POLK COUNTY, GEORGIA

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
JUNE 30, 2023

MAULDIN & JENKINS

CPAs & ADVISORS

POLK COUNTY, GEORGIA

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
JUNE 30, 2023

Prepared By:
The Polk County Finance Department

INTRODUCTORY SECTION

POLK COUNTY, GEORGIA

ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2023

TABLE OF CONTENTS

	Page
INTRODUCTORY SECTION	
Table of Contents	i-iii
FINANCIAL SECTION	
Independent Auditor's Report	1-4
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	5
Statement of Activities	6 and 7
Fund Financial Statements:	
Balance Sheet – Governmental Funds	8
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	9
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	10
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	11
Statement of Net Position – Proprietary Funds	12
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds	13
Statement of Cash Flows – Proprietary Funds	14
Statement of Fiduciary Net Position	15
Statement of Changes in Fiduciary Net Position	16
Notes to Financial Statements	17-54
Required Supplementary Information:	
General Fund – Budgetary Comparison Schedule – GAAP Basis	55-59
Schedule of Changes in the County's Net Pension Liability and Related Ratios	60
Schedule of County Contributions	61
Schedule of Changes in the County's Total OPEB Liability and Related Ratios	62
Combining and Individual Fund Statements and Schedules:	
Combining Balance Sheet – Nonmajor Governmental Funds	63 and 64
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	65 and 66

POLK COUNTY, GEORGIA

ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2023

TABLE OF CONTENTS

FINANCIAL SECTION (Continued) **Page**

Combining and Individual Fund Statements and Schedules (Continued):

E-911 Emergency Telephone Fund – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual 67

Law Library Fund – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual 68

Crime Victim Assistance Fund – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual 69

Drug Abuse Treatment and Education Fund – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual 70

Law Enforcement Confiscated Monies – County Police Fund – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual 71

Law Enforcement Confiscated Monies – Sheriff Fund – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual 72

County Jail Fund – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual 73

District Attorney Fund – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual 74

Juvenile Probation Fund – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual 75

Clerk of Superior Court Special Fee Fund – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual 76

Sheriff Other Programs Fund – Schedule of Revenues, Expenditures, and Changes Fund Balances – Budget and Actual 77

OPIOID Fund – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual 78

ARPA Fund – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual 79

Schedule of Expenditures of Special Purpose Local Option Sales Tax Proceeds ..... 80 and 81

Combining Statement of Fiduciary Net Position – Custodial Funds ..... 82 and 83

Combining Statement of Changes in Fiduciary Net Position – Custodial Funds ..... 84 and 85

Balance Sheet – Component Unit – Development Authority 86

Statement of Revenues, Expenditures, and Changes in Fund Balances – Component Unit – Development Authority 87

POLK COUNTY, GEORGIA

ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2023

TABLE OF CONTENTS

COMPLIANCE SECTION

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* ..... 88 and 89

Schedule of Findings and Responses 90-92

FINANCIAL SECTION

MAULDIN & JENKINS
CPAs & ADVISORS

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
of Polk County, Georgia

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of **Polk County, Georgia** (the "County") as of and for the year ended June 30, 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 the other auditors, the accompanying 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 Polk County, Georgia, as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Polk County Health Department, which represents 51%, 26%, and 82%, respectively, of the assets and deferred outflows of resources, net position, and revenues of the aggregate discretely presented component units as of June 30, 2023, and the respective changes in financial position for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Polk County Health Department, is based solely on the report of the other auditor.

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.

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 General Fund budgetary comparison schedule, the schedule of changes in the County's net pension liability and related ratios, the schedule of County contributions, and the schedule of changes in the County's total OPEB liability and related ratios, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management, and, 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.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund financial statements and schedules, and the schedule of expenditures of special purpose local option sales tax proceeds (the "supplementary information") are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

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

Mauldin & Jenkins, LLC

Atlanta, Georgia
November 26, 2024

POLK COUNTY, GEORGIA

STATEMENT OF NET POSITION
JUNE 30, 2023

	Primary Government			Component Units	
ASSETS	**Governmental Activities**	**Business-type Activities**	**Total**	**Health Department**	**Development Authority**
Cash and cash equivalents	$ 26,734,911	$ 13,118,792	$ 39,853,703	$ 1,296,147	$ 1,751,256
Investments	1,255,628	-	1,255,628	-	-
Property held for redevelopment	-	-	-	-	310,118
Internal balances	141,470	(141,470)	-	-	-
Due from other governments	2,594,354	-	2,594,354	89,266	-
Receivables (net of allowance for uncollectibles)	832,584	179,557	1,012,141	1,981	-
Lease receivable, due within one year	223,998	-	223,998	-	-
Lease receivable, due in more than one year	383,940	-	383,940	-	-
Prepaid items	845,180	-	845,180	636	-
Inventories	69,729	-	69,729	27,028	-
Restricted cash	-	554,270	554,270	-	-
Restricted investments	-	4,428,073	4,428,073	-	-
Net OPEB asset	-	-	-	5,247	-
Capital assets, nondepreciable	3,538,165	180,890	3,719,055	-	-
Capital assets, depreciable, net of accumulated depreciation and amortization	43,774,022	151,839	43,925,861	9,463	-
Total assets	80,393,981	18,471,951	98,865,932	1,429,768	2,061,374
DEFERRED OUTFLOWS OF RESOURCES					
OPEB related items	3,273,442	-	3,273,442	109,767	-
Pension related items	3,555,599	-	3,555,599	586,504	-
Total deferred outflows of resources	6,829,041	-	6,829,041	696,271	-
LIABILITIES					
Accounts payable	654,820	7,896	662,716	441	-
Retainage payable	410,590	-	410,590	-	-
Accrued liabilities	1,063,053	-	1,063,053	-	-
Unearned revenue	51,387	5,000	56,387	-	-
Noncurrent liabilities due within one year					
Compensated absences	637,662	-	637,662	4,933	5,008
Landfill closure and postclosure	-	56,607	56,607	-	-
Financed purchases	619,001	-	619,001	-	-
Lease liability	-	-	-	2,590	-
Noncurrent liabilities due in more than one year					
Compensated absences	212,554	-	212,554	44,401	8,084
Advanced funding - postclosure trust agreement	-	4,979,185	4,979,185	-	-
Landfill postclosure	-	820,385	820,385	-	-
Financed purchases	314,427	-	314,427	-	-
Lease liability	-	-	-	7,039	-
Total OPEB liability	11,381,651	-	11,381,651	-	-
Net pension liability	10,131,219	-	10,131,219	1,230,641	-
Total liabilities	25,476,364	5,869,073	31,345,437	1,290,045	13,092
DEFERRED INFLOWS OF RESOURCES					
Leases	601,404	-	601,404	-	-
OPEB related items	7,423,851	-	7,423,851	87,668	-
Pension related items	71,812	-	71,812	11,162	-
Total deferred inflows of resources	8,097,067	-	8,097,067	98,830	-
NET POSITION					
Net investment in capital assets	45,835,779	332,729	46,168,508	-	-
Restricted for:					
Capital projects	8,959,243	-	8,959,243	-	-
Public safety activities	953,570	-	953,570	-	-
Health and welfare	205,675	-	205,675	-	-
Judicial activities	300,795	-	300,795	-	-
Unrestricted	(2,605,471)	12,270,149	9,664,678	737,164	2,048,282
Total net position	$ 53,649,591	$ 12,602,878	$ 66,252,469	$ 737,164	$ 2,048,282

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

POLK COUNTY, GEORGIA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	$ 7,828,198	$ 2,337,556	$ 1,068,741	$ -
Judicial	4,812,917	31,945	-	-
Public safety	14,984,921	1,743,954	865,056	-
Public works	8,493,414	577,798	220,236	939,480
Health and welfare	377,511	-	51,604	-
Culture and recreation	1,415,918	6,465	-	-
Housing and development	1,397,948	-	-	-
Sanitation	762,365	-	-	-
Interest	26,645	-	-	-
Total governmental activities	40,099,837	4,697,718	2,205,637	939,480
Business-type activities:				
Solid waste management	144,061	1,647,193	10,000	-
Total business-type activities	144,061	1,647,193	10,000	-
Total primary government	$ 40,243,898	$ 6,344,911	$ 2,215,637	$ 939,480
Component units:				
Health Department	$ 1,358,276	$ 533,787	$ 596,304	$ -
Development Authority	202,195	-	273,073	-
	$ 1,560,471	$ 533,787	$ 869,377	$ -
General revenues:				
Property taxes				
Sales taxes				
Insurance premium taxes				
Other taxes				
County funding				
Unrestricted net investment earnings				
Miscellaneous				
Transfers				
Total general revenues and transfers				
Change in net position				
Net position, beginning of year, as restated				
Net position, end of year				

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

Net (Expenses) Revenues and Changes in Net Position					
Primary Government				Component Units	
Governmental Activities	Business-type Activities	Total		Health Department	Development Authority
$ (4,421,901)	$ -	$ (4,421,901)		$ -	$ -
(4,780,972)	-	(4,780,972)		-	-
(12,375,911)	-	(12,375,911)		-	-
(6,755,900)	-	(6,755,900)		-	-
(325,907)	-	(325,907)		-	-
(1,409,453)	-	(1,409,453)		-	-
(1,397,948)	-	(1,397,948)		-	-
(762,365)	-	(762,365)		-	-
(26,645)	-	(26,645)		-	-
(32,257,002)	-	(32,257,002)		-	-
-	1,513,132	1,513,132		-	-
-	1,513,132	1,513,132		-	-
(32,257,002)	1,513,132	(30,743,870)		-	-
-	-	-		(228,185)	-
-	-	-		-	70,878
-	-	-		(228,185)	70,878
11,527,748	-	11,527,748		-	-
11,821,243	-	11,821,243		-	-
2,075,335	-	2,075,335		-	-
2,737,455	-	2,737,455		-	-
-	-	-		181,155	-
467,193	246,513	713,706		1,451	11,190
-	59,974	59,974		479	267
575,926	(575,926)	-		-	-
29,204,900	(269,439)	28,935,461		183,085	11,457
(3,052,102)	1,243,693	(1,808,409)		(45,100)	82,335
56,701,693	11,359,185	68,060,878		782,264	1,965,947
$ 53,649,591	$ 12,602,878	$ 66,252,469		$ 737,164	$ 2,048,282

POLK COUNTY, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023

ASSETS	General Fund	SPLOST Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total
Cash and cash equivalents	$ 10,539,725	$ 8,517,201	$ 6,691,464	$ 986,521	$ 26,734,911
Investments	1,255,628	-	-	-	1,255,628
Receivables (net of allowance for uncollectibles)	688,853	-	-	143,731	832,584
Inventories	69,729	-	-	-	69,729
Due from other governments	1,780,317	672,680	-	141,357	2,594,354
Due from other funds	973,367	-	-	548,843	1,522,210
Prepaid items	845,180	-	-	-	845,180
Lease receivable	607,938	-	-	-	607,938
Total assets	$ 16,760,737	$ 9,189,881	$ 6,691,464	$ 1,820,452	$ 34,462,534
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts payable	$ 438,854	$ 132,390	$ 18,298	$ 65,278	$ 654,820
Due to other governments	103,730	306,860	-	-	410,590
Other accrued liabilities	1,007,403	-	-	55,650	1,063,053
Due to other funds	546,794	334,368	245,476	254,102	1,380,740
Unearned revenue	51,387	-	-	-	51,387
Total liabilities	2,148,168	773,618	263,774	375,030	3,560,590
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	467,276	-	-	-	467,276
Unavailable revenue - intergovernmental	298,903	-	-	110,801	409,704
Deferred inflows related to leases	601,404	-	-	-	601,404
Total deferred inflows of resources	1,367,583	-	-	110,801	1,478,384
FUND BALANCES					
Fund balances:					
Nonspendable:					
Prepaid items	845,180	-	-	-	845,180
Inventories	69,729	-	-	-	69,729
Leasing activities	6,534	-	-	-	6,534
Restricted for:					
Capital projects	-	8,416,263	-	-	8,416,263
Public safety	-	-	-	953,570	953,570
Judicial activities	-	-	-	300,795	300,795
Committed for:					
Fire services	1,039,589	-	-	-	1,039,589
Unassigned	11,283,954	-	-	(125,419)	11,158,535
Total fund balances	13,244,986	8,416,263	6,427,690	1,334,621	29,423,560
Total liabilities, deferred inflows of resources and fund balances	$ 16,760,737	$ 9,189,881	$ 6,691,464	$ 1,820,452	$ 34,462,534

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

POLK COUNTY, GEORGIA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
JUNE 30, 2023

Amounts reported for governmental activities in the statement of net position are different because:		
Total fund balances - governmental funds		$ 29,423,560
Capital assets and subscription assets used in governmental activities are not current financial resources, and therefore, are not reported in the governmental funds.		
Cost of capital assets	$ 104,073,843	
Less accumulated depreciation	(56,761,656)	47,312,187
Other long-term assets are not available to pay for current-period expenditures, and therefore, are unavailable in the governmental funds.		876,980
Long-term liabilities are not due and payable in the current period, and therefore, are not reported in the governmental funds.		
Financed purchases	$ (933,428)	
Compensated absences payable	(850,216)	(1,783,644)
The deferred outflows of resources, deferred inflows of resources, the net pension liability related to the County's pension plan are not expected to be liquidated with expendable financial resources, and therefore, are not reported in the governmental funds.		
Net pension liability	$ (10,131,219)	
Pension related deferred outflows of resources	3,555,599	
Pension related deferred inflows of resources	(71,812)	(6,647,432)
The deferred outflows of resources, deferred inflows of resources, the total OPEB liability related to the County's OPEB plan are not expected to be liquidated with expendable financial resources, and therefore, are not reported in the governmental funds.		
Total OPEB liability	$ (11,381,651)	
OPEB related deferred outflows of resources	3,273,442	
OPEB related deferred inflows of resources	(7,423,851)	(15,532,060)
Total net position - governmental activities		$ 53,649,591

