Baker County, Georgia

Financial Statements

For the Fiscal Year Ended

April 30, 2023

Baker County, Georgia
For the Fiscal Year Ended April 30, 2023
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Perry L. Henry, LLC

Certified Public Accountant and Consultant

Perry L. Henry, CPA, CGFM, CFS

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INDEPENDENT AUDITORS' REPORT

Honorable Chairperson and
Members of the Board of Commissioners of
Baker County, Georgia
Newton, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Baker County, Georgia as of and for the fiscal year ended April 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, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of April 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 Baker County Board of Health, which represent 4.5%, 1.0%, and 13.0%, respectively, of the assets, net position, and revenues of the discretely presented component units as of April 30, 2023, and the respective changes in financial position, and where applicable, cash flows thereof 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 Baker County Board of Health, is based solely on the report of the other auditors.

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 *(Government Auditing Standards).* 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

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, economical or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the budgetary comparison for the General Fund and ARPA Special Revenue Fund (pages 43-47) 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.

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 nonmajor fund financial statements and schedules, the CDBG schedules, and the schedules of expenditures of special purpose local option sales tax proceeds 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 combining and individual nonmajor fund financial statements and schedules, the CDBG schedules, and the schedules of expenditures of special purpose local option sales tax proceeds are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required By Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 31, 2023, 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.

Perry L. Henry, LLC

Perry L. Henry, LLC
Certified Public Accountant
Bainbridge, Georgia
October 31, 2023

Baker County, Georgia
Statement of Net Position
April 30, 2023

	Governmental Activities	Total	Component Unit
ASSETS			
Cash on hand and in banks	$ 3,741,668	$ 3,741,668	$ 367,278
Receivables (net, where applicable, of allowances for uncollectible):			
Taxes	450,442	450,442	-
Accounts	188,247	188,247	3,304
Due from other governments	-	-	17,256
Prepaid expenses	30,477	30,477	-
Net OPEB asset	-	-	117,912
Land and construction in progress	726,417	726,417	-
Other capital assets, (net)	5,887,331	5,887,331	5,618
Right to use leased assets, (net)	79,380	79,380	-
Total Assets	11,103,962	11,103,962	511,368
DEFERRED OUTFLOWS OF RESOURCES			
Pension related items	-	-	137,253
OPEB related items	-	-	31,919
Total Deferred Outflows of Resources	-	-	169,172
Total Assets and Deferred Outflows of Resources	11,103,962	11,103,962	680,540
LIABILITIES			
Accounts payable	127,632	127,632	11,982
Accrued liabilities	10,485	10,485	-
Deferred revenue	202,978	202,978	-
Long-term liabilities:			
Portion due and payable within one year:			
Lease payable	63,724	63,724	-
Notes payable	2,910	2,910	-
Portion due and payable after one year:			
Lease payable	10,856	10,856	-
Compensated absences payable	17,198	17,198	30,121
Net pension liability	-	-	202,526
Net OPEB liability	-	-	20,020
Total Liabilities	435,783	435,783	264,649
DEFERRED INFLOWS OF RESOURCES			
Pension related items	-	-	187,182
OPEB related items	-	-	126,022
Total Deferred Inflows of Resources	-	-	313,204
Total Liabilities & Deferred Inflows of Resources	435,783	435,783	577,853
NET POSITION			
Net investment in capital assets	6,615,638	6,615,638	5,618
Restricted for:			
Capital projects	269,236	269,236	-
Other purposes	60,093	60,093	204,828
Unrestricted	3,723,212	3,723,212	(107,759)
Total Net Position	$ 10,668,179	$ 10,668,179	$ 102,687

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

Baker County, Georgia
Statement of Activities
For the Fiscal Year Ended April 30, 2023

Functions/Programs	Expenses	Program Revenues: Fees, Fines and Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position: Primary Government: Governmental Activities	Net (Expenses) Revenues and Changes in Net Position: Primary Government: Total	Component Unit
Governmental:							
General Government	$ 747,023	$ 74,280	$ 330,141	$ -	$ (342,602)	$ (342,602)	
Judicial	231,712	103,826	-	-	(127,886)	(127,886)	
Public Safety	1,430,459	57,351	1,851	-	(1,371,257)	(1,371,257)	
Public Works	967,334	296,105	324,666	-	(346,563)	(346,563)	
Health and Welfare	164,346	-	69,874	-	(94,472)	(94,472)	
Culture and Recreation	6,752	-	-	-	(6,752)	(6,752)	
Housing and Development	64,195	-	-	-	(64,195)	(64,195)	
Interest on Long-Term Debt	2,718	-	-	-	(2,718)	(2,718)	
Total governmental activities	$ 3,614,539	$ 531,562	$ 726,532	$ -	(2,356,445)	(2,356,445)	
Component unit:							
Baker County Board of Health	$ 399,842	$ 195,368	$ 320,414	$ -			$ 115,940
Total component unit	$ 399,842	$ 195,368	$ 320,414	$ -			115,940

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

Baker County, Georgia
Statement of Activities
For the Fiscal Year Ended April 30, 2023

Functions/Programs	Expenses	Program Revenues: Fees, Fines and Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Total	Component Units
Changes in Net position:							
Net (expenses) revenue (Page 3)					(2,356,445)	(2,356,445)	115,940
General revenues:							
Taxes							
Property taxes, levied for general purposes					2,028,056	2,028,056	-
Sales taxes					594,099	594,099	-
Business taxes					7,750	7,750	-
Penalties and interest on delinquent taxes					5,207	5,207	-
Insurance premium tax					168,734	168,734	-
Investment earnings					6,057	6,057	-
Miscellaneous					84,577	84,577	-
Total general revenues					2,894,480	2,894,480	-
Change in net position					538,035	538,035	115,940
Net position - beginning					10,130,144	10,130,144	(13,253)
Net position - ending					$ 10,668,179	$ 10,668,179	$ 102,687

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

Baker County, Georgia
Balance Sheet
Governmental Funds
April 30, 2023

	General Fund	SPLOST Capital Projects Fund	ARPA Special Revenue Fund	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash on hand and in banks	$ 3,246,631	$ 223,451	$ 203,285	$ 68,303	$ 3,741,670
Receivables (net, where applicable, of allowances for uncollectible):					
Taxes, including interest, penalties & liens	404,656	45,785	-	-	450,441
Accounts	188,247	-	-	-	188,247
Total Assets	$ 3,839,534	$ 269,236	$ 203,285	$ 68,303	$ 4,380,358
LIABILITIES, DEFERRED INFLOWS OR RESOURCES, AND FUND BALANCES					
Liabilities					
Accounts payable	$ 117,358	$ -	$ -	$ 10,277	$ 127,635
Unearned revenue	-	-	202,978	-	202,978
Accrued salaries & wages	10,485	-	-	-	10,485
Total Liabilities	127,843	-	202,978	10,277	341,098
Deferred Inflows of Resources					
Unavailable Revenues	151,655	-	-	-	151,655
Total Deferred Inflows of Resources	151,655	-	-	-	151,655
Fund Balances					
Restricted for:					
Family Connections	-	-	-	35,524	35,524
Senior Center	1,760	-	-	-	1,760
Capital Projects	-	269,236	-	-	269,236
Public Safety	-	-	307	22,502	22,809
Unassigned	3,558,276	-	-	-	3,558,276
Total Fund Balances	3,560,036	269,236	307	58,026	3,887,605
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 3,839,534	$ 269,236	$ 203,285	$ 68,303	$ 4,380,358

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

Baker County, Georgia
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
April 30, 2023

Total *fund* balances for governmental funds (Page 7)		$ 3,887,605
Total *net position* reported for governmental activities in the Statement of Net Position is different because:		
Capital assets and right-to-use leased assets used in governmental activities are not financial resources and therefore are not reported in the funds. Those assets consist of:		
Land and construction in progress	726,417	
Infrastructure	5,890,542	
Buildings	3,334,889	
Machinery	1,926,334	
RTU leased assets	137,677	
Total capital assets	12,015,859	
Accumulated depreciation & amortization	(5,322,731)	
Total assets - net	6,693,128	6,693,128
Some of the County's taxes and other revenues will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore are reported as unavaliable revenue in the funds.		151,657
Governmental funds recognize expenditures using the purchases method. However, the Statement of Activities uses the accrual method and, thus, only the amount is recognized as expense when it is consumed. The unconsumed portion is recorded as an asset.		30,477
Long-term liabilities, including notes payable, lease payable and compensated absences, are not due and payable in the current period and therefore are not reported in the funds.		(94,688)
Total net position of governmental activities (Page 2)		$ 10,668,179

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

Baker County, Georgia
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended April 30, 2023

