be deposited in the Sinking Fund.

Investments

Moneys in the funds and accounts established under the Resolution must be invested and reinvested at the highest rates reasonably available, in accordance with the Resolution. Investment Earnings in each fund and account shall remain in such fund or account and shall serve as a credit against amounts otherwise required to be paid into such fund or account. Moneys in each of such funds shall be accounted for as a separate and special fund apart from all other Agency or County funds. All investments made under the Resolution shall, for purposes of the Resolution, be carried at cost plus amortized discount.

Liens

The Agency has covenanted in the Resolution not to create or permit to be created any lien, security interest, or charge upon the Pledged Revenues or the Contract, other than the pledge and assignment created by the Resolution.

Events of Default

Under the terms of the Resolution, each of the following events is an “Event of Default”: (a) payment of the principal of and redemption premium, if any, on any of the Bonds shall not be made when the same becomes due and payable, either at maturity or by proceedings for redemption; or (b) payment of any installment of interest on any Bond shall not be made when the same becomes due and payable; or (c) the Agency, for any reason, is rendered incapable of fulfilling its obligations under the Resolution; or (d) the Agency shall default in the due and punctual performance of any other of the covenants, conditions, agreements, or provisions contained in the Bonds, the Contract, or the Resolution, on the part of the Agency to be performed, and such default shall continue for thirty (30) days after written notice, specifying such default and requiring the same to be remedied, shall have been given to the Agency by any Bondholder.

Remedies

Upon the happening and continuance of any Event of Default, then and in every such case any Bondholder may proceed, subject to the provisions of the next paragraph, to protect and enforce the rights of the Bondholders under the Resolution by a suit, action, or special proceedings in equity, or at law, for the specific performance of any covenant or agreement contained in the Resolution or in aid or execution of any power granted in the Resolution, or contained in the Contract or granted in the Contract, or for the enforcement of any proper legal or equitable remedy as such Bondholder deems most effectual to protect and enforce the rights aforesaid, insofar as such may be authorized by law.

No one or more owners of the Bonds secured by the Resolution will have any right in any manner whatever by its or their action to affect, disturb, or prejudice the security granted and provided for in the Resolution, or to enforce any right under the Resolution, except in the manner provided in the Resolution, and all proceedings at law or in equity must be instituted, had, and maintained for the equal benefit of all owners of such Outstanding Bonds.

Supplemental Resolutions

The Agency, from time to time and at any time, subject to the conditions and restrictions in the Resolution, may adopt one or more resolutions which thereafter shall form a part of the Resolution, for any one or more or all of the following purposes:

(a) to add to the covenants and agreements of the Agency in the Resolution other covenants and agreements thereafter to be observed, or to surrender, restrict, or limit any right or power reserved in the Resolution to or conferred upon the Agency;

(b) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting, or supplementing any defective provision, contained in the Resolution, or in regard to matters or questions arising under the Resolution, as the Agency may deem necessary or desirable and not inconsistent with the Resolution and which will not have a material adverse effect on the interests of the Bondholders;

(c) to grant to or confer any additional rights, remedies, powers, or authorities that may be lawfully granted to or conferred upon the owners of the Bonds;

(d) to subject to the lien and pledge of the Resolution additional revenues, receipts, properties, or other collateral;

(e) to evidence the appointment of successors to the Project Fund Depository, the Sinking Fund Custodian, the Paying Agent, or the Bond Registrar;

(f) to modify, amend, or supplement the Resolution or any proceedings supplemental to the Resolution in such manner as to permit the qualification of the Resolution under the Trust Indenture Act of 1939 or any federal statute hereinafter in effect, and similarly to add to the Resolution, or to any proceedings supplemental to the Resolution, such other terms, conditions, and provisions as may be permitted or required by the Trust Indenture Act of 1939 or any similar federal statute;

(g) to make any modification or amendment of the Resolution, not adverse to the interests of the Bondholders, required in order to make the Bonds eligible for acceptance by The Depository Trust Company or any similar holding institution or to permit the issuance of the Bonds or interests therein in book-entry or certificated form; or

(h) to make changes and modifications, and to add such provisions, as shall be necessary to obtain or maintain an investment grade rating for the Bonds.

Any Supplemental Resolution described above may be adopted by the Agency without the consent of or notice to any of the owners of the Bonds at the time Outstanding.