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

POLK COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	General Fund	SPLOST Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total
Revenues:					
Taxes	$ 20,469,514	$ 7,779,160	$ -	$ -	$ 28,248,674
Licenses and permits	289,618	-	-	-	289,618
Fines and forfeitures	955,061	-	-	191,854	1,146,915
Charges for services	941,554	-	-	1,424,994	2,366,548
Investment earnings	237,098	197,637	229,797	298	664,830
Intergovernmental	1,394,429	1,392,990	-	352,614	3,140,033
Contributions and donations	45,699	-	-	51,604	97,303
Miscellaneous	894,632	5	-	-	894,637
Total revenues	25,227,605	9,369,792	229,797	2,021,364	36,848,558
Expenditures:					
Current:					
General government	3,837,759	288,499	457,032	-	4,583,290
Judicial	4,467,616	5,000	32,257	312,916	4,817,789
Public safety	11,480,140	1,144,727	266,793	2,048,192	14,939,852
Public works	2,758,745	1,789,317	409,253	-	4,957,315
Health and welfare	265,279	-	63,771	15,239	344,289
Culture and recreation	240,918	1,175,000	-	-	1,415,918
Planning and development	1,039,775	80,955	7,266	-	1,127,996
Sanitation	762,365	-	-	-	762,365
Intergovernmental	-	3,600,195	-	-	3,600,195
Debt service:					
Principal	-	606,088	-	-	606,088
Interest and fees	-	26,645	-	-	26,645
Total expenditures	24,852,597	8,716,426	1,236,372	2,376,347	37,181,742
Excess (deficiency) of revenues over expenditures	375,008	653,366	(1,006,575)	(354,983)	(333,184)
Other financing sources (uses):					
Transfers in	455,637	244,343	7,558,319	940,811	9,199,110
Transfers out	(8,499,130)	-	(124,054)	-	(8,623,184)
Total other financing sources (uses)	(8,043,493)	244,343	7,434,265	940,811	575,926
Net change in fund balances	(7,668,485)	897,709	6,427,690	585,828	242,742
Fund balances, beginning of year, as restated	20,913,471	7,518,554	-	748,793	29,180,818
Fund balances, end of year	$ 13,244,986	$ 8,416,263	$ 6,427,690	$ 1,334,621	$ 29,423,560

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

POLK COUNTY, GEORGIA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2023

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds		$ 242,742
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense, and amortization expense for subscription assets. This is the amount by which depreciation exceeded capital outlays in the current period.		
Capital outlays	$ 2,323,852	
Depreciation expense	(2,459,306)	(135,454)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.		(376,749)
The issuance of long-term debt provides current financial resources to government funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. This amount is the net effect of these differences on the treatment of long-term debt and related items.		
Repayment of principal		606,088
Some expenses reported in the statement of activities do not require the use of current financial resources, and therefore, are not reported as expenditures in governmental funds.		
Change in compensated absences	$ 81,175	
Change in total OPEB liability and related deferrals	(3,304,884)	
Change in net pension liability and related deferrals	(165,020)	(3,388,729)
Change in net position - governmental activities		$ (3,052,102)

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

POLK COUNTY, GEORGIA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2023

	Solid Waste Management Fund
ASSETS	
Current assets:	
Cash	$ 13,118,792
Receivables	179,557
Due from other funds	314,287
Total current assets	13,612,636
Noncurrent assets:	
Restricted assets:	
Cash	554,270
Investments	4,428,073
Capital assets:	
Capital assets, not being depreciated	180,890
Capital assets, being depreciated	4,989,937
Less accumulated depreciation	(4,838,098)
Total capital assets, net of accumulated depreciation	332,729
Total assets	18,927,708
LIABILITIES	
Current liabilities:	
Accounts payable	7,896
Unearned revenue	5,000
Due to other funds	455,757
Landfill postclosure, current	56,607
Total current liabilities	525,260
Long-term liabilities:	
Advanced funding - postclosure trust agreement	4,979,185
Landfill postclosure	820,385
Total long-term liabilities	5,799,570
Total liabilities	6,324,830
NET POSITION	
Investment in capital assets	332,729
Unrestricted	12,270,149
Total net position	$ 12,602,878

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

POLK COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	Solid Waste Management Fund
OPERATING REVENUES	
Rental and royalty fees	$ 60,000
Recycling sales	1,587,193
Contributions and donations	10,000
Total operating revenues	1,657,193
OPERATING EXPENSES	
Operating	131,601
Depreciation expense	12,460
Total operating expenses	144,061
Operating income	1,513,132
NONOPERATING INCOME	
Investment income	246,513
Miscellaneous income	59,974
Total nonoperating income	306,487
Income before transfers	1,819,619
Transfers out	(575,926)
Change in net position	1,243,693
NET POSITION, beginning of year	11,359,185
NET POSITION, end of year	$ 12,602,878

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

POLK COUNTY, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	Solid Waste Management Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	$ 2,101,210
Payments to suppliers and service providers	(95,393)
Net cash provided by operating activities	2,005,817
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfer in from other funds	(575,926)
Miscellaeous reimbursements	59,974
Postclosure funding by operator	595,124
Net cash provided by noncapital financing activities	79,172
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of investments	1,476,259
Sale of investments	(949,360)
Interest received	246,513
Net cash provided by investing activities	773,412
Net increase in cash and cash equivalents	2,858,401
Cash and cash equivalents:	
Beginning of year	10,814,661
End of year	$ 13,673,062
Classified as:	
Cash	$ 13,118,792
Restricted cash	554,270
Total	$ 13,673,062
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	$ 1,513,132
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	12,460
Increase in receivables	(11,740)
Decrease in accounts payable	(20,399)
Increase in landfill postclosure costs	56,607
Increase in due to other funds	455,757
Net cash provided by operating activities	$ 2,005,817

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

POLK COUNTY, GEORGIA

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2023

	Custodial Funds
ASSETS	
Cash and cash equivalents	$ 413,658
Taxes receivable	1,731,335
Total assets	2,144,993
LIABILITIES	
Due to others	149,113
Uncollected taxes	1,731,335
Total liabilities	1,880,448
NET POSITION	
Restricted:	
Individuals, organizations, and other governments	264,545
Total net position	$ 264,545

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

POLK COUNTY, GEORGIA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	Custodial Funds
ADDITIONS	
Property taxes collected for other governments	$ 24,222,159
Fines and fees collected	2,643,055
Total additions	26,865,214
DEDUCTIONS	
Property taxes distributed to other governments	24,222,159
Fines and fees disbursed	2,258,039
Other custodial disbursements	300,665
Total deductions	26,780,863
Change in fiduciary net position	84,351
NET POSITION, beginning of year, as restated	180,194
NET POSITION, end of year	$ 264,545

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Polk County, Georgia (the "County") is a political subdivision of the State of Georgia and was created by a legislative act in 1851. Named after President James K. Polk, the County is located in the Coosa Valley area of Northwest Georgia. The County operates under a Commission-Manager form of government and is governed by a six member elected board of county commissioners, which is governed by state statutes and regulations and elected from single-member districts. There are certain elected officials whose operations are wholly included within the financial records and financial statements of the County. These elected officials include the Tax Commissioner, Clerk of Superior Court, Magistrate Court, Sheriff, Probate Court, County Probation, and Juvenile Court. The County's major services include general government, judicial, public safety, public works, housing and development, health and welfare, culture and recreation, and sanitation.

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

A. Reporting Entity

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

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Discretely Presented Component Units

The Health Department works to promote and preserve the health of the citizens of the County. The Health Department's Board consists of seven members, the Chairman of the Board of Commissioners, Chairman of the Cedartown City Commission, the Superintendent of the Polk County Board of Education, three members appointed by the County Commission, and one member appointed by the City of Cedartown. The County, by virtue of its' appointments and the presence of the Chairman of the Board of Commissioners on the Board of the Health Department, controls much of the Health Department's governing positions. Although the County does not have the authority to approve or modify the Health Department's budgets, it does have the ability to control the amount of funding it provides to the Health Department and such funding is significant to the overall operations of the Health Department. The Health Department is reported as a discretely presented component unit in the County's financial statements because the entity is legally separate, the primary government appoints a voting majority of the entity's board, the primary government is able to impose its will on the entity, the entity does not provide services entirely or almost entirely to the primary government, and in most cases, the entity and primary government do not have boards that are substantively the same. The fiscal year end of the Health Department is June 30th. Complete financial statements for the Health Department may be obtained from its administrative office at 125 E Ware St, Cedartown, Georgia 30125.

The Development Authority of Polk County's (the "Authority") purpose is to develop and promote trade, commerce, industry, and employment opportunities within Polk County. The Authority exists to promote economic development in the County by working with existing industries to expand as well as by recruiting additional business to the community. The Authority was created by a resolution of the Board of Commissioners. All board members are appointed by the Board of Commissioners. The Authority is responsible for adopting its own annual budget and making its own operational decisions however, the County provides substantial financial support each year and has contractually obligated itself to use its taxing powers to guarantee the repayment of principal and interest on certain bank loans issued by the Authority. The Authority is presented as a governmental fund type component unit. There are no separately issued financial statements available for the Development Authority of Polk County. The fiscal year end of the Authority is June 30th.

Blended Component Unit

The Polk County Public Purpose Corporation (the "Corporation") is governed by a three member board appointed by the Board of Commissioners. Although it is legally separate from the County (pursuant to Georgia law), the Corporation is reported as if it were part of the primary government because its primary purpose was to acquire and construct rental property and subsequently sell the assets to the County pursuant to an installment agreement that includes annual funding provisions.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

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

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

C. Measurement Focus, Basis of Accounting, and Basis of Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and the fiduciary fund financial statements. 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 County considers property taxes to be available if they are collected within 60 days of the end of the current fiscal period. Other revenues susceptible to accrual are considered available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

The County reports the following major governmental funds:

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

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

The ***Capital Projects Fund*** is used to account for the financial resources to be used for the acquisition or construction of major general government capital facilities and improvements.

The County reports the following major proprietary fund:

The ***Solid Waste Fund*** is used to account for the activity at the County landfill for which operation is contracted to a private sector vendor.

Additionally, the County reports the following fund types:

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

The ***capital projects funds*** account for resources which are used for the acquisition of capital assets for construction of major capital projects and to issue bonds to raise funds for various capital projects to promote economic development within the County.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

In accounting and reporting for its proprietary operations, the County applies all Governmental Accounting Standards Board (GASB) pronouncements.

Amounts reported as *program revenues* include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the enterprise fund are charges to customers for sales and services provided. Operating expenses for the enterprise fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

D. Deposits and Investments

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

The local government investment pool, "Georgia Fund 1," created by OCGA 36-83-8, is a stable asset value investment pool, which follows Standard and Poor's criteria for AAAf rated money market funds and is regulated by the Georgia Office of the State Treasurer. The pool is not registered with the SEC as an investment company. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal ($1 per share value). The asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participants' shares sold and redeemed based on $1 per share. The pool also adjusts the value of its investments to fair value as of year end and the County's investment in the Georgia Fund 1 is reported at fair value. The County considers amounts held in Georgia Fund 1 as cash equivalents for financial statement presentation.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Deposits and Investments (Continued)

The remaining investments are recorded at fair value. Increases or decreases in the fair value during the year are recognized as a component of interest income.

State statutes authorize the County to invest in obligations of the U.S. Government or its agencies and corporations, obligations fully insured or guaranteed by the U.S. Government or its agencies, prime bankers acceptances, the State of Georgia Local Government Investment Pool, obligations of other political subdivisions of the State of Georgia, and repurchase agreements.

Investments are recorded at fair value. Increases or decreases in the fair value during the year are recognized as a component of interest income.

Investments are stated at fair value based on quoted market prices. The reported value of funds invested in Georgia Fund 1 is the same as the fair value of the pool shares. Georgia law authorizes the County to invest in the following type of obligations:

- Obligations of the State of Georgia or of any other states
- Obligations of the United States Government
- Obligations fully insured or guaranteed by the United States Government or United States Government Agency
- Obligations of any corporation of the United States Government
- Prime bankers' acceptances
- The State of Georgia local government investment pool (i.e., Georgia Fund 1)
- Repurchase agreements
- Obligations of the other political subdivisions of the State of Georgia

E. Restricted Assets

Pursuant to the landfill operating agreement, a trust was established to provide for postclosure costs on the existing Grady Road Landfill. These resources can only be used for postclosure costs until all mandated requirements are met. Liabilities payable from these restricted assets are reported separately to indicate that the source of payment is the restricted assets.

Additionally, ARPA and other grant funds, SPLOST and E-911 proceeds can only be used for costs specifically allowed in the grant agreement or referendum, respectively.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Receivables and Payables

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

G. Inventories and Prepaid Items

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

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

H. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The County maintains a capitalization threshold for machinery and equipment, buildings, and infrastructure of five, fifteen, and twenty thousand dollars, respectively. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. The County has elected to capitalize all general infrastructure assets regardless of the acquisition date and has used the estimated historical cost to value these assets.

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

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

Asset Category	Years
Improvements other than buildings	10 - 40
Buildings	20 - 60
Building improvements	10 - 60
Machinery and equipment	3 - 15
Vehicles	5 - 20
Infrastructure	20 - 40

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Deferred Outflows/Inflows of Resources

In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County reports deferred inflows of resources in both its governmental funds balance sheet and statement of net position.