	General Fund	SPLOST Capital Projects Fund	ARPA Special Revenue Fund	Other Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	$ 2,480,955	$ 322,891	$ -	$ -	$ 2,803,846
Licenses & Permits	4,497	-	-	-	4,497
Intergovernmental	416,242	-	212,500	69,874	698,616
Charges for Services	384,951	-	-	46,507	431,458
Grants	-	-	-	47,101	47,101
Fines & Forfeitures	65,365	-	-	5,472	70,837
Investment Income	5,525	168	301	62	6,056
Miscellaneous	69,032	-	-	-	69,032
Total Revenues	3,426,567	323,059	212,801	169,016	4,131,443
EXPENDITURES					
Current Operating					
General Government	687,175	-	-	-	687,175
Judicial	259,815	-	-	-	259,815
Public Safety	842,928	-	212,500	239,054	1,294,482
Public Works	614,260	-	-	-	614,260
Health and Welfare	102,854	-	-	51,522	154,376
Cultural & Recreation	11,752	-	-	-	11,752
Housing & Development	78,663	-	-	-	78,663
Intergovernmental	-	62,820	-	-	62,820
Capital Outlay:					
General Government	257,652	-	-	-	257,652
Public Safety	3,716	-	-	-	3,716
Public Works	359,439	287,215	-	47,101	693,755
Debt Service:					
Principal	-	76,320	-	-	76,320
Interest	-	2,718	-	-	2,718
Total Expenditures	3,218,254	429,073	212,500	337,677	4,197,504
Excess (Deficiency) of Revenues Over Expenditures	208,313	(106,014)	301	(168,661)	(66,061)
OTHER FINANCING SOURCES (USES)					
Lease Liabilities Issued	-	137,677	-	-	137,677
Transfers In	-	-	-	190,969	190,969
Transfers Out	(190,969)	-	-	-	(190,969)
Total Other Financing Sources (Uses)	(190,969)	137,677	-	190,969	137,677
Net Change in Fund Balances	17,344	31,663	301	22,308	71,616
Fund Balances - Beginning Of Period	3,542,692	237,573	6	35,720	3,815,991
Fund Balances - Ending Of Period	$ 3,560,036	$ 269,236	$ 307	$ 58,028	$ 3,887,607

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

Baker County, Georgia
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Net Activities
For the Fiscal Year Ended April 30, 2023

Net change in fund balances - total governmental funds (Page 7)	$	71,616
The change in net position reported for governmental activities in the Statement of Activities is different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay of $999,781 exceeded depreciation and amortization of $496,328 in the current period.		503,453
Some capital additions were financed through debt agreements. In governmental funds, such debt arrangements are considered a source of financing, but in the Statement of Net Assets, the debt obligation is reported as a liability.		(137,677)
Long-term debt payments are reported as expenditures in the governmental funds, but reduces the liability in the Statement of Net Position.		76,320
Governmental funds defer all tax revenues not collected within 60 days of year-end. However, the Statement of Activities uses the accrual method and, thus, the entire amount is recognized as revenue, regardless of the collection date.		21,130
Governmental funds recognize expenditures for certain items using the purchases method. However, the Statement of Activities uses the consumption method and, thus, only the amount of prepaid benefits consumed are recognized.		3,209
Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available.		
Change in compensated absences		(16)
Change in net position of governmental activities (Page 4)	$	538,035

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

Baker County, Georgia
Statement of Fiduciary Net Position
Fiduciary Funds
April 30, 2023

ASSETS		
Cash	$	143,028
Due from others		47,959
Total Assets	$	190,987
NET POSITION		
Net Position - held for others	$	190,987
Total Net Position	$	190,987

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

Baker County, Georgia
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
April 30, 2023

Additions	
Taxes	$ 3,976,072
Fees	360,822
Total Additions	4,336,894
Deductions	
Payment of taxes to other agencies	3,983,474
Payment of fees to other agencies	378,466
Total Deductions	4,361,940
Change in Net Position	(25,046)
Net Position Beginning of Year	216,033
Net Position End of Year	$ 190,987

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

Baker County, Georgia
Statement of Net Position
Component Unit
April 30, 2023

	Baker County Board of Health
Assets	
Cash	$ 367,278
Accounts receivable	3,304
Due from DPH	17,256
Property, plant and equipment, net	5,618
Net OPEB asset	117,912
Total assets	511,368
Deferred outflows	
Pension related items	137,253
OPEB related items	31,919
Total deferred outflows	169,172
Total assets and deferred outflows	$ 680,540
Liabilities	
Current liabilities:	
Accounts payable	$ 11,982
Compensated absences	3,012
Total current liabilities	14,994
Non-current liabilities:	
Compensated absences	27,109
Net pension liabilties	202,526
Net OPEB liabilities	20,020
Total non-current liabilities	249,655
Total liabilities	264,649
Deferred inflows	
Pension related items	187,182
OPEB related items	126,022
Total deferred inflows	313,204
Net position	
Restricted:	
Investment in capital assets	5,618
Board designated	137,629
Prior year income fund	67,199
Unrestricted	(107,759)
Total net position	102,687
Total liabilities, deferred inflows, and net position	$ 680,540

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

Baker County, Georgia
Statement of Activities
Component Unit
For the Fiscal Year Ended April 30, 2023

Activities:	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position: Baker County Board of Health	Total
Component unit					
Baker County Board of Health	$ 399,842	$ 195,368	$ 320,414	$ 115,940	$ 115,940
Total component unit	$ 399,842	$ 195,368	$ 320,414	115,940	115,940
				115,940	115,940
	Net position - beginning			(13,253)	(13,253)
	Net position - ending			$ 102,687	$ 102,687

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

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Baker County, Georgia operates under a County Commissioner form of government and provides the following services as authorized by state law; public safety (police and fire), highway and streets, health and social services, recreation, public improvements, planning and zoning, and general administrative services.

The financial statements of the reporting entity include those of Baker County, Georgia (the primary government) and its component unit. A component unit is a legally separate organization for which elected officials of the primary government are financially accountable. In addition, a component unit can be another organization for which the nature and significance of its relationship with a primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The component unit discussed below is included in the County's reporting entity because of the significance of the operational and financial relationships with the County. In conformity with generally accepted accounting principles, as set forth in Statement of Governmental Accounting Standards No. 14, *The Financial Reporting Entity*, the financial statements of the component unit has been included as a discretely presented component unit. The component unit column in the basic financial statements includes the financial data for the County's component unit, as reflected in their most recent audited financial statements. This is reported in columns separate from the County's financial information to emphasize that they are legally separate from the County.

Baker County Board of Health – The County Board of Health provides health services to the citizenry of Baker County, Georgia. The County Board of Health is a legally separate entity. The Board of Commissioners of Baker County appoints a voting majority of the Board of Health. The County has the ability to impose its will on the Board of Health in accordance with Georgia Laws O.C.G.A. 31-3-14. Complete financial statements of the Baker County Board of Health may be obtained at the offices in Baker County, Georgia.

Baker County Development Authority – The Baker County Development Authority, a separate legal entity, was designed for the purpose of developing and promoting for the public good and welfare, trade, commerce, industry and employment opportunities within the County. The Baker County Development Authority did not issue separate Component Unit Financial Statements. The financial information for the Baker County Development Authority is not presented in this report because the amounts are immaterial to the financial statements of Baker County, Georgia.

Joint Ventures – Baker County, in conjunction with cities and counties in the fourteen (14) county Southwest Georgia area are members of the Southwest Georgia Regional Commission (RC). Membership in an RC is automatic for each municipality and county in the state. The official Code of Georgia Section 50-8-32 provides for the organizational structures of the RC's. Each county and municipality in the state is required by law to pay minimum annual dues to the RC. The RC Council membership is defined in State Law O.C.G.A. Section 50-8-34 and specifies that the chief elected official of the County governing authority be a member of the Council.

The Georgia Planning Act of 1989 (O.C.G.A. 50-8-32) defines RCs as "public agencies and instrumentalities of their members". Georgia laws also provide that the member governments are liable for any debts or obligations of an RC beyond its resources. (O.C.G.A. 50-8-39)

Complete financial statements for the Southwest Georgia RC can be obtained from the RC office at P.O. Box 346, 30 West Broad Street, Camilla, Georgia 31730-0346 or from the County Clerk's Office.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Changes in Net Position) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. 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*.

The County does not allocate indirect costs.

Separate financial statements are provided for governmental funds. Major individual governmental fund are reported as separate columns in the fund financial statements.

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting,* as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be 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.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual. All other revenue items are considered to be measurable and available only when cash is received by the government.

The County reports the following major governmental funds:

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

SPLOST Capital Projects Fund – This is a capital projects fund established to account for all Special Purpose Local Option Sales Tax collected and the outlays as specified by the referendum.

ARPA Special Revenue Fund – Accounts for the County's proceeds from the American Rescue Plan.

Additionally, the County reports the following fund types:

Custodial funds – The County reports four custodial funds: Clerk of Superior Court, Tax Commissioner, Probate Court, and Magistrate Court. These funds are used to report resources held by the reporting government in a purely custodial capacity (assets equal liabilities).

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Assets, Liabilities, and Equity

1. Deposits and Investments

Baker County, Georgia'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.

The County has authorized its governing officials to maintain deposit investments with financial institutions. There were no legal or contractual violations in regard to these investments during the year.

Investments are stated at cost or amortized cost.

2. Receivable and Payables

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

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account inapplicable to governmental funds to indicate they are not available for appropriation and are not expendable, available financial resources.

All trade and property tax receivables are shown net of allowance for uncollectibles. Property taxes were levied on August 18, 2022, and were due on December 20, 2022. An enforceable lien was placed on property for which taxes had not yet been paid on August 31, 2023.

The County's lease receivable is measured at the present value of lease payments expected to be received during the lease term. Under the lease agreement, the County may receive variable lease payments that are dependent upon the lessee's revenue. The variable payments are recorded as an inflow of resources in the period the payment is received.

A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

3. Inventories and Prepaid Items

Expendable supplies are recorded as expenditures at the time items are purchased. The County does not record inventories of supplies on the books.

Certain payments to vendors reflect cost applicable to future accounting periods and are reported as prepaid expenses in the government-wide financial statements. The County had prepaid workers' compensation insurance of $21,279 and prepaid liability insurance of $9,198. These items will be expensed in the subsequent year. In the governmental fund statements, those prepaid are recognized when purchased.

4. Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

As a Phase 3 government the County can elect to capitalize infrastructure from the date of inception forward. The County has elected to do so.