In addition to Supplemental Resolutions described above, with the consent of the Bondholders, the Agency may from time to time and at any time adopt a Supplemental Resolution for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of the Resolution; provided, however, that no such Supplemental Resolution shall: (1) extend the maturity date of any Bond or the due date of any mandatory sinking fund redemption with respect to any Bond, (2) reduce or extend the time of payment of the principal of, redemption premium, or interest on any Bond, (3) reduce any premium payable upon the redemption of any Bond or advance the date upon which any Bond may first be called for redemption prior to its stated maturity date, (4) give to any Bond or Bonds a preference over any other Bond or Bonds, (5) reduce the percentage of owners of the Bonds required to approve any such Supplemental Resolution, or (6) deprive the owners of the Bonds (except as aforesaid) of the right to payment of the Bonds from the Pledged Revenues, in each case without the consent of the owners of all the Bonds then Outstanding.

Amendment of Contract

The County and the Agency, from time to time and at any time, subject to the conditions and restrictions in the Resolution, may amend, change, or modify the Contract as may be required:

(a) by the provisions of the Contract;

(b) to cure any ambiguity, or cure, correct, or supplement any defective provision contained in the Contract, or in regard to matters or questions arising under the Contract, as the Agency may deem necessary or desirable and not inconsistent with the Resolution and which shall not have a material adverse effect on the interests of the Bondholders;

(c) to make such changes and modifications, and to add such provisions, as shall be necessary to obtain or maintain an investment grade rating for the Bonds; or

(d) to conform the Contract to any changes made to the Resolution by a Supplemental Resolution permitted by the Resolution.

Except for the amendments, modifications, or changes to the Contract described above, neither the Agency nor the County may amend, change, or modify the Contract unless the owners of at least 55% of the aggregate principal amount of the Bonds then Outstanding shall have filed with the Agency and the County within three months after the date of adoption of resolutions approving such amendment, change, or modification properly executed instruments approving the execution of such amendment, change, or modification, each such Bondholder instrument to be accompanied by proof of ownership of Bonds to which such instrument refers; provided, however, nothing contained in the Resolution shall permit, or be construed as permitting, any amendment, change, or modification of the County's unconditional obligation to make the payments required under the Contract to the Agency without the consent of every owner of Bonds affected thereby.

Defeasance

Bonds for the payment or redemption of which sufficient moneys or sufficient Government Obligations shall have been deposited with or for the account of the Paying Agent (whether upon or prior to the maturity or the redemption date of such Bonds) shall be deemed to be paid and no longer Outstanding under the Resolution; provided, however, that if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall be duly given as provided in the Resolution or firm and irrevocable arrangements shall have been made for the giving thereof. Government Obligations shall be considered sufficient for purposes of the Resolution only (i) if such Government Obligations are not callable by the issuer of the Government Obligations prior to their stated maturity and (ii) if such Government Obligations fall due and bear interest in such amounts and at such times as will assure sufficient cash (whether or not such Government Obligations are redeemed by the Agency pursuant to any right of redemption) to pay currently maturing interest and to pay principal of and redemption premiums, if any, on the Bonds when due.

THE CONTRACT

Introduction

The Intergovernmental Contract, dated as of November 1, 2024, between the Agency and the County, provides for the acquisition of the Project by the County, as agent of the Agency, and secures the County's obligations to make payments to the Agency sufficient to pay debt service on the Bonds when due. The following is a summary, which does not purport to be comprehensive or definitive, of certain provisions of the Contract. Reference is made to the Contract in its entirety for a complete recital of the detailed provisions thereof.

**Agreement to Issue the Bonds;
Application of Proceeds**

In order to provide funds for payment of the initial costs of acquiring the Project, the Agency agreed in the Contract that it will issue and sell the Bonds and will thereupon deposit in the Project Fund the proceeds of the sale of the Bonds.

Agreement to Acquire the Project

The Agency has agreed to acquire the Project pursuant to and in the manner set forth in the Agreement of Purchase and Sale. The Agency will not permit the acquisition of the Project to be accomplished in any manner that is not in accordance with the Agreement of Purchase and Sale, as long as any such agreement is in effect.

County's Payment Obligation

Until the principal of, premium, if any, and interest on the Bonds is fully paid or provision for the payment thereof is made in accordance with the Resolution, the County must pay to the Sinking Fund Custodian for the account of the Agency as payment for the services rendered under the Contract, the following amounts:

(i) on or before each March 1 or September 1, as the case may be, beginning on March 1, 2025, a sum equal to the amount payable on such date as interest on the Bonds, as provided in the Resolution, and

(ii) on or before each September 1, a sum equal to the principal of the Bonds due on such date, whether by maturity or by mandatory redemption, as provided in the Resolution.