The County also has deferred inflows and outflows related to the recording of changes in its net pension liability. Certain changes in the net pension liability and the total OPEB liability are recognized as pension and OPEB expense over time instead of all being recognized in the year of occurrence. Experience gains or losses result from periodic studies by the County's actuary which adjust the net pension and the total OPEB liability for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement of plan members. These experience gains or losses are recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension and OPEB expense over the expected remaining service lives of plan members. Changes in actuarial assumptions which adjust the net pension and total OPEB liability are also recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension and OPEB expense over the expected remaining service lives of plan members. The difference between projected investment return on pension investments and actual return on those investments is also deferred and amortized against pension expense over a five-year period. Additionally, any contributions made by the County to the pension and OPEB plan before year end but subsequent to the measurement date of the County's net pension and total OPEB liability are reported as deferred outflows of resources.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has three items that qualify for reporting in this category. One item arises only under a modified accrual basis of accounting. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes and grants and these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available. Another item the County reports as a deferred inflow of resources is for experience gains or losses which is amortized into pension expense over the expected remaining service lives of plan members. 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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. An accrual for earned sick leave is made to the extent that it is probable that the benefits will result in termination payments. The liability is based on the County's past experience of making termination payments. All vacation and annual leave pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds when due for payment.

K. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Notes are recognized as a liability in the governmental fund financial statements when due.

L. Fund Equity

Fund equity at the governmental fund financial reporting level is classified as "fund balance." Fund equity for all other reporting is classified as "net position."

Fund Balance – Generally, fund balance represents the difference between assets and liabilities and deferred inflows of resources under the current financial resources measurement focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purpose for which amounts in those funds can be spent.

Fund balances are classified as follows:

Nonspendable – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Fund Equity (Continued)

Committed – Fund balances are reported as committed when they include amounts that can be used only for the specific purposes determined by a formal action (passage of a resolution) of the Board of Commissioners. The same formal action is required to subsequently remove a commitment of fund balance.

Assigned – Fund balances are reported as assigned when they include amounts intended to be used by the County for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. By passage of a resolution establishing the County's fund balance policy, the Board of Commissioners has delegated the County Manager the authority to assign amounts to be used for specific purposes.

Unassigned – Fund balances are reported as unassigned as the residual classification for the County's General Fund and includes all spendable amounts not contained in the other classifications. In addition, any remaining deficits in the County's governmental funds which remain after all other fund balances have been exhausted are classified as unassigned. The County reports positive unassigned fund balance only in the General Fund.

Flow Assumptions – When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the County's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the County's policy to use fund balance in the following order: (1) Committed, (2) Assigned, and (3) Unassigned.

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

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows or resources, liabilities and deferred inflows of resources and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from these estimates.

N. Pensions

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

O. Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the total OPEB liability of The Healthcare Plan of Polk County (the “Plan”) and additions to/deductions from the total OPEB liability have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Leases

Lessor

The County is a lessor for a noncancellable lease of building space. The County recognizes a lease receivable and a deferred inflow of resources in the government-wide financial statements. The County recognizes lease receivables with an initial, individual value of $10,000 or more.

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.

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:

- The County uses the interest rate it charges to the lessee as the discount rate. When the Authority does not charge interest, the County generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease receivable 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 receivable and deferred inflow if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Deferred inflows of resources related to leases are reported with other deferred inflows of resources and lease receivables are reported with noncurrent assets on the statement of net position.

NOTE 2. LEGAL COMPLIANCE – BUDGETS

A. Budgets and Budgetary Accounting

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP) for the General Fund and special revenue funds. Project length budgets are adopted for capital project funds in the normal budget process or de facto through the SPLOST referendum process. For administrative control purposes, a budget is also adopted for the enterprise fund.

The legal level of control (the level at which expenditures may not legally exceed appropriations) for each adopted annual operating budget generally is the expenditure level within each individual fund. Any change in total to a fund or changes between department appropriations within a fund requires approval of the Board of Commissioners. The County Manager may approve budget transfers within departments. The Board of Commissioners must approve any transfers of personnel or capital appropriations. During the year, the Board of Commissioners approved budget revisions.

All annual appropriations lapse at year end. There were no encumbrances outstanding as of June 30, 2023.

B. Deficit Fund Balance

The ARPA Fund had a deficit fund balance of $125,419 at June 30, 2023. The deficit will be funded through grant revenues in future years.

C. Excess Expenditures Over Appropriations

For the year ended June 30, 2023 the following funds and departments' expenditures exceeded the budget as follows:

General Fund		
General appropriations	$	28,415
Public safety:		
Jail		140,533
Planning and development:		
Northwest GA Regional Commission		200
Health and Welfare		
General appropriations		67,974
Law Library Fund		1,966
District Attorney Fund		6,013
Clerk of Superior Court Special Fee Fund		9,450
Sheriff Other Programs Fund		583,304
ARPA Fund - Public safety		1,322

The excess of expenditures over budget that are noted above were primarily funded by excess revenues and use of fund balance.

NOTE 3. DEPOSITS AND INVESTMENTS

Credit risk. State statutes authorize the County to invest in U.S. Government obligations; U.S. Government agency obligations; obligations of the State of Georgia; obligations of other counties; municipal corporations and political subdivisions of the State of Georgia which are rated "AA" or better by Moody's Investors Service, Inc.; negotiable certificates of deposit issued by any bank or trust company organized under the laws of any state of the United States of America or any national banking association; repurchase agreements when collateralized by the U.S. Government or agency obligations; and pooled investment programs sponsored by the State of Georgia for the investment of local government funds. Investments are stated at fair value, based on quoted market prices.

Custodial credit risk. 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 and County policy 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 of the State of Georgia. Amounts that exceed standard depository insurance limits are required to be collateralized either (1) individually by the financial institutions through pledged obligations of the U.S. Government, obligations backed by the full faith and credit of the U.S. Government, obligations of the State of Georgia or other states, or obligations of counties, municipalities, or public authorities of the State of Georgia, or (2) participation in the State of Georgia Secure Deposit Program. As of December 31, 2023, the County's deposits were insured and/or collateralized as defined by state statutes and GASB pronouncements. Additionally, as of June 30, 2023, the County had deposits with two (2) financial institutions collateralized by the State of Georgia Secure Deposit Program, which is administered by the Office of the State Treasurer, and requires participating banks holding deposits of public funds to pledge collateral at varying rates depending on the tier assigned by the State. As of June 30, 2023, all of the County's deposits with financial institutions were insured and/or collateralized as required by State statutes**.**

Categorization of investments. At June 30, 2023, the County had the following investments:

Investments	Maturity	Credit Rating	Fair Value
United States Treasury Note	February 15, 2024	Aaa-mf	$ 3,410,391
United States Treasury Note	July 31, 2027	Aaa-mf	1,017,682
Certificates of deposit	April 11, 2024	N/A	1,255,628
Georgia Fund 1	33 days weighted average	AAAf/S1	25,852,848
			$ 31,536,549

Interest rate risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the County's investment policy limits the investments with maturities greater than one year to 25%.

NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

Fair value measurements. The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The County has the following recurring fair value measurements as of June 30, 2023:

Investment	Level 1	Fair Value
United Statement Treasury Notes	$ 4,428,073	$ 4,428,073
Total investments subject to level disclosure	$ 4,428,073	4,428,073
Investments not subject to level disclosure:		
Certificates of deposit		1,255,628
Georgia Fund 1		25,852,848
Total investments measured at fair value		$ 31,536,549

The United States Treasury Notes are classified in Level 1 of the fair value hierarchy. Level 1 inputs are quoted prices in active markets for identical assets.

The Georgia Fund 1 is an investment pool which does not meet the criteria of GASB Statement No. 79 and is thus valued at fair value in accordance with GASB Statement No. 31. As a result, the County does not disclose its investment in the Georgia Fund 1 within the fair value hierarchy.

NOTE 4. RECEIVABLES

Receivables at June 30, 2023, for the County's individual major funds and nonmajor funds in the aggregate are as follows:

	General Fund	SPLOST Fund	Nonmajor Governmental Funds
Receivables:			
Taxes	$ 579,978	$ -	$ -
Other governments	1,780,317	672,680	141,357
Accounts	3,329,671	-	143,731
Gross receivables	5,689,966	672,680	285,088
Less allowance for uncollectibles	(3,220,796)	-	-
Net receivables	$ 2,469,170	$ 672,680	$ 285,088

	Solid Waste Management Fund
Receivables:	
Taxes	$ -
Other governments	-
Accounts	179,557
Gross receivables	179,557
Less allowance for uncollectibles	-
Net receivables	$ 179,557

Property taxes for the 2023 fiscal year were levied on August 29, 2022, with property values assessed as of January 1, 2022. Bills are payable by the later of December 1, 2022 or sixty days from the date the property tax bills are mailed at which time the applicable property is subject to penalties and interest as assessed. Property taxes attached as an enforceable lien on property as of May 18, 2023.

Leases Receivable. The County also has leases receivable for buildings.

In prior years, the County entered into a lease agreement as the lessor for buildings. An initial lease receivable and deferred inflow of resources were recorded in the amount of $824,783 for General Fund and Governmental Activities. As of June 30, 2023, the value of the lease receivable was $607,938. The County received monthly principal and interest payments in the amount of $16,500. These leases have an interest rate of 3.24%.

NOTE 5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2023 was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities:					
Capital assets, not being depreciated:					
Land and improvements	$ 3,265,319	$ -	$ -	$ -	$ 3,265,319
Construction in progress	7,103,659	365,636	-	(7,196,449)	272,846
Total capital assets, not being depreciated	10,368,978	365,636	-	(7,196,449)	3,538,165
Capital assets, being depreciated:					
Improvements other than buildings	2,479,645	-	-	7,092,967	9,572,612
Buildings	20,124,364	-	-	88,000	20,212,364
Building improvements	3,607,899	285,637	-	15,482	3,909,018
Machinery and equipment	13,029,455	670,933	-	-	13,700,388
Vehicles	9,075,099	1,001,646	(26,215)	-	10,050,530
Infrastructure	43,090,766	-	-	-	43,090,766
Total capital assets, being depreciated	91,407,228	1,958,216	(26,215)	7,196,449	100,535,678
Less accumulated depreciation for:					
Improvements other than buildings	1,821,491	302,900	-	-	2,124,391
Buildings	7,970,805	409,585	-	-	8,380,390
Building improvements	3,044,508	79,575	-	-	3,124,083
Machinery and equipment	7,187,299	880,214	-	-	8,067,513
Vehicles	6,125,896	171,421	(26,215)	-	6,271,102
Infrastructure	28,178,566	615,611	-	-	28,794,177
Total accumulated depreciation	54,328,565	2,459,306	(26,215)	-	56,761,656
Total capital assets, being depreciated, net	37,078,663	(501,090)	-	7,196,449	43,774,022
Governmental activities capital assets, net	$ 47,447,641	$ (135,454)	$ -	$ -	$ 47,312,187

NOTE 5. CAPITAL ASSETS (CONTINUED)

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type Activities:					
Capital assets, not being depreciated:					
Land	$ 180,890	$ -	$ -	$ -	$ 180,890
Construction in progress	19,682	-	-	(19,682)	-
Total capital assets, not being depreciated	200,572	-	-	(19,682)	180,890
Capital assets, being depreciated:					
Improvements other than buildings	4,970,255	-	-	19,682	4,989,937
Total capital assets, being depreciated	4,970,255	-	-	19,682	4,989,937
Less accumulated depreciation for:					
Improvements other than buildings	4,825,638	12,460	-	-	4,838,098
Total accumulated depreciation	4,825,638	12,460	-	-	4,838,098
Total capital assets, being depreciated, net	144,617	(12,460)	-	19,682	151,839
Business-type activities capital assets, net	$ 345,189	$ (12,460)	$ -	$ -	$ 332,729

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

Governmental activities:	
General government	$ 172,648
Judicial	4,600
Public safety	1,068,828
Public works	873,251
Health and welfare	24,083
Housing and development	315,896
Total depreciation expense - governmental activities	$ 2,459,306

Business-type activities:	
Solid waste	$ 12,460

NOTE 6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of June 30, 2023, is as follows:

Due to/from other funds:

Receivable fund	Payable fund	Amount
Nonmajor Governmental Funds	General Fund	$ 546,794
General Fund	SPLOST Fund	20,081
Solid Waste Management Fund	SPLOST Fund	314,287
General Fund	Capital Projects Fund	245,476
General Fund	Nonmajor Governmental Funds	252,053
Nonmajor Governmental Funds	Nonmajor Governmental Funds	2,049
General Fund	Solid Waste Management Fund	455,757
		$ 1,836,497

These balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. The SPLOST fund interfund payable is for reimbursement of allowable SPLOST expenditures that were originally incurred by other funds.

Interfund transfers for the year ended June 30, 2023 were as follows:

Transfers In	Transfers Out	Amount
General Fund	Solid Waste Fund	$ 455,637
Capital Projects Fund	General Fund	7,558,319
SPLOST Fund	Capital Projects Fund	124,054
SPLOST Fund	Solid Waste Fund	120,289
Nonmajor Governmental Funds	General Fund	940,811

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that the statute or budget requires to expend them, and (2) provide unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Interfund transfers into the SPLOST fund from other funds were used to supplement allowable SPLOST projects.

NOTE 7. LONG-TERM DEBT

The following is a summary of long-term debt activity for the year ended June 30, 2023:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Financed purchases	$ 1,539,516	$ -	$ (606,088)	$ 933,428	$ 619,001
Net OPEB liability	14,056,901	1,142,353	(3,817,603)	11,381,651	-
Net pension liability	3,440,881	8,199,393	(1,509,055)	10,131,219	-
Compensated absences	931,391	940,019	(1,021,194)	850,216	637,662
Governmental activities long-term liabilities	$ 19,968,689	$ 10,281,765	$ (6,953,940)	$ 23,296,514	$ 1,256,663
Business-type Activities:					
Landfill postclosure costs	$ 820,385	$ 56,607	$ -	$ 876,992	$ 56,607

For governmental activities, compensated absences, the net pension liability, and the total OPEB liability are liquidated by the General Fund. For business-type activities, compensated absences are liquidated by the Solid Waste Fund.

Financed Purchases. In January 2020, Polk County entered into a financed purchase agreement to finance E-911 radio tower equipment. The financed purchase carries an interest rate of 2.11% and is due in equal monthly installments of $52,728 until December 2024.