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

Asset Class	Estimated Useful Lives
Infrastructure	40 years
Buildings and Improvements	20-30 years
Vehicles and Equipment	5-7 years
Right-To-Leased Assets - Equipment	5-7 years

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The standard capitalization thresholds for capitalizing assets for each major class of assets established by the Baker County Board of Commissioners are detailed below:

Class of Asset	Capitalization Threshhold	Control Threshold
Land/Land Improvements	Capitalize All	All
Building/Building Improvements	$ 5,000	$ 500
Facilities and Other Improvements	5,000	500
Infrastructure	100,000	100,000
Equipment	5,000	500
Furniture	5,000	500
Vehicles, Boats, and Aircraft	5,000	500
Software (developed or purchased)	5,000	500
Library Books/Materials (collections)	Capitalize All	All
Works of Art/Historical Treasures	Capitalize All	All
Leasehold Improvements	5,000	5,000

There were not any construction projects with capitalized interest for the fiscal year ended April 30, 2023.

5. Compensated Absences

Costs of vacation pay are not recorded until such benefits are paid. GASB Standards require that vacation pay be accrued when:

(1) The employer's obligation to employees' right to receive compensation for future benefits is attributable to employees' service already rendered.
(2) The obligation related to rights that vest or accumulate.
(3) Payment of compensation is probable, and
(4) The amount can be reasonably estimated.

Accumulated sick pay benefits have not been recorded as a liability because these benefits are paid only upon the illness of an employee and the amount of such payments cannot be reasonably estimated.

6. 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 the current assets and current liabilities. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based on primarily on the extent to which the County is bound to honor constraints on the specific purposes 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 there are limitations imposed on their use either through the enabling legislation adopted by the County or through

external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

- *Committed* – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of County Commissioners through the adoption of a resolution. The Board of County Commissioners also may modify or rescind the commitment.

- *Assigned* – Fund balances are reported as assigned when amounts are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the Board of Commissioners has authorized the County's finance committee or the County's finance director to assign fund balances.

- *Unassigned* – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. 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:

- Committed
- Assigned
- Unassigned

Net Position – Net position represents the difference between assets and deferred outflows and liabilities and deferred inflows. Net position – 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 as described in the fund balance section above. All other net position is reported as unrestricted.

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

7. Deferred Inflows of Resources

During the fiscal year ended April 30, 2015 the County implemented GASB 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position and GASB 65, Items Previously Reported as Assets and Liabilities. As a result of these standards, certain items previously reported as assets and liabilities are now reported as deferred outflows and deferred inflows of resources.

Deferred outflows of resources represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County does not have any items that qualify for reporting in this category.

Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Property taxes of $8,304 and garbage receivables of $143,083 are listed as unavailable in the General Fund and are deferred to be recognized as an inflow of resources in the period that the amounts become available.

NOTE 2 – DEPOSITS AND INVESTMENTS

The County's deposits at year-end were entirely covered by federal depository insurance or collateral held by the County's custodial banks in the County's name or held by a third party bank in the County's name. Statutes authorize the County to invest in obligations of this state or other states, obligations issued by the U.S. government, obligations fully insured or guaranteed by the U.S. government or by a government agency of the U.S., obligations of any corporation of the U.S. government, prime bankers acceptances, the Local Government Investment Pool established by state law, repurchase agreements and obligations of other political subdivisions of the State of Georgia.

Custodial Credit Risk – Deposits – This is the risk that in the event of a bank failure, the County's deposits may not be returned to it. All of the County's deposits are covered by a combination of federal depository insurance and securities pledged by financial institutions as collateral to protect the deposits of the County as required under state law. Therefore, the County has no custodial credit risk for its deposits.

NOTE 3 – CAPITAL ASSETS

Capital assets for the fiscal year ended April 30, 2023 are as follows:

Governmental activities:	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	$ 11,996	$ -	$ -	$ 11,996
Constructions in Progress	476,020	244,841	6,440	714,421
Total capital assets, not being depreciated	488,016	244,841	6,440	726,417
Capital assets being depreciated and amortized:				
Infrastructure	5,385,640	504,901	-	5,890,541
Building and Improvements	3,334,889	-	-	3,334,889
Equipment, Furniture and Vehicles	1,807,533	118,802	-	1,926,335
Right-To-Use Equipment	-	137,677	-	137,677
Total capital assets being depreciated and amortized	10,528,062	761,380	-	11,289,442
Less accumulated depreciation:				
Infrastructure	1,105,404	167,328	-	1,272,732
Building and Improvements	2,407,564	107,573	-	2,515,137
Equipment, Furniture and Vehicles	1,313,435	163,130	-	1,476,565
Less accumulated amortization:				
Right-To-Use Equipment	-	58,297	-	58,297
Total accumulated depreciation & amortization	4,826,403	496,328	-	5,322,731
Governmental activities capital assets, Net	$ 6,189,675	$ 509,893	$ 6,440	$ 6,693,128

Depreciation amortization expense was charged to the governmental functions as follows:

General activities:	
General Government	$ 94,394
Public Safety	109,312
Roads and Bridges	287,651
Health and Welfare	4,971
Total depreciation expense - governmental activities	$ 496,328

Leases

The determination of whether an arrangement is a lease is made at the lease's inception. Under GASB Statement No. 87, a contract is (or contains) a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is defined under the standard as having both the right to obtain substantially all of the economic benefits from use of the asset and the right to direct the use of the asset. Management only reassesses its determination if the terms and conditions of the contract are changed. Right to use lease assets and the related lease liabilities are recorded on the statement of financial position.

The County recognizes right to use lessee asset and related lease liability at the commencement of the lease term unless the lease is a short-term lease or it transfers ownership of the underlying asset. The lease liability is measured at the present value of payments expected to be made during the lease term (less any lease incentives). The right to use lease asset is measured at the amount of the initial measurement of the related lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs.

The County reduces the lease liability as payments are made and recognize interest on the lease liability. The County amortizes the right to use lease asset over the shorter of the lease term or the useful life of the underlying asset.

NOTE 4 – INTERFUND BALANCES AND ACTIVITIES

Transfers To/From Other Funds

Transfers to/from funds at April 30, 2023 consisted of the following:

	Transfer In		
Transfer Out	**Jail Fund**	**E-911 Fund**	**Total**
General Fund	$ 139,017	$ 51,952	$ 190,969
Total	$ 139,017	$ 51,952	$ 190,969

Transfers were made from the General Fund to the Jail and E-911 Funds to cover fund deficits.

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NOTE 5 – LONG-TERM OBLIGATIONS

Changes in long-term obligations for the fiscal year ended April 30, 2023 are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due within One Year
Governmental activities:					
Notes Payable	$ 16,133	$ -	$ 13,223	$ 2,910	$ 2,910
Leases Payable	-	137,677	63,097	74,580	63,724
Compensated Absences Payable	17,182	14,667	14,651	17,198	-
Total Governmental activities	$ 33,315	$ 152,344	$ 90,971	$ 94,688	$ 66,634

Notes Payable

On October 19, 2017, Baker County entered into a loan agreement with the CAT Financial in the amount of $68,470 and an interest rate of 2.50%. The purpose of this note is for the purchase of a Wheel Loader. As of April 30, 2023, the balance was $0.

On May 16, 2019, Baker County entered into a loan agreement with Axon Enterprises, Inc in the amount of $7,175 and an interest rate of 0%. The purpose of the note is for the purchases of tasers for the Sheriff's Department. As of April 30, 2023, the balance was $2,910.

Fiscal Year	Principal	Interest	Total
2024	$ 2,910	$ -	$ 2,910
Total	$ 2,910	$ -	$ 2,910

Leases

The County has entered into two motor graders lease agreements ranging from one to two years. As of April 30, 2023 in accordance with GASB Statement No. 87 - Leases, the Right-To-Use Lease asset estimated future liabilities are as follows:

Fiscal Year	Principal	Interest	Total
2024	$ 63,724	$ 550	$ 64,274
2025	10,856	33	10,889
Total	$ 74,580	$ 583	$ 75,163

NOTE 6 – CONTRIBUTIONS TO PENSION PLAN

The County does not maintain its own pension plan. The County does, however, provide a deferred compensation program for its employees. The plan is administered by the Public Employees Benefit Services Corporation through the National Association of Counties.

All employees of the County are eligible to participate in the plan. Contributions are from employees only. The County does not make any contributions to the plan. Employee contributions are limited to 25% of the participants' income in accordance with Section 457 of the Internal Revenue Code.

In addition to the above plan, the following pension and retirement plans are in effect but are not under the direct control of the County:

A. PROBATE JUDGES' RETIREMENT FUND OF GEORGIA

The Probate Judge is covered under a pension plan which requires that certain sums from marriage licenses and fines or bond forfeitures be remitted to the pension plan before the payment of any costs or other claims.

B. CLERK OF SUPERIOR COURT RETIREMENT FUND

The Clerk of Superior Court is covered under a pension plan which requires that certain sums from fees and fines or bond forfeitures be remitted to the pension plan before the payment of any costs or other claims.

C. SHERIFF'S RETIREMENT FUND/PEACE OFFICER'S ANNUITY AND BENEFIT FUND

The Sheriff and Sheriff Deputies are covered under separate pension plans which require that certain sums from fines or bond forfeitures be remitted by the Probate Judge or Clerk of Superior Court to the pension plans before the payment of any costs or other claims.