Each payment as described above is due on the day preceding an interest or principal payment date or redemption date until the Bonds are fully paid or payment is provided therefor in accordance with the Resolution must be sufficient, after giving credit for funds held in the Sinking Fund available for such purpose, to pay the total amount of interest, principal, redemption requirement, and premium, if any, payable on the Bonds on the next succeeding principal or interest payment date or on the next succeeding redemption date for Bonds. Any such payment shall be reduced and need not be made to the extent that there are moneys on deposit in the Sinking Fund in excess of the amount required for the payment of Bonds theretofore matured or called for redemption, the amount required for the payment of interest for which checks or drafts have been mailed by or on behalf of the Agency, and past due interest in all cases where Bonds have not been presented for payment. Further, if the amount held by the Sinking Fund Custodian in the Sinking Fund is sufficient to pay at the times required the principal of, premium, if any, and interest on the Bonds then remaining unpaid, the County will not be obligated to make any further payments under the provisions of the Contract. There will also be a credit against remaining payments for Bonds purchased, redeemed, or cancelled, as provided in the Resolution. Any payment not received by the Sinking Fund Custodian when due will continue as an obligation of the County until paid and will bear interest at the rate of interest on the Bonds to which such payment relates.

In the Contract, the County has also agreed to pay all reasonable out-of-pocket costs and expenses of the Agency incurred in connection with its negotiation, structuring, documenting, and closing the Bonds, including, without limitation, the reasonable fees and disbursements of counsel for the Agency and Bond Counsel. The County has agreed to pay all reasonable out-of-pocket costs and expenses of the Agency incurred in connection with its administration or modification of, or in connection with the preservation of its rights under, enforcement of, or any refinancing, renegotiation, restructuring, or termination of, the Contract or any instruments referred to therein or any amendment, waiver, or consent relating thereto, including, without limitation, the reasonable fees and disbursements of counsel for the Agency.

Security for Payment under the Contract

As security for the payments required to be made and the obligations required to be performed by the County under the Contract, the County has pledged to the Agency its full faith and credit and taxing power for such payment and performance. The County has agreed that, in order to make any payments when due from its general funds to the extent required under the Contract, the County will exercise its power of taxation to the extent necessary to pay the amounts required to be paid under the Contract and will make available and use for such payments all taxes levied and collected for that purpose together with funds received from any other sources. The County has also agreed that in order to make funds available for such purpose in each Fiscal Year, it will, in its general revenue, appropriation, and budgetary measures through which its tax funds or revenues and the allocation thereof are controlled or provided for, include sums sufficient to satisfy any such payments that may be required to be made under the Contract, whether or not any other sums are included in such measure, until all payments are made in full. The obligation of the County to make any payments that may be required to be made under the Contract from its general funds will constitute a general obligation of the County and a pledge of the full faith and credit of the County to provide the funds required to fulfill any such obligation.

The County has further agreed that it will, to the extent necessary, levy an annual ad valorem tax on all taxable property located within the corporate limits of the County, as now existent and as the same may hereafter be extended, at such rate or rates, without limitation as to rate or amount, as may be necessary to produce in each year revenues that will be sufficient to fulfill the County's obligations under the Contract, from which revenues the County shall appropriate sums sufficient to pay in full when due all of the County's obligations under the Contract. Nothing contained in the Contract, however, shall be construed as limiting the right of the County to make the payments called for by the Contract out of any funds lawfully available to it for such purpose, from whatever source derived (including general funds).

Events of Default

The Contract provides that the occurrence of any one of the following will constitute an "Event of Default" thereunder:

(a) The County's failure to pay the amounts required to be paid under the Contract at the times specified therein.

(b) The County's breach in any material respect of any representation or warranty contained in the Contract or the County's failure in any material respect to observe, perform, or comply with any covenant, condition, or agreement in the Contract on the part of the County to be observed or performed, other than as described in clause (a) above and in the Contract, for a period of thirty (30) days after written notice specifying such breach or failure and requesting that it be remedied, given to the County by the Agency or a majority of the Bondholders, unless the Agency and a majority of the Bondholders agree in writing to an extension of such time prior to its expiration. In the case of any such breach or default that cannot with due diligence be cured within such thirty (30) day period but can be wholly cured within a period of time not materially detrimental to the rights of the Agency and the Bondholders, to be determined conclusively by a majority of the Bondholders, it will not constitute an Event of Default if corrective action is instituted by the County within the applicable period and diligently pursued until the breach or default is corrected in accordance with and subject to any directions or limitations of time established in writing by a majority of the Bondholders.