The County's debt service requirements on this agreement are as follows:

Year ending June 30,	Principal	Interest	Total
2024	$ 619,001	$ 13,735	$ 632,736
2025	314,427	1,941	316,368
Total	$ 933,428	$ 15,676	$ 949,104

NOTE 7. LONG-TERM DEBT (CONTINUED)

Landfill postclosure costs. State and federal laws and regulations required the County to place a final cover on its Highway 278 landfill when it stopped accepting waste and to perform certain maintenance and monitoring functions at the site for a minimum of 5 years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The $876,992 reported as landfill postclosure cost liability at fiscal year-end represents the cumulative amount reported to date based on the use of 100% of the estimated capacity of the landfill, net of related expenditures to date of $258,358. These amounts are based on what it would cost to perform all postclosure in 2023. The County stopped receiving waste in this landfill prior to April 9, 1994, but will be required to monitor the site for 30 years. The 30-year requirement began July 1, 1999 but was frozen in 2015 and therefore, the monitoring will be in effect for 13 more years. Actual cost may be higher due to inflation, changes in technology, or changes in regulations.

State and federal laws and regulations require the County to place a final cover on its Grady Road landfill when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and postclosure care costs as operating expenses in each period based on landfill capacity used as of each balance sheet date. The gross landfill closure/postclosure liability at year end for this site is $15,075,933 and is based on the use of 53% of the estimated capacity of the Phase I, II, and III of the landfill, net of related expenditures to date of $0 and lessee closure contractual obligations of $15,075,933. These amounts are based on what it would cost to perform all closure and postclosure in 2023. As described below, all closure and postclosure costs are a contractual obligation of the lessee, and therefore the County does not expect to incur any additional costs associated with the closure and postclosure of Phase I, II, and III of the landfill. Actual cost may be higher due to inflation, changes in technology, or changes in regulations. Changes in closure and postclosure care financial assurance requirements will be met by the lessee’s contractual commitments secured by a funded trust, bank letters of credit and performance bonds.

The County and contractor have obtained approval for certain major/minor modifications of the original Design & Operations (D & O) applicable to Phases I, II, and III of the Grady Road Landfill, including the remaining 40 acres that are under an existing D & O plan. These changes were effective in 2012 and updated by the County in 2015 with guidance from the Georgia Department of Natural Resources.

NOTE 7. LONG-TERM DEBT (CONTINUED)

Landfill postclosure costs (Continued). On December 4, 2001, (finalized February 26, 2002) the County entered into a sanitary operation agreement with ETC of Georgia, Inc. (the "Contractor") (assigned to Waste Connections, Inc.). This agreement provides, among other things, that the Contractor will manage, operate, and maintain the Polk County Sanitary Landfill located at 316 Grady Road. The Contractor is responsible for all closure and postclosure costs as mandated by federal and state authorities. A trust agreement requires that the Contractor make monthly payments to provide sufficient funds for the estimated costs. The Contractor paid the County the sum of one million ($1,000,000) dollars as an origination fee. The County will be charged a tipping fee of fourteen and 50/100 ($14.50) dollars per ton subject to consumer price index (CPI) increases beginning on the third (3rd) anniversary of the agreement. The County will also receive a "host" fee of four and 00/100 ($4) dollars per ton of tonnage up to 1,000 tons per day and two and 00/100 ($2) dollars for all tonnage in excess of 1,000 tons per day up to and including 4,000 tons per day. If the cap of 4,000 tons per day is exceeded, then the host fee will revert to four and 00/100 ($4) dollars per ton on all garbage generated and collected outside of the geographical boundary of Polk County. The Contractor has guaranteed an annual amount of five hundred twenty thousand and 00/100 ($520,000) dollars under this section. The Contractor will also make an annual charitable donation of ten thousand ($10,000) dollars to the County for purposes of solid waste and recycling education in the County.

NOTE 8. DEFINED BENEFIT PLAN

Plan Description. The County participates in the ACCG Defined Benefit Plan, an agent-multiple employer public employee retirement system that acts as a common investment and administrative agent for participating counties in Georgia. The plan is administered by the Government Employee Benefits Corporation of Georgia (GEB Corp). The Plan provides retirement, disability, and death benefits to plan participants and beneficiaries. The ACCG, in its role as the plan sponsor, has the sole authority to amend the provisions of the plan, as provided in Section 19.03 of the ACCG plan document.

The specific benefit provisions of the County's plan, as provided by Section 19.02 of the ACCG plan document, were established by an adoption agreement executed by the Board of Commissioners. The Plan provides for benefits upon retirement, death, disablement, and termination of employment, if certain eligibility conditions are met.

NOTE 8. DEFINED BENEFIT PLAN (CONTUNUED)

Plan Description (Continued). All full-time eligible employees participate in the ACCG Plan (Plan) after completing three years of service. Benefits are fully vested after five years of service. The County sponsors the Plan. The Plan provides retirement, disability, and death benefits to plan participants. The plan assets shall be used only for the payment of benefits to the members of the plan, in accordance with the terms of the plan.

Participants become eligible to retire at the later of the date: 1) the participant attains 65 years of age or, 2) the third anniversary of the first day of the Plan Year in which the participant commences participation in the Plan; 3) all participants are eligible for normal retirement at age 70 even if they have not completed three years of participation in the Plan. Upon reaching normal retirement age, as defined above, participants are entitled to a monthly pension of 2% of average annual compensation multiplied by each year of credited service. Average annual compensation is the highest average of the participant's compensation over three consecutive plan years during the ten plan years preceding the participant's date of retirement or other termination. The plan provides benefits in the event of death or disability. The plan also provides for early retirement subject to certain early retirement reduction factors. If the participant has 30 years of service with the County or another adopting employer (at least 25 years must be with the County), there will not be an early retirement reduction in benefits.

Complete financial statements of the pension plan trust can be obtained from the plan administrator at www.gebcorp.com or by writing to the Association of County Commissioners of Georgia, Retirement Services.

Plan membership. As of January 1, 2022, the date of the most recent actuarial valuation, pension plan membership consisted of the following:

Retireees, Beneficiaries and Disabled receiving benefits	86
Terminated plan participants entitled to but not yet receiving benefits	164
Active employees participating in the Plan	166
Total number of Plan participants	416

NOTE 8. DEFINED BENEFIT PLAN (CONTINUED)

Contributions. The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The Board of Trustees of the ACCG Plan has adopted a recommended actuarial funding policy for the plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the plan. The funding policy for the Plan, as adopted by the County Commission, is to contribute an amount equal to or greater than the actuarially recommended contribution rate. This rate is based on the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. No contributions are made by plan participants. For the year ended June 30, 2023, the County's contribution rate was 9.51% of annual payroll. County contributions to the Plan were $767,890 for the year ended June 30, 2023.

Net Pension Liability of the County. The County's net pension liability was measured as of December 31, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2022 with update procedures performed by the actuary to rollforward to the total pension liability measured as of December 31, 2022.

Actuarial assumptions. The total pension liability in the January 1, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.50%
Salary increases	2.5% - 5.5%, including inflation
Investment rate of return	7.00%, net of pension plan investment expense, including inflation

Mortality rates were based on the Pub-2010 GE (50%) & PS (50%) Amount-Weighted with Scale AA projection to year 2022. This was a change from the RP-2000 Combined Healthy Mortality Table with Scale AA projection to year 2018 rate that was previously used. The table was changed to adopt the mortality tables developed specifically for governmental employees by the Society of Actuaries, which were released in 2018.

The actuarial assumptions used in the January 1, 2022 valuation were based on the results of an actuarial experience study through February 2019.

NOTE 8. DEFINED BENEFIT PLAN (CONTINUED)

Net Pension Liability of the County (Continued). The long-term expected rate of return on pension plan investments was determined through a blend of using a building-block method based on 20-year benchmarks (33.33%) and 30-year benchmarks (33.33%), as well as forward-looking capital market assumptions for a moderate asset allocation (33.34%), as determined by UBS. Expected future rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2022 are summarized in the following table:

Asset class	Target allocation	Long-term expected real rate of return*
Fixed income	30%	3.90%
Large Cap equity	30%	7.70
International equity	15%	8.30
Other equity	20%	16.00
Real estate	5%	8.10
Total	100%	

* Rates shown are net of the 3.50% assumed rate of inflation

Discount rate. The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that County contributions will be made based on the average County contribution made to the Plan over the prior five years. Based on this assumption, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all of the projected benefit payments to determine the total pension liability. As of December 31, 2022 the expected long-term rate of return remained the same at 7.00%.

NOTE 8. DEFINED BENEFIT PLAN (CONTINUED)

Changes in the net pension liability of the county. The changes in the components of the net pension liability of the County for the year ended June 30, 2023, were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at 06/30/22	$ 26,823,010	$ 23,382,129	$ 3,440,881
Changes for the year:			
Service cost	315,073	-	315,073
Interest	1,877,611	487,709	1,389,902
Differences between expected and actual experience	427,983	-	427,983
Assumption changes	43,659	-	43,659
Contributions—employer	-	1,509,055	(1,509,055)
Net investment income	-	(3,904,996)	3,904,996
Benefit payments, including refunds of employee contributions	(1,254,205)	(1,372,996)	118,791
Administrative expense	-	(85,909)	85,909
Plan changes	1,913,080	-	1,913,080
Net changes	3,323,201	(3,367,137)	6,690,338
Balances at 06/30/23	$ 30,146,211	$ 20,014,992	$ 10,131,219

The required schedule of changes in the County's net pension liability and related ratios immediately following the notes to the financial statements presents multiyear trend information about whether the value of plan assets is increasing or decreasing over time relative to the total pension liability.

Sensitivity of the net pension liability to changes in the discount rate. The following 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 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
County's net pension liability	$ 14,008,052	$ 10,131,219	$ 6,908,346

NOTE 8. DEFINED BENEFIT PLAN (CONTINUED)

Sensitivity of the net pension liability to changes in the discount rate (Continued). Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of December 31, 2022 and the current sharing pattern of costs between employer and employee.

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

For the year ended June 30, 2023, the County recognized pension expense of $3,304,884. At June 30, 2023, the County reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Assumption changes	$ 111,226	$ -
Experience differences	1,260,866	71,812
Net difference between projected and actual earnings on pension plan investments	2,183,507	-
Total	$ 3,555,599	$ 71,812

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

Year ending June 30:	
2024	$ 680,528
2025	1,034,273
2026	740,129
2027	1,028,857
Total	$ 3,483,787

NOTE 9. DEFINED CONTRIBUTION PLAN

The County maintains a single employer sponsored money purchase retirement plan covering all full-time employees hired after January 1, 2005. The Association County Commissioners of Georgia ("ACCG") 401(a) Deferred Contribution Plan for Employees of Polk County (the "Plan") is a defined contribution plan established by the Board of Commissioners on February 1, 2005. A defined contribution plan provides retirement benefits in return for services rendered, provides an individual account for each participant and specifies how contributions to the individual's account are to be determined instead of specifying the amount of benefits the individual is to receive.

Under a defined contribution plan, the benefits a participant will receive depends solely on the amount contributed to the participant's account, the returns earned on investments of those contributions and forfeitures of other participant's benefits that may be allocated to such participant's account. As established by resolution of the Board of Commissioners, all employees who have been employed for one year are eligible to participate in the plan. Participants are fully vested after five years of service. There is partial vesting prior to the five-year anniversary. A participant that terminates employment with the County is entitled to their account balance, if vesting requirements are satisfied. The plan does not provide for participant contributions that are treated as employer pick-up contributions under Code Section 414(h). The Plan does not allow employee after-tax contributions. The County makes no basic contributions to the Plan. Investment options are selected by each Plan participant. Plan members do not make contributions to the plan, except as described below.

As part of the Plan, Polk County adopted a funding plan feature that gives certain 401(k) aspects to the defined contribution plan. Under the provisions, the County will match contributions made by an employee to the County's Section 457 deferred compensation plan on a 1 for 2 basis up to a maximum contribution by the County of 3%. Therefore, an employee who contributes 6% to the plan will receive an additional 3% contribution from the County.

The County has made the following contributions to the plan:

Year ending June 30,	County Contributions	Employee Contributions	Total Contributions
2022	$ 64,968	$ 183,120	$ 248,088
2023	64,302	182,201	246,503

There were no forfeitures allocated to participants' accounts for the fiscal year ended June 30, 2023.

NOTE 10. OTHER POSTEMPLOYMENT BENEFITS

Plan Administration and Benefits. The County, as authorized by the Board of Commissioners, administers a single-employer defined benefit postemployment healthcare plan, the "Healthcare Plan of Polk County" (the "Plan"). The Plan is administered by the County management, under the direction of the County's Board of Commissioners. The Board of County Commissioners authorizes participation in the Plan and sets the contribution rates and benefits. Coverage under the plan includes medical and prescription drug for retirees and dependents. To be eligible for this benefit upon retirement, the retiree has 20 or more years of full-time service and is at least 60 years of age. Employees attaining full retirement status, and only such employees, shall have the right to carry and retain insurance coverage at employee-portion rates into retirement. Retirees may stay on the plan for their lifetime by making the required contribution. Life insurance is offered to retirees, but must be paid entirely by the retiree.

The County's Board of Commissioners established and may amend the benefit provisions. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 and a separate report was not issued for the Plan.

Plan Membership. Membership of the Plan consisted of the following at June 30, 2021, the date of the latest actuarial valuation:

Active participants	244
Retirees currently receiving benefits	22
Total	266

NOTE 10. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Contributions. Article 1, Section 12 of the County Code grants the authority to establish and amend the contribution requirements of the County. The Board establishes rates based on an actuarial valuation. The plan is financed on a pay-as-you-go basis. During the year ended June 30, 2023, the County contributed $248,848 to the plan. For the year ended June 30, 2023, the County's average contribution rate was 2.73% of covered-employee payroll. Employees are not required to contribute to the plan. There are no assets accumulated in a trust to pay related benefits.