NOTE 7 – BUDGETARY DATA AND BUDGETARY CONTROL

1. Prior to the start of the new fiscal year, the Chairman submits to the Commission a proposed operating budget. The operating budget includes proposed expenditures and the means of financing them.
2. The Commission holds a public hearing on the budget, giving notice thereof at least ten days in advance by publication in the official organ of Baker County.
3. The budget is then revised and adopted or amended by the Commission.
4. The budget so adopted may be revised during the year only by formal action of the Commission in a regular meeting and no increase shall be made therein without provision also being made for financing same.
5. Formal budgetary integration has not been employed. The budgets for the General Fund and Special Revenue Funds are not adopted on a basis consistent with generally accepted accounting principles.
6. Budgeted amounts are as originally adopted, or as amended by the Commission.

Revenues are budgeted by sources. Expenditures are budgeted by department. The legal level of control is by department. Expenditures may not exceed appropriations at this level. Budget revisions at this level are subject to final review by the County Commission. Within these control levels, management may transfer appropriations without commission approval.

The budget for the fiscal year ended April 30, 2023 was originally adopted on April 21, 2022. It was amended as needed during the fiscal year.

NOTE 8 – 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 with other counties in the state as part of the ACCG-IRMA and the ACCG-GSIWCF (a Worker's Compensation Self Insurance Fund). These are public entity risk pools currently operating as a common risk management and insurance programs for member local governments.

Pursuant to provisions of the Official Code of Georgia Annotated, Baker County became a member of the ACCG Interlocal Risk Management Agency. The agency established and administers one or more group self-insurance funds and a risk management service to prevent or lessen the incidence and severity of casualty and property losses occurring in the operation of the government. The agency is to defend and

protect in accordance with the member government contract and related coverage descriptions any member of the agency against liability or loss.

Baker County, Georgia must participate at all times in at least one fund which is established by the agency. Other responsibilities of the County are as follows:

- To pay all contributions, assessments, or other sums due to the agency at such times and in such amounts as shall be established by the agency.
- To select a person to serve as a member representative.
- To allow the agency and its agents reasonable access to all facilities of the County and all records, including but not limited to financial records, which relate to the purposes of the agency.
- To allow attorneys appointed by the agency 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 fund or funds established by the agency.
- To assist and cooperate in the defense and settlement of claims against the County.
- To furnish full cooperation to the agency's attorneys, claims adjusters, service company, and any agent, employee, officer, or independent contractor of the agency relating to the purposes of the agency.
- To follow all loss reduction and prevention procedures established by the agency.
- To furnish to the agency such budget, operating, and underwriting information as may be requested.
- To report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the agency or any fund established by the agency being required to pay claim for loss or injuries to County property or injuries to persons or property when such loss or injury is within the scope of the protection of a fund or funds in which the County participates.

Baker County, Georgia retains the first $1,000 of each risk of loss in the form of a deductible. The County files all claims with the agency and the agency bills the County for any loss up to the $1,000 deductible.

Pursuant to provisions of the Official Code of Georgia Annotated, Baker County became a member of the ACCG-GSIWCF (a Workers' Compensation Self Insurance Fund). The liability of the fund to the employees of any employer (Baker County) is specifically limited to such obligations as are imposed by the applicable state laws against the employer for workers' compensation and/or employers' liability.

As part of this risk pool, the County is obligated to pay all contributions and assessments prescribed by the pool, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the fund, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the fund being required to pay any claim of loss. The County is also to allow the pool's 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 fund.

The fund is to defend, in the name of and on behalf of the members, any suits or other proceedings which may at any time be instituted against them on account of injuries or death within the preview of the Workers' Compensation Law of Georgia, or on the basis of employer's liability, including suits or other proceedings alleging such injuries and demanding of compensation therefor, although such suits, other proceedings, allegations or demands be wholly groundless, false, or fraudulent. The fund is to pay all costs taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgement, and all expenses incurred for investigation, negotiation, or defense. Settled claims in the past three years have not exceeded the coverage.

NOTE 9 – CONTINGENT LIABILITIES

The County is not aware of any pending litigation or contingent liabilities that would require disclosure.

NOTE 10 – SALE OF CAPITAL ASSETS

During the fiscal year ended April 30, 2023, the County sold capital assets, which are transactions the County considers infrequent in occurrence. The County has reported these transactions as special items in the government-wide financial statements as required by GASB 34, paragraph 56.

NOTE 11 – SUBSEQUENT EVENTS

The County has evaluated subsequent events through October 31, 2023, the date on which the financial statements were available to be issued.

NOTE 12 – IMPACT OF THE COVID-19 PANDEMIC

In March 2020, the World Health Organization made the assessment that the outbreak of a novel coronavirus (COVID-19) can be characterized as a pandemic. As a result, uncertainties have arisen that may have a significant negative impact on the operating activities and results of the organization. The occurrence and extent of such an impact will depend on future developments, including (i) the duration and spread of the virus, (ii) government quarantine measures, (iii) voluntary and precautionary restrictions on travel or meetings, (iv) the effects on the financial markets, and (v) the effects on the economy overall, all of which are uncertain.

The County has taken several measures to monitor and mitigate the effects of the COVID-19 virus, such as safety and health measures for its people (such as social distancing and working from home). The County will continue to follow the various government policies and advice and, in parallel, the County will do its utmost to continue its operations in the best and safest way possible without jeopardizing the health of its people.

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NOTE 13 – DISCRETELY PRESENTED COMPONENT UNIT – BAKER COUNTY HEALTH DEPT

A. Summary of Significant Accounting Policies

The Summary of Significant Account Policies is presented to assist the reader in interpreting the financial statements. The policies are considered essential and should be read in conjunction with the accompanying financial statements.

The accounting policies of the Baker County Health Department conform to generally accepted accounting principles (GAAP) as applicable to governmental units. This report, the accounting systems and classification of accounts conform to standards of the Governmental Accounting Standards Board (GASB) or, where applicable, the Financial Accounting Standards Board (FASB).

The accounting policies of the Baker County Board of Health are based upon accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB). The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with the subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. The more significant of these accounting policies are described below.

Effective July 1, 2021, Baker County Health Department adopted the following GASB Statements:

GASB Statement 87, *Leases.* This statement was issued June 2017 to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments and increases the usefulness of governments' financial statements. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. GASB Statement 87 will be effective for the fiscal year ending June 30, 2022. The Health Department did not have any leases that exceeded their capitalization threshold, so there was no financial impact from this implementation.

GASB Statement 89, *Accounting for Interest Cost Incurred Before the end of a Construction period.* This statement was issued June 2018 to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and to simplify accounting for interest cost incurred before the end of a construction period. GASB Statement 89 was implemented for the fiscal year ended June 30, 2022.

GASB Statement 92, *Omnibus 2020.* This statement was issued January 2020 to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. GASB Statement 92 will be effective for the fiscal year ending June 30, 2022.

GASB Statement 93, *Replacement of Interbank Offered Rates.* This statement was issued March 2020 to address accounting and financial reporting implications that result from the replacement of an Interbank Offered Rate (IBOR) in agreements in which variable payments made or received depend on an IBOR. GASB Statement 93 will be effective for the fiscal year ending June 30, 2022.

GASB Statement 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans-an amendment of GASB Statements 14 and 84, and a supersession of GASB Statement 32.* This statement was issued June 2020 to provide for more consistent financial reporting of defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans. The statement will also enhance the relevance, consistency, and comparability of (1) the information related to Section 457 plans that meet the definition of a pension

plan and the benefits provided through those plans and (2) investment information for all Section 457 plans. The requirements in (1) paragraph 4 of Statement 97 as it applies to defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans and (2) paragraph 5 of Statement 97 are effective immediately. The other requirement of GASB Statement 97 will be effective for the fiscal year ending June 30, 2022.

FUTURE ADOPTION OF GASB PRONOUNCEMENTS

GASB Statement 91, *Conduit Debt Obligations.* This statement was issued May 2019 to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. GASB Statement 91 will be effective for the fiscal year ending June 30, 2023.

GASB Statement 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangement.* This statement was issued March 2020 to improve financial reporting by addressing issues related to public private and public-public partnership arrangements and to provide guidance for accounting and financial reporting for availability payment arrangements. GASB Statement 94 will be effective for the fiscal year ending June 30, 2023.

GASB Statement 96, *Subscription-Based Information Technology Arrangements.* This statement was issued May 2020 to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs). GASB Statement 96 will be effective for the fiscal year ending June 30, 2023.

GASB Statement 99, *Omnibus 2022.* This statement was issued April 2022 to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements and accounting and financial reporting for financial guarantees. GASB Statement 99 will be effective for the fiscal year ending June 30, 2023.

GASB Statement 100, *Accounting Changes and Error Corrections - an amendment of GASB Statement no. 62.* This statement was issued June 2022 to improve the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice.

GASB Statement 100 will be effective for the fiscal year ending June 30, 2024. GASB Statement 101, *Compensated Absences.* This statement was issued June 2022 to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. Under this Statement, it requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. GASB Statement 101 will be effective for the fiscal year ending June 30, 2025.

The Board of Health will implement new GASB pronouncements no later than the required effective date. The Board of Health is currently evaluating whether or not the above listed new GASB pronouncements will have a significant impact to their financial statements.

REPORTING ENTITY

The Baker County Health Department is governed by the Baker County Board of Health. These financial statements report only the financial activities of the Baker County Health Department. These financial statements are included as a discretely presented component unit of Baker County, Georgia. The Board

does not exercise any authority over any other entity which would require inclusion in these financial statements as required by Section 2100 of the Codification of Governmental Accounting and Financial Reporting Standards.