(c) The County (i) applies for or consents to the appointment of or the taking of possession by a receiver, custodian, trustee, or liquidator of it or of all or a substantial part of its property, (ii) enters into an agreement of composition with its creditors, (iii) admits in writing its inability to pay its debts as such debts become due, (iv) makes a general assignment for the benefit of its creditors, (v) commences a voluntary case under the federal bankruptcy law (as now or hereafter in effect), (vi) files a petition or answer seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding up, or composition or adjustment of debts, (vii) fails to controvert in a timely or appropriate manner or acquiesce in writing to any petition filed against it in an involuntary case under such federal bankruptcy law, or (viii) takes any action for the purpose of effecting any of the foregoing.

(d) A proceeding or case is commenced, without the application of the County, in any court of competent jurisdiction, seeking (i) the liquidation, reorganization, dissolution, winding-up, or composition or adjustment of debts of the County; (ii) the appointment of a trustee, receiver, custodian, liquidator, or the like of the County or of all or any substantial part of the assets of it or of the Facilities; or (iii) similar relief in respect of the County under any law relating to bankruptcy, insolvency, reorganization, winding-up, or composition and adjustment of debts, and such proceeding or case must continue undismissed or an order, judgment, or decree approving or ordering any of the foregoing must be entered and must continue unvacated and unstayed and in effect for a period of sixty (60) days, whether consecutive or not.

Remedies on Default

Whenever any Event of Default occurs, the Agency, to the extent permitted by law, may take any one or more of the following remedial steps:

(a) The Agency may have access to and inspect, examine, and make copies of the books and records and any and all accounts and similar data of the County.

(b) The Agency may from time to time take whatever action at law or in equity or under the terms of the Contract may appear necessary or desirable to collect the amounts payable by the County under the Contract then due or thereafter to become due, or to enforce performance and observance of any obligation, agreement, or covenant of the County under the Contract.

No action taken pursuant to clauses (a) and (b) above will relieve the County from its obligations under the Contract to pay the amounts payable pursuant to the Contract, all of which will survive any such action, and the Agency will be permitted to take whatever action at law or in equity as may appear necessary and desirable to collect the amounts then due and thereafter to become due or to enforce the performance and observance of any obligation, agreement, or covenant of the County thereunder.

Term

The term of the Contract will commence with its execution and delivery and will remain in full force and effect until midnight, September 1, 2044, subject to provisions of the Contract permitting earlier termination, or if all the Bonds have not been paid or retired (or provision for such payment has not been made as provided in the Resolution), until such date as such payment or provision has been made; but in no event may the term of the Contract exceed fifty years.

Obligations of County Absolute and Unconditional

The Contract provides that it will constitute security for the Bondholders and that the obligations of the County under the Contract will be absolute and unconditional irrespective of any defense or any rights of setoff, recoupment, or counterclaim, except for payment, it may otherwise have against the Agency. The County has agreed that it will not (i) suspend, abate, reduce, abrogate, diminish, postpone, modify, or discontinue any payments provided for in the Contract, (ii) fail to observe any of its other agreements contained in the Contract, or (iii) terminate its obligations under the Contract for any contingency, act of God, event, or cause whatsoever.

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX D

FORM OF OPINION OF BOND COUNSEL

[THIS PAGE INTENTIONALLY LEFT BLANK]

Kutak Rock LLP
3424 Peachtree Road NE, Suite 900, Atlanta, GA 30326-1132
office 404.222.4600

November 5, 2024

Urban Redevelopment Agency of
Gwinnett County, Georgia
Lawrenceville, Georgia

$17,205,000
Urban Redevelopment Agency of Gwinnett County, Georgia
Revenue Bonds
(Gwinnett Place Mall Phase II Project),
Federally Taxable Series 2024

To the Addressee:

We have acted as Bond Counsel in connection with the issuance of the above-referenced bonds (the "Bonds") by the Urban Redevelopment Agency of Gwinnett County, Georgia (the "Agency"). The Bonds are being issued pursuant to a Bond Resolution adopted by the Agency on September 17, 2024, as supplemented by a Supplemental Bond Resolution adopted by the Agency on October 15, 2024 (collectively, the "Bond Resolution"). The Bonds bear interest, mature and are subject to exchange, transfer and redemption at the times, in the manner and on the terms, and contain such other terms and provisions, as are specified in the Bond Resolution. Capitalized, undefined terms used herein will have the meanings given them in the Bond Resolution.