Total OPEB Liability of the County

The County's total OPEB liability was measured as of June 30, 2022 and was determined by an actuarial valuation as of June 30, 2021 with the actuary using standard techniques to rollforward the liability to the measurement date.

Actuarial assumptions. The County's total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.00%
Real wage growth	0.50%
Wage inflation	2.50%
Salary increases, including wage inflation	2.50% - 4.50%
Municipal Bond Index Rate:	
Prior measurement date	2.16%
Measurement date	3.54%
Healthcare Cost Trend Rates:	
Pre-Medicare medical and prescription drug	7.00% for 2021 decreasing to an ultimate rate of 4.50% by 2031
Medicare medical and prescription drug	5.125% for 2021 decreasing to an ultimate rate of 4.50% by 2024

Mortality table was changed from the Pub-2010 amount weighted table with scale AA to 2022.

The demographic actuarial assumptions for retirement, disability incidence, withdrawal, and salary increases used in the June 30, 2021 valuation were based on the pension valuation prepared by ACCG as of January 1, 2021.

NOTE 10. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Total OPEB Liability of the County (Continued)

Actuarial assumptions (Continued). The remaining actuarial assumptions (e.g., initial per capita costs, healthcare cost trends, etc.) used in the June 30, 2021 valuation were based on a review of recent plan experience done concurrently with the June 30, 2021 valuation.

Discount Rate. The discount rate used to measure the total OPEB liability was changed from 2.16% to 3.54%.

Changes in the total OPEB liability of the County. The changes in the total OPEB liability of the County for the year ended June 30, 2023, were as follows:

	Total OPEB Liability
Balances at June 30, 2022	$ 14,056,901
Changes for the year:	
Service cost	763,378
Interest	317,207
Difference between expected and actual experience	61,768
Assumption changes	(3,546,596)
Net benefit payments and implicit subsidy credit	(271,007)
Net changes	(2,675,250)
Balances at June 30, 2023	$ 11,381,651

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

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.54%) or 1-percentage-point higher (4.54%) than the current discount rate:

	1% Decrease (2.54%)	Discount Rate (3.54%)	1% Increase (4.54%)
Total OPEB liability	$ 13,857,199	$ 11,381,651	$ 9,456,471

NOTE 10. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

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

	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Total OPEB liability	$ 9,155,800	$ 11,381,651	$ 14,354,054

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revisions as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of June 30, 2023 and the current sharing pattern of costs between employer and inactive employees.

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

For the year ended June 30, 2023, the County recognized OPEB expense of $413,868. At June 30, 2023, the County reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Assumption changes	$ 80,125	$ 3,219,831
Experience differences	2,944,469	4,204,020
Contributions subsequent to measurement date	248,848	-
Total	$ 3,273,442	$ 7,423,851

NOTE 10. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

County contributions subsequent to the measurement date of $248,848 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30:		
2024	$	(603,012)
2025		(603,012)
2026		(603,012)
2027		(603,012)
2028		(556,054)
Thereafter		(1,431,155)
Total	$	(4,399,257)

NOTE 11. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has joined together with other counties in the state as part of the Interlocal Risk Management Agency (IRMA) for property and liability insurance operated by the Association of County Commissioners of Georgia (ACCG) and the ACCG-Group Self-Insurance Workers' Compensation Fund (WCSIF), public entity risk pools currently operating as common risk management and insurance programs for member local governments. The ACCG administers both risk pools.

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

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

NOTE 11. RISK MANAGEMENT (CONTINUED)

The County has not compiled a record of the claims paid up to the applicable deductible for the prior and current fiscal year. The County is not aware of any claims which the County is liable for (up to the applicable deductible) which were outstanding and unpaid at June 30, 2023. No provision has been made in the financial statements for the year ended June 30, 2023 for any estimate of potential unpaid claims.

There were no significant reductions in insurance coverage from the prior year and there have been no settlements that exceed the County's insurance coverage during the past three years.

NOTE 12. COMMITMENTS AND CONTINGENCIES

Litigation

The County is involved in several pending lawsuits. Liability, if any, which might result from these proceedings, would not, in the opinion of management and legal counsel, have a material adverse effect on the financial position of the County.

Grant Contingencies

The County has received Federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to the disallowance of certain expenditures previously reimbursed by those agencies. Based upon prior experience, County management believes such disallowances, if any, will not be significant.

NOTE 13. JOINT VENTURE

Under Georgia law, the County, in conjunction with other cities and counties in the area, is a member of the Northwest Georgia Regional Commission and is required to pay annual dues thereto. During the year ended June 30, 2023, the County paid $35,564 in such dues. Membership in the Commission is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the Commission in Georgia.

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

Northwest Georgia Regional Commission
P.O. Box 1798
Rome, GA 30162-1798

NOTE 13. JOINT VENTURE (CONTINUED)

The Polk County Drug Task Force (the "Task Force") is considered a joint venture with no equity interest based upon the criteria in GASB Statement No. 14, as amended by GASB Statement No. 61. Pursuant to an intergovernmental agreement established between the Polk County Police Department, Polk County Sheriff's Office, Cedartown Police Department, and Rockmart Police Department, the Task Force was established in 2013 to provide services to combat the use and influence of illicit drugs and attempt to reduce the incidences of violent crimes. The agreement is construed as a joint contract of services between governmental entities, authorized pursuant to the general provisions of Georgia law and Article IX, Section III, Paragraph 1 of the Constitution of the State of Georgia. The Task Force Control Board is comprised of the District Attorney, the Polk County Sheriff, the County Manager, the Cedartown City Manager, and each participating police department's Chief. These representatives may name designees to represent their interest on the Control Board. During the fiscal year ended June 30, 2023, there were no transactions made between the County and the Task Force.

The County assists with the operations of the Polk County Library System through annual funding requests. The Polk County Library System is a member of the Sara Hightower Regional Library System. The Library Board consists of sixteen members, eleven members appointed by the Floyd County Library Board and five members appointed by the Polk County Library Board. The Board is without authority to determine the amount of its funding, except by submission of budget requests to local governmental units from which the library receives support and to the State of Georgia for state and federal funding. Membership in the library and participation in library services is at the discretion of each participating governmental agency. The Board has the power to designate management, the power to retain unassigned fund balances of local funds for continued operations and is the lowest level of oversight responsibility for the Library's operations. No single governmental agency has oversight responsibility or managerial control over the Library nor is any of the participating governments responsible for funding a deficit of the Library. Accordingly, the Library's financial statements are not included in the financial statements of any other reporting entity.

NOTE 14. TAX ABATEMENTS

The County enters into property tax abatement agreements with the Development Authority of Polk County, the Cedartown Development Authority and the Rockmart Development Authority and local businesses under the state law O.C.G.A Section 36-62-1. This program is used to incentivize these businesses to build, relocate, expand, or renovate within incorporated and unincorporated Polk County. Each agreement provides a property tax benefit to the company through a schedule of discounted valuation that reduces, for ad valorem tax purposes, the fair market value of real and/or personal property that is held by the Authorities and leased to the company. Georgia case law and the Authorities' enabling legislation provides the Authorities with the power to enter into such agreements with private companies.

The Authorities may accept title to real and personal property assets from a company in return for job creation and capital investment, and provide a tax benefit to the company through a lease agreement with the Authority. In considering eligibility for providing this benefit to a company, the Authorities review the following criteria:

1. Eligible businesses can include new and existing industrial businesses.
2. But for an incentive agreement, the company would not create the jobs and investment in the community.
3. Eligible projects must involve significant investment in real and personal property.
4. The average wage of the business' employees should be above the average wage of goods producing employees in Polk County.
5. The business should offer medical benefits to all employees.
6. The impact to job retention will be considered for each expansion project.
7. As a condition of assistance, a business will be required to work with the Authority to convey title to the Authority.

In return for a property tax benefit, a company is required to commit to creating jobs and capital investment within a defined period as part of a performance and accountability agreement with the Authority that includes provisions for the company to pay back a prorated portion of the benefit if they fail to meet the performance criteria by a specified date. The Authorities monitor compliance with performance and accountability agreements to ensure the companies meet their commitments.

For the year ended June 30, 2023, the cumulative property tax not collected due to incentive agreements was $60,079. The amount of property tax not collected due to incentive agreements for Jefferson Southern was $33,254 and Cedartown III was $10,016.

NOTE 15. RESTATEMENTS

The County has determined the following restatement to beginning fund balance was required in the E-911 Emergency Telephone Fund to record the County's additional month's accounts receivable as of June 30, 2022. This adjustment resulted in a change to beginning fund balance of the E-911 Emergency Telephone Fund as follows:

Beginnning fund balance, E-911 Emergency Telephone Fund, as previously reported	$	168,044
Record additional accounts receivable		69,672
Beginning fund balance, E-911 Emergency Telephone Fund, as restated	$	237,716

The County has determined the following restatement to beginning fund balance was required in the Clerk of Superior Court Special Fee Fund to record the funds previously reported as a Custodial Fund as of June 30, 2022. This adjustment resulted in a change to beginning fund balance of the Clerk of Superior Court Special Fee Fund as follows:

Beginnning fund balance, Clerk of Superior Court Special Fee Fund, as previously reported	$	-
Record funds previously reported as a Custodial Fund		120,891
Beginning fund balance, Clerk of Superior Court Special Fee Fund, as restated	$	120,891

The County has determined the following restatements to beginning net position were required in the governmental activities related to the fund level entries previously mentioned. These adjustments resulted in a change to beginning net position of the governmental activities as follows:

Beginnning net position, governmental activities, as previously reported	$	56,511,130
Record additional accounts receivable		69,672
Record funds previously reported as a Custodial Fund		120,891
Beginning net position, governmental activities, as restated	$	56,701,693

The County has determined the following restatement to beginning net position was required in the Seizure Fund to record the net position that was previously reported as due to others as of June 30, 2022. The amount of due to others was not related to resources that the County was not compelled to disburse at year end. This adjustment resulted in a change to beginning net position of the Seizure Fund as follows:

Beginnning net position, Seizure Fund, as previously reported	$	-
Remove accounts payable		180,194
Beginning net position, Seizure Fund, as restated	$	180,194

NOTE 15. RESTATEMENTS (CONTINUED)

The County has determined the following restatement to beginning net position was required in the Custodial Funds to record the net position that was previously reported as due to others as of June 30, 2022. The amount of due to others was not related to resources that the County was not compelled to disburse at year end. This adjustment resulted in a change to beginning net position of the Custodial Funds as follows:

Beginnning net position, Custodial Funds, as previously reported	$	-
Remove accounts payable		180,194
Beginning net position, Custodial Funds, as restated	$	180,194

REQUIRED SUPPLEMENTARY INFORMATION

POLK COUNTY, GEORGIA

BUDGETARY COMPARISON SCHEDULE - GAAP BASIS
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
Revenues:				
Taxes	$ 19,285,608	$ 20,428,500	$ 20,469,514	$ 41,014
Licenses and permits	269,260	277,200	289,618	12,418
Fines and forfeitures	814,000	943,550	955,061	11,511
Charges for services	858,834	931,100	941,554	10,454
Interest income	15,000	238,000	237,098	(902)
Intergovernmental	696,617	1,386,900	1,394,429	7,529
Contributions and donations	-	3,300	45,699	42,399
Other	686,733	858,250	894,632	36,382
Total revenues	22,626,052	25,066,800	25,227,605	160,805
Expenditures:				
Current:				
General Government:				
Administration				
Personnel services	1,536,504	1,280,000	1,259,534	20,466
Operating expenditures	866,802	310,000	303,966	6,034
Capital outlays	20,000	10,000	-	10,000
	2,423,306	1,600,000	1,563,500	36,500
Election and Registrar				
Personnel services	138,796	166,990	165,063	1,927
Operating expenditures	44,393	40,000	49,473	(9,473)
Capital outlays	6,800	11,000	-	11,000
	189,989	217,990	214,536	3,454
Information Technology				
Personnel services	157,730	160,000	153,599	6,401
Operating expenditures	88,808	89,338	82,581	6,757
Capital outlays	3,800	1,000	-	1,000
	250,338	250,338	236,180	14,158
Tax Assessor				
Personnel services	636,173	525,000	516,961	8,039
Operating expenditures	128,802	165,000	156,559	8,441
	764,975	690,000	673,520	16,480
Tax Commissioner				
Personnel services	507,091	530,338	528,161	2,177
Operating expenditures	87,647	88,000	87,273	727
Capital outlays	10,600	12,000	10,957	1,043
	605,338	630,338	626,391	3,947
County Building				
Personnel services	518,620	518,620	495,217	23,403
	518,620	518,620	495,217	23,403
General Appropriation				
Operating expenditures	-	-	28,415	(28,415)
	-	-	28,415	(28,415)
Total general government	4,752,566	3,907,286	3,837,759	69,527

(Continued)

POLK COUNTY, GEORGIA

BUDGETARY COMPARISON SCHEDULE - GAAP BASIS
GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2023

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
Judicial:				
Superior Court				
Personnel services	$ 101,566	$ 110,000	$ 106,887	$ 3,113
Operating expenditures	68,750	61,433	55,498	5,935
	170,316	171,433	162,385	9,048
Accountability Courts				
Personnel services	279,944	305,229	300,168	5,061
Operating expenditures	1,285	991,000	990,797	203
	281,229	1,296,229	1,290,965	5,264
District Attorney				
Personnel services	315,341	340,000	336,110	3,890
Operating expenditures	54,035	55,000	46,068	8,932
	369,376	395,000	382,178	12,822
Clerk of Superior Court				
Personnel services	647,038	630,000	621,214	8,786
Operating expenditures	161,240	150,278	141,673	8,605
Capital outlays	-	3,000	-	3,000
	808,278	783,278	762,887	20,391
Magistrate Court				
Personnel services	447,398	435,000	429,587	5,413
Operating expenditures	33,125	27,000	20,990	6,010
Capital outlay	-	-	2,984	(2,984)
	480,523	462,000	453,561	8,439
Probate Court				
Personnel services	398,867	345,000	339,166	5,834
Operating expenditures	80,420	75,000	68,238	6,762
	479,287	420,000	407,404	12,596
Juvenile Court				
Personnel services	344,449	195,000	189,681	5,319
Operating expenditures	134,445	239,875	227,876	11,999
Capital outlay	-	6,000	6,140	(140)
	478,894	440,875	423,697	17,178
Public Defender				
Personnel services	82,700	65,000	62,357	2,643
Operating expenditures	360,600	320,000	314,694	5,306
	443,300	385,000	377,051	7,949
Coroner				
Personnel services	45,255	45,000	41,262	3,738
Operating expenditures	25,929	26,000	22,441	3,559
Capital outlay	4,200	4,384	3,633	751
	75,384	75,384	67,336	8,048
Probation				
Personnel services	135,729	135,000	133,406	1,594
Operating expenditures	7,075	10,054	6,746	3,308
Capital outlay	3,750	1,500	-	1,500
	146,554	146,554	140,152	6,402
Total judicial	3,733,141	4,575,753	4,467,616	108,137