GOVERNMENT WIDE AND FUND FINANCIAL STATEMENTS

The basic financial statements include both 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 non-fiduciary activities of the Agency. Governmental activities are normally supported by client fees and grant-in-aid from the Georgia Department of Public Health (DPH).

The Statement of Activities reports the expenses of a given function or activity and are offset by program revenues. Direct expenses are those that are clearly identifiable to activities within a specific function or identifiable program. Program revenues include; I.) Charges to clients for services provided by the Agency, and 2.) Grants and contributions that are restricted to meeting the operational requirement of a particular function or identifiable program as specified by DPH and other granting agencies. Intra/Inter agency revenues and expenses are not reflected in the Statement of Activities.

The government-wide financial statements report using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. 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 report 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 Agency considers revenues to be available if they are collected within 30 days of the end of the current fiscal period. Expenditures generally are recorded when the related 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 as expenditures only when payment is due.

Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

BASIS OF PRESENTATION

The financial transactions of the Health Departments are recorded in individual funds. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses.

GASB Statement 34 *Basic Financial Statements – and Management's Discussion and Analysis – For State and Local Governments* sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The Health Departments electively added funds, as major funds, which either had debt outstanding or specific community focus. The non-major governmental funds are combined in a single column in the fund financial statements. The Health Department has no non-major governmental funds.

Governmental Funds

The measurement focus of the Governmental Funds (in the fund financial statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of

financial resources) rather than upon net income. The following is a description of the major Governmental Funds of the Health Departments:

- The General Fund accounts for all of the Health Department's services and is the primary operating unit of the Health Departments.

BASIS OF ACCOUNTING

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide statements are presented on an accrual basis of accounting. The Governmental Funds in the fund financial statements are presented on a modified accrual basis.

Accrual

Revenues are recognized when earned and expenses are recognized when incurred.

Modified Accrual

Under the modified basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the following 3 months. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt and compensated absences, if any, are recognized when due.

Fund Balances

Governmental funds report nonspendable fund balance for amounts that cannot be spent because they are either (a) not in spendable form; or (b) legally or contractually required to be maintained intact. Restricted fund balance is reported when externally imposed constraints are placed on the use of resources by grantors, contributors, or laws or regulations of other governments. Committed fund balance is reported for amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Health Department's highest level of decision-making authority, the Board of Health. A formal resolution of the Health Departments is required to establish, modify, or rescind a fund balance commitment. The Health Department reports assigned fund balance for amounts that are constrained by the Board's intent to be used for specific purposes, but are neither restricted nor committed. Unassigned fund balance is the residual amount remaining that does not meet any other criterion.

When the Health Department incurs an expenditure for purposes for which various fund balance classifications can be used, it is the Health Department's policy to use restricted fund balance first, then committed fund balance, assigned fund balance, and finally unassigned fund balance.

Net Position – Net position represents the difference between assets and liabilities in reporting which utilizes the economic resources measurement focus. Net position invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e., the amount that the Health Departments 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 Health Departments applies restricted resources first when an expense is incurred for purposes which both restricted and unrestricted net position is available.

Baker County Health Department has no proprietary or fiduciary funds.

Deferred Outflows/Inflows of Resources – In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources,* represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The health department has two types of items that qualify for reporting in this category; (1) it is the change in proportion and differences between employer contributions and proportionate share of contributions for pensions and, (2) the health department's contributions subsequent to the measurement date. These amounts are deferred and will be recognized as an outflow in the applicable period.

In addition to liabilities, the statements of net 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 position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The health department has one type of item that qualifies for reporting in this category; the net difference between projected and actual earnings on pension plan investments. This amount is deferred and will be recognized as an inflow of resources in the period in which the amount become available.

Capital Assets – Fund Financial Statements – Assets are not capitalized in the General Fund. Instead, equipment purchases are reflected as expenditures in the operating statements. All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. The costs of normal repairs and maintenance are shown as expenditures. The Center follows Georgia Department of Public Health policy in regard to cumulative capital asset records.

Capital Assets and Depreciation – Government-Wide Financial Statements

The Health Department's capital assets with useful lives of more than one year are stated at historical cost. Donated assets are stated at fair value of the date of the donation. The Health Department capitalizes all assets with a cost of $5,000 or more as purchased. The cost of normal repairs and maintenance that do not add to the asset value or materially extend the useful lives are not capitalized. Capital assets are depreciated using the straight-line method. Estimated useful lives, in years, for depreciable assets are as follows:

Computer Equipment	5 years
Furniture and Other Equipment	7 years
Vehicles	5 years

RIGHT OF USE ASSETS/LIABILITIES

LEASES - In conjunction with the implementation of GASB 87, *Leases,* the Organization has set a threshold for capitalizing leases with a liability of $5,000 or more. Lease expenses for the year ended June 30, 2022 for noncapitalized leases amounted to $270.

LESSEE - The Health Department is a lessee for a non-cancellable lease of equipment. The Health Department recognizes a lease liability and an intangible right of use lease asset in the government-wide financial statement. The Health Department recognizes right of use lease liabilities with an initial value of $5,000 or more.

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

Key estimates and judgements related to leases include how the Health Department determines: 1) the discount rate it uses to discount the expected lease payments to present value, 2) lease term, and 3) lease payments.

- The Health Department uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the health department generally uses its estimated incremental borrowing rate as the discount rate for the leases.
- The lease term includes the non-cancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed-payments and purchase option price that the health department is reasonably certain to exercise.
-

The Health Department monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease assets and liability if certain changes occur that are expected to significantly affect the amount of the lease liability, where applicable.

Lease assets are reported as Right of Use assets and lease liabilities are reported as Right of Use liabilities on the Statement of Net Position.

Compensated Absences – Center employees earn 10, 12, or 14 hours of annual leave per month depending on length of service. The maximum allowable accumulation is 360 hours for any one employee. In accordance with the provisions of Statement of Financial Accounting Standards No. 43, “Accounting for Compensated Absences”, no liability is recorded for nonvesting accumulated rights to receive sick pay benefits. Center employees earn 10 hours per month sick leave up to a maximum of 720 hours. If an employee terminates he/she forfeits all accumulated sick leave.

Compensated absences are accrued and recorded as a liability on the government-wide financial statements. The annual change in the liability is reflected in the Statement of Activities.

Pensions - For the 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 Employee's Retirement System of Georgia (ERS) and additions to/deductions from ERS's fiduciary net position have been determined on the same basis as they are reported by ERS.

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.

OTHER POST-EMPLOYMENT BENEFITS (OPEB) - For the purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEBs, and OPEB expense information about the fiduciary net positions of the State Employees’ Assurance Department Retired and Vested Inactive Members Trust Fund-OPEB (SEAD-OPEB) and State Health Benefits Plan-OPEB (SHBP-OPEB) and additions to or deductions from SEAD-OPEB or SHBP-OPEB’s fiduciary net position have been determined on the same basis as they are reported by SEAD-OPEB or SHBP-OPEB. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

Legal Compliance – Budgetary Restrictions – Line item budgets were developed as part of the grant agreements. Provisions were made for revision of the budgets during the year. The budgeted amounts

show in the accompanying statements reflect the final revised budgets for the grants. All budgets were prepared on the modified accrual basis of accounting and are consistent with accounting principles generally accepted in the United States of America.

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 certain amounts and disclosures. Accordingly, actual results could differ from these estimates.

Certain significant estimates in this financial statement include:

- Medicaid revenue and receivables.
- Depreciation expense on Agency owned assets.
- Current portion of compensated absences payable.

B. Deposits and Investments

Total deposits and investments as of June 30, 2022, are summarized as follows:

As reported in the Statement of Net Position:		
Cash and cash equivalents	$	367,278
Cash deposited with financial institutions	$	381,908

Interest rate risk. The Health Department does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Custodial credit risk – deposits. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of June 30, 2022, the Health Department did not have any balances exposed to custodial credit risk as uninsured and uncollateralized as defined by GASB pronouncements.

C. Due to/from DPH

The Baker County Health Department has amounts receivable and payable to the Georgia Department of Public Health as of June 30, 2022 as follows:

Grant-In- Aid	$	10,000
Administrative Claiming		7,256
	$	17,256

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D. Capital Assets

Capital asset activity for the fiscal year ended June 30, 2022 was as follows:

	Balance June 30, 2021	Increase	Decrease	Balance June 30, 2022
Equipment	$ -	$ 5,618	$ -	$ 5,618
Accumulated Depreciation	-	-	-	-
Governmental Activities Captial Assets	$ -	$ 5,618	$ -	$ 5,618

The assets were not placed into service until fiscal year 2023.

E. Compensated Absences

Non-current liabilities on the Statement of Net Position are made up of compensated absences payable at June 30, 2022. All of the compensated absences are related to governmental activities. Changes in compensated absences for FY2022 are as follows:

Balance June 30, 2021	Additions	Deletions	Balance June 30, 2022
$ 33,530	$ -	$ 3,409	$ 30,121

F. Prior Year Income

In accordance with prior year accounting policies the following revenues were received in the current fiscal year but are not available for use until the next fiscal year.