The proceeds of the Bonds will be used for the purpose of obtaining funds to finance the costs of acquiring an urban redevelopment project consisting of the acquisition of (1) approximately 16.21 acres of land, together with the improvements and personal property thereon, including the building thereon consisting of approximately 244,451 square feet currently known as the Macy's Store, located at 2100 Pleasant Hill Road, Suite 2318, Duluth, Georgia 30096 in the County and (2) approximately 6.90 acres of land, together with the improvements and personal property thereon, including the building thereon consisting of approximately 50,770 square feet currently known as the Macy's Furniture Store, located at 3360 Venture Parkway NW, Duluth, Georgia 30096 in the County, which is within the urban redevelopment area described in the Plan (as defined in the Bond Resolution, pursuant to the terms of the Agreement of Purchase and Sale dated as of September 24, 2024 between Macy's Retail Holdings, LLC, as seller, and the Agency, as purchaser, and to finance related costs.

The Agency and Gwinnett County, Georgia (the "County") will enter into an Intergovernmental Contract (the "Contract"), dated as of November 1, 2024, under the terms of which the County will agree to (1) make payments to the Agency in amounts sufficient to enable the Agency to pay the principal of and interest on the Bonds when due, and (2) levy an annual ad valorem tax on all taxable property located within the corporate limits of the County, at such rates, without limitation as to rate or amount, as may be necessary to produce in each year revenues that are sufficient to fulfill the County's obligations under the Contract.

We have examined the law, such certified proceedings and other documents and matters as deemed necessary to render this opinion. In all examinations, we have assumed the genuineness of signatures on original documents and the conformity to original documents of all copies submitted to us as certified, conformed or photostatic copies, and as to certificates of public officials, we have assumed the same to have been properly given and to be accurate. As to questions of fact material to our opinion, we have relied upon (a) representations of the Agency and the County, (b) certified proceedings and other certifications of public officials furnished to us and (c) certifications by officials of the Agency and the County, without undertaking to verify the same and without independent investigation. Based upon the examinations, opinions, certificates and premises referred to above, we are of the opinion that as of this date:

1. The Agency is a public body corporate and politic, created, activated and validly existing under the Constitution and laws of the State of Georgia, and has all requisite power and authority (a) to issue, sell and deliver the Bonds, (b) to adopt the Bond Resolution, (c) to enter into the Contract and (d) to carry out the transactions contemplated by the Bond Resolution and the Contract.

2. Under the Constitution and laws of the State of Georgia, including particularly the Urban Redevelopment Law, Official Code of Georgia Annotated, Section 36-61-1, *et seq.*, as amended, the Bond Resolution has been duly adopted by the Agency and the Contract has been authorized by all necessary action on the part of the Agency and has been executed and delivered by the Agency, and the Bond Resolution and the Contract constitute legal, valid, binding and enforceable obligations of the Agency, except that the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally and principles of equity applicable to the availability of specific performance or other equitable relief.

3. The Bonds have been duly authorized and executed by the Agency and delivered to the Bond Registrar (as defined in the Bond Resolution) for authentication, and, assuming that the Bonds have been duly authenticated by the Bond Registrar, are valid and binding limited obligations of the Agency, except that the rights of the owners of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the enforcement of creditors' rights generally and principles of equity applicable to the availability of specific performance or other equitable relief.

4. The Bonds and the interest thereon are limited obligations of the Agency, payable solely from and secured by the revenues, receipts and security pledged therefor in the Bond Resolution, which include amounts paid to the Agency by the County under the Contract.

5. The Contract has been executed and delivered by the County and constitutes a legal, valid, binding and enforceable obligation of the County, except that the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally and principles of equity applicable to the availability of specific performance or other equitable relief. The Contract obligates the County to levy an annual ad valorem tax on all taxable property located within the County, without limitation as to rate or amount, sufficient in amount to pay the County's obligations under the Contract, to the extent the necessary funds are not provided from other sources.

6. The interest payable on the Bonds is exempt from State of Georgia income taxation.

In rendering this opinion, we have relied, with your permission, upon (1) the opinion of Michael P. Ludwiczak, Esq., Lawrenceville, Georgia, counsel to the Agency, dated the date hereof with respect to (a) the creation, activation and existence of the Agency, (b) the due authorization and adoption by the Agency of the Bond Resolution, and (c) the due authorization, execution and delivery by the Agency of the Bonds and the Contract and (2) the opinion of Michael P. Ludwiczak, Esq., Lawrenceville, Georgia, County Attorney of the County, dated the date hereof with respect to the due authorization, execution and delivery by the County of the Contract.

This opinion is limited to the matters expressly set forth above, and no opinion is implied or may be inferred beyond the matters so stated. We expressly disclaim any duty to update this opinion in the future for any changes of fact or law which may affect any of the opinions expressed herein.