(Continued)

POLK COUNTY, GEORGIA

BUDGETARY COMPARISON SCHEDULE - GAAP BASIS
GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2023

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
Public Safety:				
County Police				
Personnel services	$ 3,278,339	$ 3,100,000	$ 3,064,784	$ 35,216
Operating expenditures	441,946	533,954	470,978	62,976
Capital outlay	-	4,000	3,615	385
	3,720,285	3,637,954	3,539,377	98,577
Sheriff				
Personnel services	5,164,695	4,800,000	4,777,914	22,086
Operating expenditures	1,152,400	1,752,095	1,333,596	418,499
Capital outlay	-	5,000	4,608	392
	6,317,095	6,557,095	6,116,118	440,977
Jail				
Operating expenditures	542,555	602,555	743,088	(140,533)
EMA				
Personnel services	128,528	140,000	137,661	2,339
Operating expenditures	43,097	51,425	65,403	(13,978)
	1,800	15,000	-	15,000
	173,425	206,425	203,064	3,361
Fire Department				
Personnel services	286,054	220,000	214,387	5,613
Operating expenditures	182,195	236,249	231,727	4,522
Capital outlay	-	12,000	11,297	703
	468,249	468,249	457,411	10,838
Animal Control				
Personnel services	337,764	315,000	307,062	7,938
Operating expenditures	92,670	105,000	101,224	3,776
	430,434	420,000	408,286	11,714
Forestry Service				
Operating expenditures	14,035	14,035	12,796	1,239
Total public safety	11,666,078	11,906,313	11,480,140	426,173
Public Works:				
Public Works				
Personnel services	2,379,026	1,995,000	1,981,573	13,427
Operating expenditures	612,553	765,000	762,604	2,396
Capital outlay	1,500	15,000	14,568	432
Total public works	2,993,079	2,775,000	2,758,745	16,255
Planning and Development:				
Planning and zoning				
Personnel services	130,833	125,000	122,733	2,267
Operating expenditures	12,665	11,000	5,063	5,937
Capital outlay	2,000	2,000	-	2,000
	145,498	138,000	127,796	10,204

(Continued)

POLK COUNTY, GEORGIA

BUDGETARY COMPARISON SCHEDULE - GAAP BASIS
GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2023

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
Permits and Inspections				
Personnel services	$ 234,440	$ 220,000	$ 218,443	$ 1,557
Operating expenditures	28,363	22,000	17,574	4,426
	262,803	242,000	236,017	5,983
Development Authority				
Operating expenditures	263,073	263,073	263,073	-
Keep Polk Beautiful				
Operating expenditures	14,070	14,070	14,070	-
Northwest GA Regional Commission				
Operating expenditures	28,800	29,800	30,000	(200)
Cooperative Extension Service				
Personnel services	42,471	42,475	42,470	5
Operating expenditures	27,793	29,789	28,804	985
Capital outlay	1,500	1,500	1,500	-
	71,764	73,764	72,774	990
Airport				
Personnel services	99,597	107,000	105,679	1,321
Operating expenditures	175,200	192,797	190,366	2,431
Capital outlay	10,000	-	-	-
	284,797	299,797	296,045	3,752
Total planning and development	1,070,805	1,060,504	1,039,775	20,729
Health and Welfare:				
General Health				
Operating expenditures	181,155	181,155	181,155	-
General Appropriations				
Operating expenditures	13,300	16,150	84,124	(67,974)
Total health and welfare	194,455	197,305	265,279	(67,974)
Culture and Recreation:				
Library				
Operating expenditures	117,919	117,918	117,918	-
Parks and Recreation				
Operating expenditures	305,500	218,600	123,000	95,600
Total culture and recreation	423,419	336,518	240,918	95,600
Sanitation:				
Sanitation				
Personnel services	365,600	398,000	396,319	1,681
Operating expenditures	380,515	368,115	366,046	2,069
Total sanitation	746,115	766,115	762,365	3,750

(Continued)

POLK COUNTY, GEORGIA

BUDGETARY COMPARISON SCHEDULE - GAAP BASIS
GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2023

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
Total expenditures	25,579,658	25,524,794	24,852,597	672,197
Excess (deficiency) of revenues over expenditures	(2,953,606)	(457,994)	375,008	833,002
Other financing sources (uses):				
Transfers in	2,173,764	8,435,042	455,637	(7,979,405)
Transfers out	(1,008,811)	(8,499,130)	(8,499,130)	-
Total other financing sources (uses)	1,164,953	(64,088)	(8,043,493)	(7,979,405)
Net change in fund balances	(1,788,653)	(522,082)	(7,668,485)	(7,146,403)
Fund balances, beginning of year	20,913,471	20,913,471	20,913,471	-
Fund balances, end of year	$ 19,124,818	$ 20,391,389	$ 13,244,986	$ (7,146,403)

POLK COUNTY, GEORGIA
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE COUNTY'S NET PENSION LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED JUNE 30,

	2023	2022	2021	2020	2019
Total pension liability					
Service cost	$ 315,073	$ 290,050	$ 265,175	$ 273,003	$ 246,895
Interest on total pension liability	1,877,611	1,644,651	1,595,197	1,360,053	1,350,892
Differences between expected and actual experience	427,983	1,876,300	(238,125)	938,022	(871,709)
Changes of assumptions	43,659	41,936	37,211	1,556,916	965,430
Plan changes	1,913,080	-	-	-	-
Benefit payments, including refunds of employee contributions	(1,254,205)	(1,049,891)	(856,050)	(681,542)	(554,399)
Net change in total pension liability	3,323,201	2,803,046	803,408	3,446,452	1,137,109
Total pension liability - beginning	26,823,010	24,019,964	23,216,556	19,770,104	18,632,995
Total pension liability - ending (a)	$ 30,146,211	$ 26,823,010	$ 24,019,964	$ 23,216,556	$ 19,770,104
Plan fiduciary net position					
Contributions - employer	$ 1,509,055	$ 559,154	$ 513,201	$ 293,147	$ 424,349
Net investment income	(3,904,996)	3,272,849	2,556,099	3,368,610	(792,023)
Benefit payments, including refunds of employee contributions	(1,372,996)	(1,049,891)	(856,050)	(681,542)	(524,110)
Administrative expenses	(85,909)	(51,773)	(47,621)	(48,804)	(33,246)
Interest	487,709	-	-	-	-
Other	-	(145,874)	(82,946)	(88,893)	(98,412)
Net change in plan fiduciary net position	(3,367,137)	2,584,465	2,082,683	2,842,518	(1,023,442)
Plan fiduciary net position - beginning	23,382,129	20,797,664	18,714,981	15,872,463	16,895,905
Plan fiduciary net position - ending (b)	$ 20,014,992	$ 23,382,129	$ 20,797,664	$ 18,714,981	$ 15,872,463
County's net pension liability - ending (a) - (b)	$ 10,131,219	$ 3,440,881	$ 3,222,300	$ 4,501,575	$ 3,897,641
Plan fiduciary net position as a percentage of the total pension liability	66.4%	87.2%	86.6%	80.6%	80.3%
Covered payroll	$ 7,348,370	$ 7,118,285	$ 6,423,657	$ 6,498,766	$ 5,799,077
County's net pension liability as a percentage of covered payroll	137.9%	48.3%	50.2%	69.3%	67.2%

	2018	2017	2016	2015
Total pension liability				
Service cost	$ 240,269	$ 244,030	$ 236,092	$ 220,586
Interest on total pension liability	1,265,850	1,186,271	1,075,035	1,028,668
Differences between expected and actual experience	(113,568)	119,322	107,365	-
Changes of assumptions	36,302	574,640	491,577	-
Service credit transfer	-	40,095	23,109	-
Benefit payments, including refunds of employee contributions	(511,708)	(490,816)	(426,227)	(429,469)
Net change in total pension liability	917,145	1,673,542	1,506,951	819,785
Total pension liability - beginning	17,715,850	16,042,308	14,535,357	13,715,572
Total pension liability - ending (a)	$ 18,632,995	$ 17,715,850	$ 16,042,308	$ 14,535,357
Plan fiduciary net position				
Contributions - employer	$ 403,445	$ -	$ 338,338	$ 341,621
Service credit transfer	-	40,095	23,109	-
Net investment income	2,404,962	1,033,700	118,829	997,063
Benefit payments, including refunds of employee contributions	(511,708)	(490,816)	(426,227)	(413,946)
Administrative expenses	(30,618)	(35,595)	(32,025)	(27,620)
Other	(112,732)	(100,742)	(96,457)	(108,390)
Net change in plan fiduciary net position	2,153,349	446,642	(74,433)	788,728
Plan fiduciary net position - beginning	14,742,556	14,295,914	14,370,347	13,581,619
Plan fiduciary net position - ending (b)	$ 16,895,905	$ 14,742,556	$ 14,295,914	$ 14,370,347
County's net pension liability - ending (a) - (b)	$ 1,737,090	$ 2,973,294	$ 1,746,394	$ 165,010
Plan fiduciary net position as a percentage of the total pension liability	90.68%	83.22%	89.11%	98.9%
Covered payroll	$ 5,733,563	$ 6,019,140	$ 5,765,821	$ 5,248,780
County's net pension liability as a percentage of covered payroll	30.3%	49.4%	30.3%	3.14%

Notes to the Schedule

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

POLK COUNTY, GEORGIA

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF COUNTY CONTRIBUTIONS
FOR THE YEAR ENDED JUNE 30,

	2023	2022	2021	2020	2019
Actuarially determined contribution	$ 767,890	$ 741,165	$ 559,154	$ 513,524	$ 293,147
Contributions in relation to the actuarially determined contribution	767,890	741,165	559,154	513,524	293,147
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 8,076,454	$ 7,348,370	$ 7,118,285	$ 6,423,657	$ 6,498,766
Contributions as a percentage of covered payroll	9.51%	10.09%	7.86%	7.99%	4.51%

	2018	2017	2016	2015
Actuarially determined contribution	$ 424,349	$ 403,445	$ 338,938	$ 309,266
Contributions in relation to the actuarially determined contribution	424,349	403,445	338,938	341,621
Contribution deficiency (excess)	$ -	$ -	$ -	$ (32,355)
Covered payroll	$ 5,799,077	$ 5,733,563	$ 6,019,140	$ 5,765,821
Contributions as a percentage of covered payroll	7.32%	7.04%	5.63%	5.92%

Notes to the Schedule

Valuation Date	January 1, 2022
Cost Method	Entry Age Normal
Actuarial Asset Valuation Method	Smoothed market value with a 5-year smoothing period.
Assumed Rate of Return On Investments	7.00%
Projected Salary Increases	2.5% - 5.5% (including 3.50% for inflation)
Cost-of-living Adjustment	2.0%
Amortization Method	Closed level dollar for unfunded liability
Remaining Amortization Period	None remaining

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

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

	2023	2022	2021
Total OPEB liability			
Service cost	$ 763,378	$ 886,592	$ 583,037
Interest on total OPEB liability	317,207	355,623	398,715
Difference between expected and actual experience	61,768	(2,842,902)	11,036
Benefit payments	(271,007)	(184,149)	(114,037)
Assumption changes	(3,546,596)	545,225	3,552,421
Other changes	-	-	-
Net change in total OPEB liability	(2,675,250)	(1,239,611)	4,431,172
Total OPEB liability - beginning	14,056,901	15,296,512	10,865,340
Total OPEB liability - ending (a)	$ 11,381,651	$ 14,056,901	$ 15,296,512
Covered employee payroll	$ 9,104,398	$ 9,104,398	$ 8,182,655
Total OPEB liability as a percentage of covered employee payroll	125.01%	154.40%	186.94%

	2020	2019	2018
Total OPEB liability			
Service cost	$ 601,872	$ 641,682	$ 727,046
Interest on total OPEB liability	477,973	432,726	378,356
Difference between expected and actual experience	(1,638,773)	(12,203)	39,422
Benefit payments	(87,875)	(110,654)	(153,747)
Assumption changes	91,866	(767,361)	(1,427,282)
Other changes	(973,972)	-	-
Net change in total OPEB liability	(1,528,909)	184,190	(436,205)
Total OPEB liability - beginning	12,394,249	12,210,059	12,646,264
Total OPEB liability - ending (a)	$ 10,865,340	$ 12,394,249	$ 12,210,059
Covered employee payroll	$ 8,182,655	$ 6,671,723	$ 6,671,723
Total OPEB liability as a percentage of covered employee payroll	132.79%	185.77%	183.01%

Notes to the Schedule

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

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

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted or committed to expenditure for particular purposes, as described below.

Emergency Telephone System Fund - to account for the monthly 911 charge to help fund the cost of providing emergency 911 services; these funds are restricted by OCGA 46-5-134.

Law Library Fund - to account for the revenues and related expenditures of operating the County's Law Library; these funds are restricted by OCGA 36-15.

Crime Victim Assistance Fund - to account for five percent additional fee placed on fines and used for victim witness services.