	Public Health
Fees	$ 67,195
Interest	4
	$ 67,199

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F. Fund Balances

The following is a summary of fund balance transactions for FY2022:

		Assigned		
	Unassigned	Prior Year Income	Board Designated	Total
Fund Balance - July 1, 2021	$ 179,899	$ 60,047	$ 115,020	$ 354,966
ADDITIONS:				
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing (Uses)	13,738	-	-	13,738
Operating Transfers In	-	67,199	22,609	89,808
Total Fund Balance and Additions:	193,637	127,246	137,629	458,512
DEDUCTIONS:				
Operating Tranfers Out	22,609	60,047	-	82,656
Total Deductions	22,609	60,047	-	82,656
Fund Balance - June 30, 2022	$ 171,028	$ 67,199	$ 137,629	$ 375,856

G. Retirement Plan

Plan Description

The Employees' Retirement System (ERS) is a cost-sharing multiple-employer defined benefit pension plan established by the Georgia General Assembly during the 1949 Legislative Session for the purpose of providing retirement allowances for employees of the State of Georgia and its political subdivisions. ERS is directed by a Board of Trustees. Title 47 of the O.C.G.A. assigns the authority to establish and amend the benefit provisions to the State Legislature. ERS issues a publicly available financial report that can be obtained at www.ers.ga.gov/financials.

Benefits Provided

The ERS Plan supports three benefit tiers: Old Plan, New Plan and Georgia State Employees' Pension and Savings Plan (GSEPS). Employees under the old plan started membership prior to July 1, 1982 and are subject to plan provision in effect prior to July 1, 1982. Members hired on or after July 1, 1982 but prior to January 1, 2009 are new plan members subject to modified plan provisions. Effective January 1, 2009, new state employees are rehired state employees who did not retain membership rights under the Old or New Plans are members of GSEPS. ERS members hired prior to January 1, 2009 also have the option to irrevocably change their membership to GSEPS.

Under the old plan, the new plan and GSEPS, a member may retire and receive normal retirement benefits after completion of 10 years of creditable service and attainments of age 60 or 30 years of creditable service regardless of age. Additionally, there are some provisions allowing for early retirement after 25 years of creditable service for members under age 60.

Retirement benefits paid to members are based upon the monthly average of the member's highest 24 consecutive calendar months, multiplied by the number of years of creditable service, multiplied by the applicable benefit factor. Annually, post-retirement cost-of-living adjustments may also be made to members' benefits provided the members were hired prior to July 1, 2009. The normal retirement pension is payable monthly for life; however, options are available for distributions of the member's

monthly pension, at reduced rates, to a designated beneficiary upon the member's death. Death and disability benefits are also available through ERS.

Contributions

Member contributions under the old plan are 4% of annual compensation, up to $4,200, plus 6% of annual compensation in excess of $4,200. Under the Old Plan, the state pays member contributions in excess of 1.25% of annual compensation. Under the old plan, these state contributions are included in the members' accounts for refund purposes and are used in the computation of the members' earnable compensation for the purpose of computing retirement benefits. Member contributions under the new plan and GSEPS are 1.25% of annual compensation. The Agency's total required contribution rate for the year ended June 30, 2022 was 24.63% of annual covered payroll for old and New Plan members and 21.57% for GSEPS members. The Agency's contribution to ERS total $54,812 for the year ended June 30, 2022. Contributions are expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

At June 30, 2022, the Agency reported a liability for its proportionate share of the net liability. The net pension liability was measured as of June 30, 2021. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2020. An expected total pension liability as of June 30, 2021 was determined using standard roll-forward techniques. The Agency's proportion of the net pension liability was based on contributions to ERS during the fiscal year ended June 30, 2021. At June 30, 2021, the Employer's proportion was 0.008659%, which was an increase of 0.000565% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the Agency recognized pension expense of $46,177. At June 30, 2022, the Agency reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 4,793	$ -
Changes of assumptions	58,322	-
Net difference between projected and actual earnings on pension plan investments	-	187,182
Changes in proportion and differences between Employer contributions and proportionate share of contributions	19,326	-
Employer contributions subsequent to the measurement date	54,812	-
Total	$ 137,253	$ 187,182

Agency contributions subsequent to the measurement date of $54,812 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. 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 ended June 30:	
2023	$ 12,991
2024	(22,245)
2025	(45,489)
2026	(49,998)
2027	-
Thereafter	-

Actuarial Assumptions

The total pension liability as of June 30, 2021, was determined by an actuarial valuation as of June 30, 2020 using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary Increases	3.00-6.75%, including inflation
Investment rate of return	7.00%, net of pension plan investment expense, Including inflation

Mortality rates are as follows:

- The Pub-2010 General Employee Table, with no adjustments, projected generationally with the MP-2019 scale is used for both males and females while in active service.
- The Pub-2010 Family of Tables projected generationally with the MP-2019 Scale and with further adjustments are used for post-retirement mortality assumptions as follows:

Participant Type	Membership Table	Set Forward (+) Set Back (-)	Adjustments to Rates
Service Retirees	General Healthy Annuitant	Male: +1; Female: +1	Male: 105%; Female: 108%
Disability Retirees	General Disabled	Male: -3; Female: 0	Male: 103%; Female: 106%
Beneficiaries	General Contingent Survivors	Male: +2; Female: +2	Male: 106%; Female: 105%

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2014-June 30, 2019.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected real rates of return (expected nominal returns, net of pension plan investment expense and the assumed rate of inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target asset allocation and estimates of arithmetic real rates of returns for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return *
Fixed Income	30.00%	-1.50%
Domestic Large Equities	46.40%	9.20%
Domestic Small Equities	1.10%	13.40%
International Developed Market Equities	11.70%	9.20%
International Emerging Market Equities	5.80%	10.40%
Alternative	5.00%	10.60%
Total	100.00%	

* Rates shown are net of inflation

Discount Rate

The discount rate used to measure the collective total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and State Georgia contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Employer's proportionate share of the net pension liability to changes in the discount rate:

The following presents the Agency's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the Agency's proportionate share of the net pension liability would be if it were calculated using a discount rate that is I-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%)
Employer's proportionate share of the net pension liability	$ 371,124	$ 202,526	$ 59,939

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Employees' Retirement Systems of Georgia Financial Report which is publically available at www.ers.ga.gov/financials.

H. OPEB LIABILITIES. OPEB EXPENSES. AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB GROUP TERM LIFE INSURANCE

Group Term Life Insurance

Plan Description

SEAD-OPEB was created in 2007 by the Georgia General Assembly to amend Title 47 of the 0.C.G.A., relating to retirement, so as to establish a fund for the provision of term life insurance to retired and vested inactive members of the Employees' Retirement System of Georgia (ERS), the Legislative Retirement System (LRS), and the Georgia Judicial Retirement System (GJRS). The plan is a cost-sharing multiple-employer defined benefit other postemployment benefit plan as defined in Governmental Accounting Standards Board (GASB) Statement No. 74, *Financial Reporting for Postemployment Benefit Plan other than OPEB Plans.* The SEAD-OPEB trust fund accumulates the premiums received from the aforementioned retirement plans, including interest earned on deposits and investment of such payments.

Benefits Provided

The amount of insurance for a retiree with creditable service prior to April 1, 1964 is the full amount of insurance in effect of the date of retirement. The amount of insurance for a service retiree with no creditable service prior to April 1, 1964 is 70% of the amount of insurance in effect at age 60 or at termination, if earlier. Life insurance proceeds are paid in a lump sum to the beneficiary upon the death of the retiree.

Contributions

Georgia law provides that employee contributions to the plan shall be in an amount established by the Board of Trustees not to exceed one-half of 1% of the member's earnable compensation. There were no employer contributions required for the fiscal year ended June 30, 2022.

OPEB Liabilities. OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2022, the Employer reported an asset of $117,912 for its proportionate share of the OPEB asset. The net OPEB asset was measured as of June 30, 2021. The total OPEB asset used to calculate the net OPEB asset was based on an actuarial valuation as of June 30, 2020. An expected total OPEB asset as of June 30, 2021 was determined using standard roll-forward techniques. The Employer's proportion of the net OPEB asset was based on actual member salaries reported to the SEAD-OPEB plan during the fiscal year ended June 30, 2021. At June 30, 2021 0.019147%, which was an increase of 0.002019% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022 income of $26,094. At June 30, 2022, the Employer reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 352
Changes of assumptions	-	3,676
Net difference between projected and actual earnings on OPED plan investments	-	39,347
Changes in proportion and differences between Employer contributions and proportionate share of contributions	-	3,908
Employer contributions subsequent to the measurement date	-	-
Total	$ -	$ 47,283

Employer contributions subsequent to the measurement date of $0 are reported as deferred outflows of resources and will recognized as a reduction of the net OPEB liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expenses as follows:

Year ended June 30:	
2023	$ (17,333)
2024	(9,945)
2025	(9,557)
2026	(10,448)
2027	-
Thereafter	-

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Actuarial Assumptions

The total OPEB liability as of June 30, 2022, was determined by an actuarial valuation as of June 30, 2020 using the following actuarial assumptions, applied to all periods included in the measurement:

Inflatation	2.50%
Salary Increases	Includes inflation
ERS	3.00-6.75%
GJRS	3.75%
LRS	N/A
Investment rate of return	7.00%, net of OPEB plan investment expense, including inflation
Healthcare cost trend rate	N/A

Mortality rates are as follows:

- The Pub-2010 General Employee Table, with no adjustments, projected generationally with the MP-2019 scale is used for both males and females while in active service.
- The Pub-2010 Family of Tables projected generationally with the MP-2019 Scale and with further adjustments are used for post-retirement mortality assumptions as follows:

Participant Type	Membership Table	Set Forward (+) Set Back (-)	Adjustments to Rates
Service Retirees	General Healthy Annuitant	Male: +1; Female: +1	Male: 105%; Female: 108%
Disability Retirees	General Disabled	Male: -3; Female: 0	Male: 103%; Female: 106%
Beneficiaries	General Contingent Survivors	Male: +2; Female: +2	Male: 106%; Female: 105%

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2014-June 30, 2019.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected real rates of return (expected nominal returns, net of pension plan investment expense and the assumed rate of 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.