Very truly yours,

KUTAK ROCK LLP

APPENDIX E

FORM OF CONTINUING DISCLOSURE AGREEMENT

[THIS PAGE INTENTIONALLY LEFT BLANK]

FORM OF CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (this "Disclosure Agreement") is executed and delivered by Gwinnett County, Georgia (the "County"), in connection with the issuance of $17,205,000 in aggregate principal amount of the Urban Redevelopment Agency of Gwinnett County, Georgia Revenue Bonds (Gwinnett Place Mall Phase II Project), Federally Taxable Series 2024 (the "Bonds"). The County hereby covenants and agrees as follows:

SECTION 1. Purpose. This Disclosure Agreement is being executed and delivered by the County for the benefit of the Bondholders (as herein defined) and in order to assist the Participating Underwriter (as herein defined) in complying with the Rule (as herein defined).

SECTION 2. Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized terms used in this Disclosure Agreement unless otherwise defined in this Disclosure Agreement, the following capitalized terms shall have the following meanings:

"Agency" means the Urban Redevelopment Agency of Gwinnett County, Georgia.

"Annual Report" shall mean any Annual Report provided by the County pursuant to the Rule and as described in Sections 3 and 4 of this Disclosure Agreement.

"Bondholders" means the beneficial owners of the Bonds.

"Dissemination Agent" shall mean, initially, the County, or any successor Dissemination Agent designated in writing by the County and that has filed with the County a written acceptance of such designation.

"EMMA" shall mean the Electronic Municipal Market Access system maintained by the MSRB for purposes of the Rule provided at http://www.emma.msrb.org or any similar system that is acceptable to the Securities and Exchange Commission.

"Financial Obligation" means (a) a debt obligation; (b) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) a guarantee of a financial obligation described in (a) or (b). The term "Financial Obligation" shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"Fiscal Year" shall mean any period of twelve consecutive months adopted by the County as its fiscal year for financial reporting purposes and shall initially mean the period beginning on January 1 of each calendar year and ending on December 31 of the same calendar year.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Disclosure Agreement.

"MSRB" shall mean the Municipal Securities Rulemaking Board, or any successor thereto.

"Participating Underwriter" shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

"Resolution" shall mean the resolution of the Agency pursuant to which the Bonds were issued, adopted on September 17, 2024 as supplemented on October 15, 2024.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"State" shall mean the State of Georgia.

SECTION 3. Provision of Annual Reports.

(a) The County shall, or shall cause the Dissemination Agent to, not later than July 1 of each year, commencing July 1, 2025, provide to EMMA, in an electronic format as prescribed by the MSRB, an Annual Report that is consistent with the requirements of Section 4. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other documents and information as provided in Section 4 herein. If the County's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5 herein.

(b) If audited financial statements of the County are not available to include in the Annual Report, the County shall provide unaudited financial statements by the due date set forth in subsection 3(a) above, and shall provide audited financial statements as soon as practicable thereafter. If the County is unable to provide to EMMA an Annual Report by the date required in subsection 3(a) herein, the County shall send, or cause the Dissemination Agent to send, a notice to EMMA in a timely manner in substantially the form attached as Exhibit A.

(c) If the Dissemination Agent is an entity other than the County, the Dissemination Agent shall:

(i) determine each year prior to the date for providing the Annual Report the appropriate electronic format prescribed by the MSRB for filing with the MSRB and the proper form for such filing; and

(ii) file a report with the County certifying that the Annual Report has been provided pursuant to this Disclosure Agreement, stating the date it was provided to EMMA.

SECTION 4. Content of Annual Reports. The County's Annual Report shall be in an Electronic Format as prescribed by the MSRB and shall contain or include by reference the following:

(a) The annual audited financial statements of the County with respect to the County's Annual Report for the prior fiscal year, prepared in accordance with generally accepted accounting principles and audited by a firm of independent certified public accountants, if available; and

(b) An update of the financial information and operating data with respect to the County of the type contained in the Official Statement, dated October 15, 2024, relating to the Bonds under the following headings, but only to the extent, in each case, that such information is not included in the audited financial statements described in (a) above:

- "GWINNETT COUNTY – Pensions and Employee Benefits – *Defined Benefit Plan*" (only the following items for the related fiscal year: (i) required and actual County contributions, (ii) covered payroll and (iii) total and net pension liability)
- "GWINNETT COUNTY – Pensions and Employee Benefits – *Defined Contribution Plan*" (only the amounts contributed by the County for the related fiscal year)
- "GWINNETT COUNTY – Pensions and Employee Benefits – *Other Post-Employment Benefits*" (only the following items for the related fiscal year: (i) required and actual County contributions, (ii) covered payroll and (iii) actuarial accrued liability and unfunded actuarial accrued liability (or in lieu thereof, total and net other post-employment benefit liability as determined in accordance with GAAP and the applicable statements of the Governmental Accounting Standards Board)
- "COUNTY AD VALOREM TAXATION–Property Tax Collections, –Property Tax Levies and Collections, –Property Tax Rates, and –Ten Largest Taxpayers."