Drug Abuse Treatment and Education Fund - to account for funds collected from fines and forfeitures to be used to create and maintain a Drug Abuse Treatment and Education Fund; these funds are restricted by the Official Code of Georgia Annotated (OCGA) 15-21-100.

Law Enforcement Confiscated Monies - County Police Fund - to account for the use of confiscated assets by the County's Police Department; these funds are restricted by the applicable State of Georgia confiscation and seizure laws.

Law Enforcement Confiscated Monies - Sheriff Fund - to account for the use of confiscated assets by the Sheriff's Department; these funds are restricted by the applicable State of Georgia confiscation and seizure laws.

County Jail Fund - to account for a portion of fine money received from the court system and expended on outside services within the court system.

District Attorney Fund - to account for funds forfeited to the District Attorney's office by the courts to be used for law enforcement activities.

Juvenile Probation Fund - to account for funds collected to be used for law enforcement activities; these funds are restricted by OCGA 15-11-71.

Clerk of Superior Court Special Fee Fund - to account for funds collected from fines to be used by Clerk of Superior Court for technology related expenditures.

Sheriff Other Programs Fund - to account for the receipts and purchases inmates incur while they are incarcerated in addition to donations received that are to be expended.

Opioid Fund - to account for restricted funds received from legal settlements related to the nationwide opioid epidemic.

ARPA Fund - to account for the revenues and expenditures relating to the funds received through the American Rescue Plan act.

POLK COUNTY, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2023

	Special Revenue Funds							
ASSETS	E-911 Emergency Telephone	Law Library Fund	Crime Victim Assistance Fund	Drug Abuse Treatment and Education Fund	Law Enforcement Confiscated Monies - County Police Fund	Law Enforcement Confiscated Monies - Sheriff Fund	County Jail Fund	District Attorney Fund
Cash and cash equivalents	$ 63,162	$ 74,059	$ 7,929	$ 13,678	$ 80,543	$ 903	$ 103,605	$ 51,605
Receivables (net of allowance for uncollectibles)	140,194	-	961	306	-	-	2,270	-
Due from other funds	546,794	-	-	-	-	-	-	2,049
Due from other governments	-	-	-	-	-	-	-	-
Total assets	$ 750,150	$ 74,059	$ 8,890	$ 13,984	$ 80,543	$ 903	$ 105,875	$ 53,654
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES								
LIABILITIES								
Accounts payable	$ 7,027	$ -	$ 6,841	$ 7,439	$ -	$ -	$ -	$ -
Due to other funds	-	-	2,049	-	250	900	-	-
Other accrued liabilities	44,311	-	-	1,545	-	-	-	-
Total liabilities	51,338	-	8,890	8,984	250	900	-	-
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue - intergovernmental	-	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-	-
FUND BALANCES (DEFICIT)								
Restricted for:								
Public safety	698,812	-	-	5,000	80,293	-	105,875	-
Health and welfare	-	-	-	-	-	-	-	-
Judicial activities	-	74,059	-	-	-	3	-	53,654
Unassigned	-	-	-	-	-	-	-	-
Total fund balances (deficit)	698,812	74,059	-	5,000	80,293	3	105,875	53,654
Total liabilities, deferred inflows of resources, and fund balances	$ 750,150	$ 74,059	$ 8,890	$ 13,984	$ 80,543	$ 903	$ 105,875	$ 53,654

Juvenile Probation Fund	Clerk of Superior Court Special Fee	Sheriff Other Programs Fund	OPIOID Fund	ARPA Fund	Total Nonmajor Governmental Funds
$ 81,638	$ 91,441	$ 106,431	$ 205,675	$ 105,852	$ 986,521
-	-	-	-	-	143,731
-	-	-	-	-	548,843
-	-	-	-	141,357	141,357
$ 81,638	$ 91,441	$ 106,431	$ 205,675	$ 247,209	$ 1,820,452
$ -	$ -	$ 42,841	$ -	$ 1,130	$ 65,278
-	-	-	-	250,903	254,102
-	-	-	-	9,794	55,650
-	-	42,841	-	261,827	375,030
-	-	-	-	110,801	110,801
-	-	-	-	110,801	110,801
-	-	63,590		-	953,570
-	-	-	205,675		205,675
81,638	91,441	-	-	-	300,795
-	-	-	-	(125,419)	(125,419)
81,638	91,441	63,590	205,675	(125,419)	1,334,621
$ 81,638	$ 91,441	$ 106,431	$ 205,675	$ 247,209	$ 1,820,452

POLK COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	Special Revenue Funds							
	E-911 Emergency Telephone	Law Library Fund	Crime Victim Assistance Fund	Drug Abuse Treatment and Education Fund	Law Enforcement Confiscated Monies - County Fund	Law Enforcement Confiscated Monies - Sheriff Fund	County Jail Fund	District Attorney Fund
Revenues:								
Fines and forfeitures	$ -	$ 14,990	$ 20,042	$ 26,240	$ 56,839	$ -	$ 41,798	$ 31,945
Charges for services	825,920	-	-	-	-	-	-	-
Interest income	-	156	-	7	46	-	50	-
Intergovernmental	-	-	10,436	-	-	-	-	-
Contributions and donations	-	-	-	-	-	-	-	-
Total revenues	825,920	15,146	30,478	26,247	56,885	-	41,848	31,945
Expenditures:								
Current:								
Judicial	-	11,066	15,239	-	-	-	-	31,013
Public safety	1,305,635	-	-	26,247	48,462	-	52,870	-
Health and welfare	-	-	15,239	-	-	-	-	-
Total expenditures	1,305,635	11,066	30,478	26,247	48,462	-	52,870	31,013
Excess (deficiency) of revenues over expenditures	(479,715)	4,080	-	-	8,423	-	(11,022)	932
Other financing sources:								
Transfers in	940,811	-	-	-	-	-	-	-
Total other financing sources	940,811	-	-	-	-	-	-	-
Net change in fund balances	461,096	4,080	-	-	8,423	-	(11,022)	932
Fund balances, beginning of year, as restated	237,716	69,979	-	5,000	71,870	3	116,897	52,722
Fund balances (deficit), end of year	$ 698,812	$ 74,059	$ -	$ 5,000	$ 80,293	$ 3	$ 105,875	$ 53,654

Juvenile Probation Fund	Clerk of Superior Court Special Fee	Sheriff Other Programs Fund	OPIOID Fund	ARPA Fund	Total Nonmajor Governmental Funds
$ -	$ -	$ -	$ -	$ -	$ 191,854
-	-	599,074	-	-	1,424,994
39	-	-	-	-	298
95	-	-	205,675	136,408	352,614
-	-	51,604	-	-	51,604
134	-	650,678	205,675	136,408	2,021,364
500	29,450	-	-	225,648	312,916
-	-	609,304	-	5,674	2,048,192
-	-	-	-	-	15,239
500	29,450	609,304	-	231,322	2,376,347
(366)	(29,450)	41,374	205,675	(94,914)	(354,983)
-	-	-	-	-	940,811
-	-	-	-	-	940,811
(366)	(29,450)	41,374	205,675	(94,914)	585,828
82,004	120,891	22,216	-	(30,505)	748,793
$ 81,638	$ 91,441	$ 63,590	$ 205,675	$ (125,419)	$ 1,334,621

POLK COUNTY, GEORGIA
E911 FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Charges for services	$ 712,500	$ 815,000	$ 825,920	$ 10,920
Miscellaneous income	1,254	900	-	(900)
Total revenues	713,754	815,900	825,920	10,020
Expenditures:				
Current:				
Public safety	1,714,565	1,524,969	1,305,635	219,334
Total expenditures	1,714,565	1,524,969	1,305,635	219,334
Deficiency of revenues over expenditures	(1,000,811)	(709,069)	(479,715)	229,354
Other financing sources:				
Transfers in	1,000,811	709,069	940,811	231,742
Total other financing sources	1,000,811	709,069	940,811	231,742
Net changes in fund balances	-	-	461,096	461,096
Fund balances, beginning of year, as restated	237,716	237,716	237,716	-
Fund balances, end of year	$ 237,716	$ 237,716	$ 698,812	$ 461,096

POLK COUNTY, GEORGIA
LAW LIBRARY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Fines and forfeitures	$ 9,000	$ 9,000	$ 14,990	$ 5,990
Interest	100	100	156	56
Total revenues	9,100	9,100	15,146	6,046
Expenditures:				
Current:				
Judicial	9,100	9,100	11,066	(1,966)
Total expenditures	9,100	9,100	11,066	(1,966)
Net changes in fund balances	-	-	4,080	4,080
Fund balances, beginning of year	69,979	69,979	69,979	-
Fund balances, end of year	$ 69,979	$ 69,979	$ 74,059	$ 4,080

POLK COUNTY, GEORGIA
CRIME VICTIM ASSISTANCE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Fines and forfeitures	$ 24,000	$ 30,480	$ 20,042	$ (10,438)
Intergovernmental	-	-	10,436	10,436
Total revenues	24,000	30,480	30,478	(2)
Expenditures:				
Current:				
Judicial	12,000	15,240	15,239	1
Health and welfare	12,000	15,240	15,239	1
Total expenditures	24,000	30,480	30,478	2
Net changes in fund balances	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	$ -	$ -	$ -	$ -

POLK COUNTY, GEORGIA
DRUG ABUSE TREATMENT AND EDUCATION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Fines and forfeitures	$ 15,600	$ 26,250	$ 26,240	$ (10)
Interest	20	5	7	2
Total revenues	15,620	26,255	26,247	(8)
Expenditures:				
Current:				
Public safety	15,620	26,255	26,247	8
Total expenditures	15,620	26,255	26,247	8
Net changes in fund balances	-	-	-	-
Fund balances, beginning of year	5,000	5,000	5,000	-
Fund balances, end of year	$ 5,000	$ 5,000	$ 5,000	$ -

POLK COUNTY, GEORGIA
LAW ENFORCEMENT CONFISCATED MONIES - COUNTY POLICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Fines and forfeitures	$ 1,000	$ 56,825	$ 56,839	$ 14
Interest Income	-	44	46	2
Total revenues	1,000	56,869	56,885	16
Expenditures:				
Current:				
Public safety	2,100	64,869	48,462	16,407
Total expenditures	2,100	64,869	48,462	16,407
Net changes in fund balances	(1,100)	(8,000)	8,423	16,423
Fund balances, beginning of year	71,870	71,870	71,870	-
Fund balances, end of year	$ 70,770	$ 63,870	$ 80,293	$ 16,423

POLK COUNTY, GEORGIA
LAW ENFORCEMENT CONFISCATED MONIES - SHERIFF FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Charges for services	$ -	$ -	$ -	$ -
Total revenues	-	-	-	-
Expenditures:				
Current:				
Judicial	-	-	-	-
Total expenditures	-	-	-	-
Net changes in fund balances	-	-	-	-
Fund balances, beginning of year	3	3	3	-
Fund balances, end of year	$ 3	$ 3	$ 3	$ -

POLK COUNTY, GEORGIA
COUNTY JAIL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Fines and forfeitures	$ 29,700	$ 41,400	$ 41,798	$ 398
Interest income	50	50	50	-
Total revenues	29,750	41,450	41,848	398
Expenditures:				
Current:				
Public safety	29,750	53,150	52,870	280
Total expenditures	29,750	53,150	52,870	280
Net changes in fund balances	-	(11,700)	(11,022)	678
Fund balances, beginning of year	116,897	116,897	116,897	-
Fund balances, end of year	$ 116,897	$ 105,197	$ 105,875	$ 678

POLK COUNTY, GEORGIA
DISTRICT ATTORNEY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Fines and forfeitures	$ 25,000	$ 25,000	$ 31,945	$ 6,945
Total revenues	25,000	25,000	31,945	6,945
Expenditures:				
Current:				
Judicial	25,000	25,000	31,013	(6,013)
Total expenditures	25,000	25,000	31,013	(6,013)
Net changes in fund balances	-	-	932	932
Fund balances, beginning of year	52,722	52,722	52,722	-
Fund balances, end of year	$ 52,722	$ 52,722	$ 53,654	$ 932

POLK COUNTY, GEORGIA
JUVENILE PROBATION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Fines and forfeitures	$ 500	$ 100	$ 95	$ (5)
Interest income	50	35	39	4
Total revenues	550	135	134	(1)
Expenditures:				
Current:				
Judicial	550	700	500	200
Total expenditures	550	700	500	200
Net changes in fund balances	-	(565)	(366)	199
Fund balances, beginning of year	82,004	82,004	82,004	-
Fund balances, end of year	$ 82,004	$ 81,439	$ 81,638	$ 199

POLK COUNTY, GEORGIA
CLERK OF SUPERIOR COURT SPECIAL FEE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Charges for services	$ -	$ -	$ -	$ -
Total revenues	-	-	-	-
Expenditures:				
Current:				
Judicial	20,000	20,000	29,450	(9,450)
Total expenditures	20,000	20,000	29,450	(9,450)
Net changes in fund balances	(20,000)	(20,000)	(29,450)	(9,450)
Fund balances, beginning of year, as restated	120,891	120,891	120,891	-
Fund balances, end of year	$ 120,891	$ 120,891	$ 91,441	$ (9,450)

POLK COUNTY, GEORGIA
SHERIFF OTHER PROGRAMS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Charges for services	$ -	$ -	$ 599,074	$ 599,074
Contributions and donations	26,000	26,000	51,604	25,604
Total revenues	26,000	26,000	650,678	624,678
Expenditures:				
Current:				
Public safety	26,000	26,000	609,304	(583,304)
Total expenditures	26,000	26,000	609,304	(583,304)
Net changes in fund balances	-	-	41,374	41,374
Fund balances, beginning of year	22,216	22,216	22,216	-
Fund balances, end of year	$ 22,216	$ 22,216	$ 63,590	$ 41,374