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The target asset allocation and estimates of arithmetic real rates of returns for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return *
Fixed Income	30.00%	-1.50%
Domestic Large Equities	46.40%	9.20%
Domestic Small Equities	1.10%	13.40%
International Developed Market Equities	11.70%	9.20%
International Emerging Market Equities	5.80%	10.40%
Alternative	5.00%	10.60%
Total	100.00%	

* Rates shown are net of inflation

Discount Rate

The discount rate used to measure the total OPEB asset was 7.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and State of Georgia contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the OPEB 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 OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB asset.

Sensitivity of the Employer's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following presents the Employer's proportionate share of the net OPEB asset calculated using the discount rate of 7.00%, as well as what the Employer's proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is 1-percent-point lower (6.00%) or 1-percent point higher 8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Employer's proportionate share of the net OPEB asset	$ 92,737	$ 117,912	$ 138,469

OPEB Plan Fiduciary Net Position

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued ERS comprehensive annual financial report which is publicly available at: www.ers.ga.gov/financials.

SHBP-OPEB- STATE HEALTH BENEFITS PLAN - GASB 75

Plan Benefits

Employees of State organizations defined in §45-18-25 of the *Official Code of Georgia Annotated* (O.C.G.A) are provided OPEB through the State OPEB Fund-a cost-sharing multiple-employer defined benefit postemployment healthcare plan, reported as an employee trust fund and administered by a Board of Community Health (Board). Title 45 of the O.C.G.A. assigns the authority to establish and amend the benefit terms of the group health plan to the Board.

Benefits Provided

The State OPEB Fund provides healthcare benefits for retirees and their dependents due under the group health plan for employees of State organizations (including technical colleges) and other entities authorized by law to contract with the Department of Community Health (DCH) for inclusion in the plan. Retiree medical eligibility is attained when an employee retires and is immediately eligible to draw a retirement annuity from Employee' Retirement System (ERS), Georgia Judicial Retirement System (JRS), Legislative Retirement System (LRS), Teachers Retirement System (TRS) or Public School Employees. Medicare-eligible retirees re offered Standard and Premium Medicare Advantage plan options. Non-Medicare eligible retiree plan options include Health Reimbursement Arrangement (HRA), Health Maintenance Organization (HMO) and High Deductible Health Plan (HDHP). The State OPEB Fund also payment for administrative expenses of the fund. By law, no other use of the assets of the State OPEB Fund is permitted.

Contributions

As established by the Board, the State OPEB Fund is substantially funded on a pay-as-you-go basis; that is, annual cost of provided benefits will be financed in the same year as claims occur. Contributions to the State OPEB Fund from the Employer Agency were $13,093 for the year ended June 30, 2022. Active employees are not required to contribute to the State OPEB Fund.

OPEB Liability, OPEB Income, and Deferred Outflows of Resources and Deferred Inflow of Resources Related to OPEB

At June 30, 2022, the Employer Agency reported a liability of $20,020 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2021. The total OPEB liability used to calculate the net OPEB liability was based on an actuarial valuation as of June 30, 2020. An expected total OPEB liability as of June 30, 2021 was determined using standard roll-forward techniques. The Employer Agency's proportion of the net OPEB liability was actuarially determined based on employer contributions during the fiscal year ended June 30, 2021. At June 30, 2021, the Employer Agency's proportion was 0.007284%, which was an increase of 0.000408% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the Employer Agency's recognized OPEB income of $38,202.

	Deferred Outflows of Resources	Deferred Inflows or Resources
Differences between expected and actual experience	$ -	$ 53,907
Changes in assumptions	1,035	21,105
Net difference between projected and actual earnings on OPEB plan investments	-	3,500
Changes in proportion and differences between Employer contributions and proportionate share of contributions	17,791	227
Employer contributions subsequent to the measurement date	13,093	-
Total	$ 31,919	$ 78,739

Employer Agency contributions subsequent to the measurement date of $13,093 are reported as deferred outflows of resources and will recognized as a reduction of the net OPEB liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expenses as follows:

Year ended June 30:	
2023	$ (30,923)
2024	(13,964)
2025	(10,091)
2026	(4,935)
2027	-
Thereafter	-

Actuarial Assumptions

The total OPEB liability as of June 30, 2021, was determined by an actuarial valuation as of June 30, 2020- using the following actuarial assumptions and other inputs, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2021:

Inflation	2.50%
Salary Increases	3.00-6.75%, including inflation
Long-term rate of retum	7.00%, compounded annually, net of investment expense, and including inflation
Healthcare cost trend rate	
Pre-Medicare Eligible	6.75%
Medicare Eligible	5.13%
Ultimate trend rate	
Pre-Medicare Eligible	4.50%
Medicare Eligible	4.50%
Year of Ultimate trend rate	
Pre-Medicare Eligible	2029
Medicare Eligible	2023

Mortality rates were based on the Pub-2010 Combined Mortality Table for Males or Females, as appropriate, with no adjustments and with the MP-2019 Projection scale applied generationally as follows:

- For ERS, JRS and LRS members: The RP-2000 Combined Mortality Table projected to 2025 with projection scale BB (set forward two years for both males and females) is used for the period after service retirement and for dependent beneficiaries. The RP-200 Disabled Mortality Table projected to 2025 with projection scale BB (set back seven years for males and set forward three years for females) is used for the period after disability retirement. There is a margin for future mortality improvement in the tables used by the plan. Rates of mortality in active service were based on the RP-2000 Employee Mortality Table projected to 2025 with projection scale BB.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of the most recent actuarial experience studies for the pension systems, which covered the five-year period ending June 30, 2019, and adopted by the pension Board on December 17, 2020.

Discount Rate

In order to measure the total OPEB liability, as of June 30, 2021, for the State OPEB Fund, a single equivalent interest rate of 7.00% was used, as compared with last year's discount rate of 7.06% as the discount rate. This is comprised of the yield or index rate for 20 year tax-exempt general obligation bonds with an average rating of AA or higher (2.16% per the Municipal Bond Index Rate) along with other factors. The projection of cash flows used to determine the discount rate assumed that contributions from

members and from the employer will be made at the current level as leveraged over the last five years, adjusted for annual projected changes in headcount. Projected future benefit payments for all current plan members were projected through 2145.

Sensitivity of the Employer Agency's share of the collective net OPEB liability to changes in the discount rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Employer's proportional share of the Net OPEB Liability	$ 35,232	$ 20,020	$ 6,875

Sensitivity of the Employer Agency's proportionate share of the net OPEB liability to changes in the healthcare cost trend rate:

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Employer's proportionate share of the Net OPED Liability	$ 4,674	$ 20,020	$ 38,016

OPEB Plan Fiduciary Net Position

Detailed information about the OPEB plan's fiduciary net position is available in the Comprehensive Annual Financial Report (CAFR) which is publicly available at www.sao.georgia,gov/comprehensive-annual-financial-reports.

I. Subsequent Events

The Baker County Board of Health has evaluated subsequent events through January 25, 2023, the date on which the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

Baker County, Georgia
Budgetary Comparison Schedule - General Fund
For the Fiscal Year Ended April 30, 2023

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis) (See Note A)	Variance with Final Budget- Positive (Negative)
REVENUES				
Taxes	$ 2,392,902	$ 2,282,768	$ 2,480,955	$ 198,187
Licenses & Permits	3,400	3,400	4,497	1,097
Intergovernmental	424,253	713,689	416,242	(297,447)
Fines, Forfeitures & Penalties	59,100	59,100	65,365	6,265
Charges for Services	311,720	311,720	384,951	73,231
Investment Income	-	-	5,525	5,525
Miscellaneous	369,791	244,861	69,032	(175,829)
Total Revenues	3,561,166	3,615,538	3,426,567	(188,971)
EXPENDITURES				
General Government				
General Expenditures	475,500	627,275	349,921	277,354
County Commissioners	264,982	264,982	220,408	44,574
Elections	101,703	101,703	92,045	9,658
Tax Commissioner	93,875	95,750	94,906	844
Tax Assessor	108,787	108,787	104,518	4,269
Board of Equalization	4,871	4,871	1,111	3,760
General Government	1,049,718	1,203,368	862,909	340,459
Judicial				
Clerk of Courts	157,237	157,237	139,569	17,668
Magistrate Court	25,277	25,277	24,138	1,139
Probate Court	97,880	97,880	94,105	3,775
Judicial	280,394	280,394	257,812	22,582
Public Safety				
Sheriff	505,129	568,500	556,129	12,371
Ambulance Service	430,000	217,950	217,912	38
Coroner/Medical Examiner	13,699	13,699	12,803	896
Fire	20,250	33,100	32,731	369
Emergency Management	15,333	15,333	14,449	884
Public Safety	984,411	848,582	834,024	14,558
Public Works				
Road Department	810,200	796,700	676,654	120,046
Solid Waste	235,650	285,500	266,006	19,494
Public Works	1,045,850	1,082,200	942,660	139,540
Health and Welfare				
Health Department	101,500	101,500	101,500	-
Family and Children Services	3,600	3,600	1,354	2,246
Health and Welfare	105,100	105,100	102,854	2,246

Baker County, Georgia
Budgetary Comparison Schedule - General Fund
For the Fiscal Year Ended April 30, 2023