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues with respect to which the County is an "obligated person" (as defined by the Rule), which have been filed in accordance with the Rule and the other rules of the Securities and Exchange Commission. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The County shall clearly identify each such other document so incorporated by reference.

SECTION 5. Reporting of Listed Events.

The County shall give, or cause to be given, notice to EMMA, in an electronic format as prescribed by the MSRB, of the occurrence of any of the following events with respect to the Bonds within ten business days of the occurrence of the event:

(a) Principal and interest payment delinquencies;

(b) Nonpayment related defaults, if material;

(c) Unscheduled draws on debt service reserves reflecting financial difficulties;

(d) Unscheduled draws on credit enhancements reflecting financial difficulties;

(e) Substitution of credit or liquidity providers, or their failure to perform;

(f) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5071-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

(g) Modifications to rights of the holders of the Bonds, if material;

(h) Bond calls, if material, and tender offers;

(i) Defeasances;

(j) Release, substitution or sale of property securing repayment of the Bonds, if material;

(k) Rating changes;

(l) Bankruptcy, insolvency, receivership or similar event of the County;

(m) The consummation of a merger, consolidation, or acquisition involving the County or the sale of all or substantially all of the assets of the County, other than in the ordinary course of business, or the entry into a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(n) Appointment of a successor or additional Paying Agent, Bond Registrar or Sinking Fund Custodian or the change of name of a Paying Agent, Bond Registrar or Sinking Fund Custodian, if material;

(o) Incurrence of a Financial Obligation of the County, if material, or agreement to covenants, events of default, remedies, priority rights or other similar terms of a Financial Obligation of the County; and

(p) Default, event of acceleration, termination event, modification of terms or other similar events under the terms of a Financial Obligation of the County, any of which reflect financial difficulties.

SECTION 6. Termination of Reporting Obligation. The obligations of the County under this Disclosure Agreement shall terminate upon the defeasance (within the meaning of the Resolution), prior redemption or payment in full of all of the Bonds. The County shall, or shall cause the Dissemination Agent to, notify EMMA that its obligations under this Disclosure Agreement have terminated. If the obligations of the County are assumed in full by some other entity, such person shall be responsible for compliance with this Disclosure Agreement in the same manner as if it were the County, and the County shall have no further responsibility hereunder.

SECTION 7. Dissemination Agent. The County may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

SECTION 8. Amendment. This Disclosure Agreement may not be amended unless independent counsel experienced in securities law matters has rendered an opinion to the County to the effect that the amendment does not violate the provisions of the Rule.

SECTION 9. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the County from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the County chooses to include any information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Disclosure Agreement, the County shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the County to comply with any provision of this Disclosure Agreement, the Participating Underwriter or any Bondholder may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the County to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed a "default" or an "event of default" under the Resolution, and the sole remedy under this Disclosure Agreement in the event of any failure of any party to comply with this Disclosure Agreement shall be an action to compel performance. The cost to the County of performing its obligations under the provisions of this Disclosure Agreement shall be paid solely from funds lawfully available for such purpose.

SECTION 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and the County agrees to indemnify and, to the extent permitted by applicable law, save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of their powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. The Dissemination Agent may consult with counsel (who may, but need-not, be counsel for any party hereto), and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance with the opinion of such counsel. The obligations of the County under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

SECTION 12. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the County, the Dissemination Agent, the Participating Underwriter and the Bondholders, and shall create no rights in any other person or entity.

SECTION 13. Intermediaries: Expenses. The Dissemination Agent is hereby authorized to employ intermediaries to carry out its obligations hereunder. The Dissemination Agent shall be reimbursed immediately for all such expenses and any other reasonable expense incurred hereunder (including, but not limited to, attorneys' fees).

SECTION 14. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 15. Governing Law. This Disclosure Agreement shall be governed by and construed in accordance with the laws of the State.

SECTION 16. Severability. In case any one or more of the provisions of this Disclosure Agreement shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Disclosure Agreement, but this Disclosure Agreement shall be construed and enforced as if such illegal or invalid provision had not been contained herein.

[Remainder of Page Intentionally Left Blank.]