POLK COUNTY, GEORGIA
OPIOID FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Intergovernmental	$ 200,000	$ 200,000	$ 205,675	$ 5,675
Total revenues	200,000	200,000	205,675	5,675
Expenditures:				
Current:				
Public safety	200,000	200,000	-	200,000
Total expenditures	200,000	200,000	-	200,000
Net changes in fund balances	-	-	205,675	205,675
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	$ -	$ -	$ 205,675	$ 205,675

POLK COUNTY, GEORGIA
ARPA FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues:				
Intergovernmental	$ 392,294	$ 230,000	$ 136,408	$ (93,592)
Total revenues	392,294	230,000	136,408	(93,592)
Expenditures:				
Current:				
Judicial	392,294	230,000	225,648	4,352
Public safety	-	-	5,674	(5,674)
Total expenditures	392,294	230,000	231,322	(1,322)
Net changes in fund balances	-	-	(94,914)	(94,914)
Fund balances (deficit), beginning of year	(30,505)	(30,505)	(30,505)	-
Fund balances (deficit), end of year	$ (30,505)	$ (30,505)	$ (125,419)	$ (94,914)

POLK COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS FOR THE YEAR ENDED JUNE 30, 2023

Project	Estimated Cost		Expenditures		
	Original	Current	Prior Years	Current Year	Total
2008 SPLOST					
Roads, streets, and bridges	$ 4,200,000	$ 7,009,276	$ 7,009,276 (1)	$ -	$ 7,009,276
Transportation equipment and facilities	2,540,000	2,540,000	1,456,650	-	1,456,650
County building and facilities	1,650,000	1,906,441	1,896,441	10,000	1,906,441
Public safety equipment	4,765,000	4,765,000	3,750,636	-	3,750,636
Economic development	2,606,200	3,198,421	3,198,421	-	3,198,421
Public welfare improvements	1,230,000	1,230,000	271,322	33,920	305,242
Public health equipment and facilities	1,078,000	1,078,000	13,366	-	13,366
Recreation facilities	1,270,000	1,270,000	43,643	-	43,643
Project totals	19,339,200	22,997,138	17,639,755	43,920	17,683,675
Intergovernmental:					
City of Cedartown	8,942,400	8,942,400	7,544,623	-	7,544,623
City of Rockmart	7,210,800	7,210,800	6,162,559	-	6,162,559
City of Aragon	507,600	507,600	505,651	-	505,651
Intergovernmental total	16,660,800	16,660,800	14,212,833	-	14,212,833
Total 2008 SPLOST	$ 36,000,000	$ 39,657,938	$ 31,852,588	$ 43,920	$ 31,896,508
2014 SPLOST					
Public infrastructure improvements	$ 5,900,000	$ 5,900,000	$ 4,557,268 (1)	$ -	$ 4,557,268
Transportation equipment and vehicles	390,000	390,000	119,912	35,944	155,856
County buildings, facilities and equipment	2,760,000	2,760,000	1,835,752	184,234	2,019,986
Public safety equipment and vehicles	6,089,000	6,089,000	5,038,093	602,826	5,640,919
Economic development	1,300,000	6,842,129	6,842,129 (1)	-	6,842,129
Public works equipment and vehicles	1,760,000	2,247,169	2,119,425	127,744	2,247,169
Recreation facilities	1,200,000	1,243,930	1,234,930	-	1,234,930
Projects total	19,399,000	25,472,228	21,747,509	950,748	22,698,257
Intergovernmental:					
City of Cedartown	8,970,000	8,970,000	8,939,469	-	8,939,469
City of Rockmart	7,233,000	7,233,000	7,207,025	-	7,207,025
City of Aragon	509,000	509,000	507,333	-	507,333
Intergovernmental total	16,712,000	16,712,000	16,653,827	-	16,653,827
Total 2014 SPLOST	$ 36,111,000	$ 42,184,228	$ 38,401,336	$ 950,748	$ 39,352,084

POLK COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS FOR THE YEAR ENDED JUNE 30, 2023

Project	Estimated Cost		Expenditures		
	Original	Current	Prior Years	Current Year	Total
2020 SPLOST					
County wide recreation	$ 1,200,000	$ 1,200,000	$ -	$ 1,175,000	$ 1,175,000
Public infrastructure improvements	5,900,000	5,900,000	895,993	494,199	1,390,192
Public safety equipment and vehicles	6,089,000	7,135,578	6,581,821 (1)	509,902	7,091,723
Public works equipment and vehicles	1,760,000	1,760,000	119,600	383,575	503,175
Transportation equipment and vehicles	390,000	390,000	-	72,107	72,107
County buildings, facilities and equipment	2,760,000	2,760,000	21,600	112,204	133,804
Economic development	1,300,000	1,300,000	-	-	-
Projects total	19,399,000	20,445,578	7,619,014	2,746,987	10,366,001
Intergovernmental:					
City of Cedartown	8,970,000	8,970,000	1,801,476	1,932,343	3,733,819
City of Rockmart	7,233,000	7,233,000	1,452,640	1,558,166	3,010,806
City of Aragon	509,000	509,000	102,257	109,686	211,943
Intergovernmental total	16,712,000	16,712,000	3,356,373	3,600,195	6,956,568
Total 2020 SPLOST	$ 36,111,000	$ 37,157,578	$ 10,975,387	$ 6,347,182	$ 17,322,569

Total SPLOST expenditures	$ 7,341,850
Debt service expenditures	632,733
Non SPLOST expenditures - GDOT	741,843
Total SPLOST Fund expenditures	$ 8,716,426

(1) Includes project expenditures funded by intergovernmental revenues and interfund transfers.

CUSTODIAL FUNDS

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

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

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

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

Clerk of Superior Court
Probate Court
Juvenile Court
Magistrate Court
Probation Office
Seizure Fund

POLK COUNTY, GEORGIA

COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
JUNE 30, 2023

ASSETS	Tax Commissioner	Probate Court	Juvenile Court	Clerk of Superior Court	Magistrate Court
Cash and cash equivalents	$ 14,674	$ 38,644	$ 128	$ 66,681	$ 16,561
Taxes receivable	1,731,335	-	-	-	-
Total assets	1,746,009	38,644	128	66,681	16,561
LIABILITIES					
Due to others	14,674	38,644	128	49,124	7,916
Uncollected taxes	1,731,335	-	-	-	-
Total liabilities	1,746,009	38,644	128	49,124	7,916
NET POSITION					
Restricted:					
Individuals, organizations, and other governments	-	-	-	17,557	8,645
Total net position	$ -	$ -	$ -	$ 17,557	$ 8,645

Sheriff	Probation Office	Seizure Fund	Total
$ 101,270	$ 4,468	$ 171,232	$ 413,658
-	-	-	1,731,335
101,270	4,468	171,232	2,144,993
34,159	4,468	-	149,113
-	-	-	1,731,335
34,159	4,468	-	1,880,448
67,111	-	171,232	264,545
$ 67,111	$ -	$ 171,232	$ 264,545

POLK COUNTY, GEORGIA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	Tax Commissioner	Probate Court	Juvenile Court	Clerk of Superior Court	Magistrate Court
ADDITIONS					
Property taxes collected for other governments	$ 24,222,159	$ -	$ -	$ -	$ -
Fines and fees collected	-	541,731	6,929	1,008,588	295,749
Total additions	24,222,159	541,731	6,929	1,008,588	295,749
DEDUCTIONS					
Property taxes distributed to other governments	24,222,159	-	-	-	-
Fines and fees disbursed	-	541,731	6,929	991,031	-
Other custodial disbursements	-	-	-	-	287,104
Total deductions	24,222,159	541,731	6,929	991,031	287,104
Net increase (decrease) in custodial net position	-	-	-	17,557	8,645
Net position, beginning of year, as restated	-	-	-	-	-
Net position, end of year	$ -	$ -	$ -	$ 17,557	$ 8,645

Sheriff	Probation Office	Seizure Fund	Total
$ -	$ -	$ -	$ 24,222,159
544,957	240,502	4,599	2,643,055
544,957	240,502	4,599	26,865,214
-	-	-	24,222,159
477,846	240,502	-	2,258,039
-	-	13,561	300,665
477,846	240,502	13,561	26,780,863
67,111	-	(8,962)	84,351
-	-	180,194	180,194
$ 67,111	$ -	$ 171,232	$ 264,545

COMPONENT UNIT – DEVELOPMENT AUTHORITY

POLK COUNTY, GEORGIA

BALANCE SHEET
COMPONENT UNIT - DEVELOPMENT AUTHORITY
JUNE 30, 2023

ASSETS

CURRENT ASSETS		
Cash	$	1,751,256
Property held for redevelopment		310,118
Total assets	$	2,061,374

FUND BALANCE

FUND BALANCE		
Nonspendable	$	310,118
Unassigned		1,751,256
Total fund balance	$	2,061,374

POLK COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
COMPONENT UNIT - DEVELOPMENT AUTHORITY
FOR THE YEAR ENDED JUNE 30, 2023

REVENUES		
Interest	$	11,190
Intergovernmental		263,073
Contributions and donations		10,000
Miscellaneous		267
Total revenues		284,530
EXPENDITURES		
Current:		
Housing and development		196,811
Total expenditures		196,811
Net change in fund balance		87,719
FUND BALANCE, beginning of year		1,973,655
FUND BALANCE, end of year	$	2,061,374

COMPLIANCE SECTION

MAULDIN & JENKINS
CPAs & ADVISORS

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

Board of Commissioners
of Polk County, Georgia

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Polk County, Georgia (the "County") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated November 26, 2024. Our report includes a reference to another auditor who audited the financial statements of the Polk County Health Department, as described in our report on the County's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by that auditor.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and responses as items 2023-001 and 2023-002 that we consider to be material weaknesses.

Report on Compliance and Other Matters

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

The County's Responses to the Finding

Government Auditing Standards requires the auditor to perform limited procedures on the County's responses to the finding identified in our audit and described in the accompanying schedule of findings and responses. The County's responses were not subjected to the other auditing procedures applied in the audit of the financial statements, and, accordingly, we express no opinion on the responses.

Purpose of this Report

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

Mauldin & Jenkins, LLC

Atlanta, Georgia
November 26, 2024

POLK COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2023

SECTION I
SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified
Internal control over financial reporting:	
Material weaknesses identified?	__X__ yes _____ no
Significant deficiencies identified?	_____ yes __X__ none reported
Noncompliance material to financial statements noted?	_____ yes __X__ no

Federal Awards

There was not an audit of major federal award programs as of June 30, 2023 due to the total amount of federal awards expended being less than $750,000.

POLK COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2023

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES

2023-001 Year-End Financial Close and Reporting Controls

Criteria: Internal controls should be in place to ensure that financial statements of the County are properly presented in accordance with accounting principles generally accepted in the United States of America.

Condition: Internal controls were not sufficient to detect material misstatements in the County's financial statements for the year ended June 30, 2023. Additionally, the misstatements identified effected the County's financial statements for the year ended June 30, 2022, which represents the beginning balances for the fiscal year 2023 financial statements.

Context/Cause: During our audit for the year ended June 30, 2023, the following misstatements were noted to be errors in the prior year Annual Comprehensive Financial Report and caused the need to restate financial statement net position, assets, liabilities and related accounts reported as of and for the year ended June 30, 2023 and June 30, 2022. The nature and magnitude of the corrections for these errors are as follows:

- The County did not properly record accounts receivable in its E-911 Emergency Telephone Fund. Adjustments totaling $139,864 were required to record accounts receivable for the E-911 Emergency Telephone Fund and governmental activities as of June 30, 2023 including a prior period restatement of $69,672 and a current year adjustment of $70,192 due to accounts receivable and net position being understated at June 30, 2023 and June 30, 2022.
- The County did not properly record the fund balance and net position in the Clerk of Superior County Special Fee Fund and governmental activities, respectively, in the prior fiscal year. The Clerk of Superior Court Special Fee Fund fund balance was reported in a custodial fund in the prior year when it should have been reported as a special revenue fund. Total adjustments of $150,341 were required to adjust the beginning fund balance and net position in the Clerk of Superior County Special Fee Fund and governmental activities, respectively, in the amount of $120,891 and to record the current year expenditures in the amount of $29,450.
- The County did not properly record the due to others liability in the Seizure Fund. The County should only record liabilities when an event that occurs that compels the County to disburse fiduciary resources. An adjustment of $180,194 was required to adjust beginning fiduciary net position of the custodial funds in the amount of $180,194.

POLK COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2023

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES

2023-001 Year-End Financial Close and Reporting Controls (Continued)

Effects: The errors discussed above created the need for adjustments of beginning net position, assets, and liabilities for various governmental funds, fiduciary funds, and governmental activities. Total adjustments of $470,399 were noted including adjustments due to errors in the prior period of $370,757 and adjustments to current year of $99,642.

Recommendations: We recommend the County carefully review all cash receipts, intergovernmental agreements, and fiduciary activity to ensure proper accounting and financial reporting thereof in accordance to generally accepted accounting principles.

Auditee's Response: We concur with the finding. We will ensure that the necessary review of the financial information is being conducted to ensure that financial data is properly reported during the year and at the conclusion of each financial reporting cycle.

2023-002 Timely Financial Reporting

Criteria: Timely and accurate financial reporting of all funds included in the financial statements of the County to facilitate informed financial decisions by the County's management and those with oversight of management is imperative.

Condition: Internal controls and available resources were not sufficient to facilitate the accurate, timely reporting of the County's overall financial position and results of operations as of and for the fiscal year ended June 30, 2022.

Context/Cause: The County did not complete its year-end closing process to provide final trial balances and the necessary subsidiary ledgers for its funds for the fiscal year ended June 30, 2023 for auditing until April and May of 2024. Additionally, several subsidiary listings and schedules were not provided until October of 2024.

Effects: The County was unable to report accurate financial information on either an accrual or modified accrual basis, as appropriate, in a timely manner.

Recommendation: We recommend management implement procedures to ensure timely and accurate financial reporting to facilitate informed financial decisions.

Auditee's Response: We concur with the finding. We will take the necessary steps to complete the closing process more timely.