Date: October 15, 2024

(SEAL)

GWINNETT COUNTY, GEORGIA

By: ______________________________
Chairwoman, Board of Commissioners

Attest:

By: ______________________________
Clerk

APPROVED AS TO FORM:

By: ______________________________
County Attorney

[Signature Page to Continuing Disclosure Agreement]

EXHIBIT A

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Obligated Person:	Gwinnett County, Georgia (the "County")
Name of Bond Issue:	Urban Redevelopment Agency of Gwinnett County, Georgia Revenue Bonds (Gwinnett Place Mall Phase II Project), Federally Taxable Series 2024
CUSIP Number(s):[1]	
Date of Issuance:	November 5, 2024

NOTICE IS HEREBY GIVEN that the County has not provided an Annual Report due with respect to the above-named Bonds as required by its Continuing Disclosure Agreement, dated October 15, 2024. The County anticipates that the Annual Report will be filed by ____________.

This notice is based on the best information available at the time of dissemination. Any questions regarding this notice should be directed to _______________________.

Dated: ___________, 20__

GWINNETT COUNTY, GEORGIA

By: ______________________________________
Chairwoman, Board of Commissioners

[1] No representation is made as to the correctness of the CUSIP number either as printed on the bonds or as contained herein, and·reliance may only be placed on other bond identification contained herein.

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX F

BOOK-ENTRY ONLY SYSTEM

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX F

BOOK-ENTRY ONLY SYSTEM

The information set forth in this APPENDIX F about the book-entry only system applicable to the Series 2024 Bonds has been supplied by DTC. Neither the Agency or the County makes any representations, warranties or guarantees with respect to its accuracy or completeness.

DTC will act as securities depository for the Series 2024 Bonds. The Series 2024 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued in the aggregate principal amount of the Series 2024 Bonds and will be deposited with DTC at the office of the Bond Registrar on behalf of DTC utilizing the DTC FAST system of registration.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of "AA+." The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the Series 2024 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2024 Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2024 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2024 Bonds, except in the event that use of the book-entry system for the Series 2024 Bonds is discontinued.

To facilitate subsequent transfers, all of the Series 2024 Bonds deposited by Direct Participants with DTC (or the Bond Registrar on behalf of DTC utilizing the DTC FAST system of registration) are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Series 2024 Bonds with DTC (or the Bond Registrar on behalf of DTC utilizing the DTC FAST system of registration) and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2024 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such the Series 2024 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Series 2024 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2024 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of the Series 2024 Bonds may wish to ascertain that the nominee holding the Series 2024 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Bond Registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2024 Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2024 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Agency as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2024 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments of principal of and premium, if any, and interest on the Series 2024 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Bond Registrar, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with the Series 2024 Bonds held for the accounts of customers in bearer form or registered in "street name" and will be the responsibility of such Participant and not of DTC or its nominee, the Bond Registrar or the Agency, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Bond Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2024 Bonds at any time by giving reasonable notice to the Agency or the Bond Registrar. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The Agency or the County may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered.

NONE OF THE AGENCY, THE COUNTY OR THE PAYING AGENT WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO ANY DIRECT PARTICIPANT, INDIRECT PARTICIPANT OR ANY BENEFICIAL OWNER OR ANY OTHER PERSON NOT SHOWN ON THE REGISTRATION BOOKS OF THE BOND REGISTRAR AS BEING A HOLDER WITH RESPECT TO: (1) THE SERIES 2024 BONDS; (2) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT; (3) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL OR REDEMPTION PRICE OF OR INTEREST ON THE SERIES 2024 BONDS; (4) THE DELIVERY BY ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE INDENTURE TO BE GIVEN TO HOLDERS; (5) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE SERIES 2024 BONDS; OR (6) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS HOLDER.

Each Beneficial Owner for whom a Direct Participant or Indirect Participant acquires an interest in the Series 2024 Bonds, as nominee, may desire to make arrangements with such Direct Participant or Indirect Participant to receive a credit balance in the records of such Direct Participant or Indirect Participant, to have all notices of redemption, elections to tender the Series 2024 Bonds or other communications to or by DTC which may affect such

Beneficial Owner forwarded in writing by such Direct Participant or Indirect Participant, and to have notification made of all debt service payments.

Beneficial Owners may be charged a sum sufficient to cover any tax, fee, or other governmental charge that may be imposed in relation to any transfer or exchange of their interests in the Series 2024 Bonds.

The Agency and the County cannot and do not give any assurances that DTC, Direct Participants, Indirect Participants or others will distribute payments of debt service on the Series 2024 Bonds made to DTC or its nominee as the registered owner, or any redemption or other notices, to the Beneficial Owners, or that they will do so on a timely basis, or that DTC, Direct Participants or Indirect Participants will serve and act in the manner described in this Official Statement.

[THIS PAGE INTENTIONALLY LEFT BLANK]