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis) (See Note A)	Variance with Final Budget- Positive (Negative)
Culture and Recreation				
Culture and Recreation	12,150	12,150	11,752	398
Culture and Recreation	12,150	12,150	11,752	398
Housing and Development				
County Extension	71,306	71,306	66,161	5,145
Forest Resources	12,237	12,237	12,237	-
Housing and Development	83,543	83,543	78,398	5,145
Total Expenditures - All Departments	3,561,166	3,615,337	3,090,409	524,928
Net Excess	-	-	336,158	335,957
OTHER FINANCING SOURCES (USES)				
Transfers (Out)	-	-	(190,968)	(190,968)
Total Other Financing Sources (Uses)	-	-	(190,968)	(190,968)
Net Excess after Transfers (Use of Prior Year Resources)	$ -	$ -	$ 145,190	$ 145,190

Baker County, Georgia
ARPA - Special Revenue Fund
Budgetary Comparison Schedule (Non GAAP)
For the Fiscal Year Ended April 30, 2023

	Original Budget	Final Budget	Actual	Positive (Negative)
Revenues				
Intergovernmental	$ 295,048	$ 295,048	$ 212,500	$ (82,548)
Miscellaneous	120,430	120,430	-	(120,430)
Interest Income	-	-	301	301
Total Revenues	415,478	415,478	212,801	(202,677)
Expenditures				
Health & Welfare	415,478	415,478	212,500	202,978
Total Expenditures	415,478	415,478	212,500	202,978
Excess (Deficiency) of Revenues Over Expenditures	-	-	301	301
Fund Balance-Beginning of Period	-	-	6	-
Fund Balance-End of Period	$ -	$ -	$ 307	$ 307

Note A-Explanation of Differences between Revenues, Expenditures and Other Financing Sources (Uses) for Budgetary Funds on a Budgetary Basis and GAAP General Fund and Major Special Revenue Funds on a GAAP Basis

Financial Statements General Fund	General Fund
Revenues	
Actual amounts (budgetary basis) "revenues" from the budgetary comparison schedule	$ 3,426,567
Adjustments:	
The County budgets revenues on the cash basis of accounting rather than the modified accrual basis of accounting	-
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances	$ 3,426,567
Expenditures	
Actual amounts (budgetary basis) "expenditures" from the budgetary comparison schedules	$ 3,090,409
Adjustments:	
The County records expenditures on the cash basis of accounting for budgetary purposes	127,846
Total expenditures as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances	$ 3,218,255

Baker County, Georgia
Budgetary Comparison
For the Fiscal Year Ended April 30, 2023

Note B to Required Supplementary Information

Budget and Budgetary Accounting

Listed below is a summary of the procedures followed by the County in establishing the budgetary data reflected in the budgetary comparison schedule;

Prior to the start of the new fiscal year, the Chairman submits to the Commission a proposed operating budget. The operating budget includes proposed expenditures and the means of financing them.

The Commission holds a public hearing on the budget, giving notice thereof at least ten days in advance by publication in the official organ of Baker County.

The budget is then revised and adopted or amended by the Commission.

The budget so adopted may be revised during the year only by formal action of the Commission in a regular meeting and no increase shall be made therein without provision also being made for financing same.

Formal budgetary integration has not been employed. The budget for the General Fund is not adopted on a basis consistent with generally accepted accounting principles.

Budgeted amounts are as originally adopted, or as amended by the Commission.

Revenues are budgeted by sources. Expenditures are budgeted by department. The legal level of control is by department. Expenditures may not exceed appropriations at this level. Budget revisions at this level are subject to final review by the County Commission. Within these control levels, management may transfer appropriations without Commission approval.

The budget for the 2023 Fiscal Year was originally adopted on April 21, 2022. It was amended twice during the fiscal year.

SUPPLEMENTAL INFORMATION

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

Baker County, Georgia

For the Fiscal Year Ended April 30, 2023

NON-MAJOR GOVERNMENTAL FUNDS

CAPITAL PROJECTS FUNDS

CDBG – This fund is used to account for grant award draws and expenditures for capital projects.

SPECIAL REVENUE FUNDS

Emergency 911 – This fund is used to account for the fee collection and the operation of the Emergency 911 system within the County.

Jail – This fund is used to account for the court fine collections that are restricted for specific purposes.

Confiscated Assets – This fund is used to account for the confiscated assets that are restricted for specific purposes.

Family Connections – This fund is used to account for revenues and expenditures of the specific purposes.

Baker County, Georgia
Non-Major - Governmental Funds
Combining Balance Sheet
April 30, 2023

	Capital Project Funds	Special Revenue Funds				
	CBDG	E-911	Confiscated Assets Fund	Jail Fund	Family Connections	Totals
Assets						
Cash in Bank	$ 2	$ 13,882	$ 6,850	$ 11,913	$ 35,656	$ 68,303
Total Assets	$ 2	$ 13,882	$ 6,850	$ 11,913	$ 35,656	$ 68,303
Liabilities & Fund Balances						
Liabilities						
Accounts payable	$ -	$ -	$ -	$ 10,143	$ 132	$ 10,275
Total Liabilities	-	-	-	10,143	132	10,275
Fund Balances						
Restricted for:						
Capital Projects	2	-	-	-	-	2
Public Safety	-	13,882	6,850	1,770	-	22,502
Family Connections	-	-	-	-	35,524	35,524
Total Fund Balance	2	13,882	6,850	1,770	35,524	58,028
Total Liabilities and Fund Balance	$ 2	$ 13,882	$ 6,850	$ 11,913	$ 35,656	$ 68,303

Baker County, Georgia
Non-Major - Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
For the Fiscal Year Ended April 30, 2023

	Capital Project Funds	Special Revenue Funds				
	CDBG	E-911	Confiscated Assets Fund	Jail Fund	Family Connections	Totals
Revenues						
Fines	$ -	$ -	$ -	$ 5,472	$ -	$ 5,472
Charges for services	-	46,507	-	-	-	46,507
Grants	47,101	-	-	-	-	47,101
Intergovernmental	-	-	-	-	69,874	69,874
Interest	2	20	-	16	24	62
Total Revenues	47,103	46,527	-	5,488	69,898	169,016
Expenditures						
Current:						
Public safety	-	94,030	-	145,024	-	239,054
Welfare	-	-	-	-	51,522	51,522
Capital outlay:						
Public roads & bridges	47,101	-	-	-	-	47,101
Total Expenditures	47,101	94,030	-	145,024	51,522	337,677
Excess (deficiency) of revenues over expenditures	2	(47,503)	-	(139,536)	18,376	(168,661)
Other Financing Sources						
Transfers in	-	51,952	-	139,017	-	190,969
Total other financing sources	-	51,952	-	139,017	-	190,969
Net change in fund balance	2	4,449	-	(519)	18,376	22,308
Fund Balance-beginning of period	-	9,433	6,850	2,289	17,148	35,720
Fund Balance-end of period	$ 2	$ 13,882	$ 6,850	$ 1,770	$ 35,524	$ 58,028

Baker County, Georgia
E-911 - Special Revenue Fund
Budgetary Comparison Schedule (Non GAAP)
For the Fiscal Year Ended April 30, 2023

	Original Budget	Final Budget	Actual	Positive (Negative)
Revenues				
Charges for services	$ 42,000	$ 42,000	$ 46,507	$ 4,507
Miscellaneous	-	-	20	20
Total Revenues	42,000	42,000	46,527	4,527
Expenditures				
Public safety	112,000	112,000	94,030	17,970
Total Expenditures	112,000	112,000	94,030	17,970
Excess (Deficiency) of Revenues Over Expenditures	(70,000)	(70,000)	(47,503)	22,497
Other Financing Sources				
Transfers In	70,000	70,000	51,952	(18,048)
Total Other Financing Sources	70,000	70,000	51,952	(18,048)
Excess (Deficiency) of Other Financing Sources over Expenditures and Other Uses	-	-	4,449	4,449
Fund Balance-Beginning of Period	9,433	9,433	9,433	-
Fund Balance-End of Period	$ 9,433	$ 9,433	$ 13,882	$ 4,449

Baker County, Georgia
Confiscated Assets - Special Revenue Fund
Budgetary Comparison Schedule (Non GAAP)
For the Fiscal Year Ended April 30, 2023

	Original Budget	Final Budget	Actual	Positive (Negative)
Revenues				
Fines and Forfeitures:				
Seizures	$ -	$ -	$ -	$ -
Total Revenues	-	-	-	-
Expenditures				
Public Safety	7,100	7,100	-	7,100
Total Expenditures	7,100	7,100	-	7,100
Excess (Deficiency) of Revenues Over Expenditures	(7,100)	(7,100)	-	7,100
Fund Balance-Beginning of Period	6,850	6,850	6,850	-
Fund Balance-End of Period	$ (250)	$ (250)	$ 6,850	$ 7,100

Baker County, Georgia
Jail - Special Revenue Fund
Budgetary Comparison Schedule (Non GAAP)
For the Fiscal Year Ended April 30, 2023

	Original Budget	Final Budget	Actual	Positive (Negative)
Revenues				
Fines and Forfeitures	$ 6,800	$ 24,550	$ 5,472	$ (19,078)
Interest Income	5	5	16	11
Total Revenues	6,805	24,555	5,488	(19,067)
Expenditures				
Public Safety	126,805	144,555	134,881	9,674
Total Expenditures	126,805	144,555	134,881	9,674
Excess (Deficiency) of Revenues Over Expenditures	(120,000)	(120,000)	(129,393)	(9,393)
Other Financing Sources				
Transfers In (out)	120,000	120,000	139,017	19,017
Total Other Financing Sources	120,000	120,000	139,017	19,017
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Uses	-	-	9,624	9,624
Fund Balance-Beginning of Period	2,289	2,289	2,289	-
Fund Balance-End of Period	$ 2,289	$ 2,289	$ 11,913	$ 9,624

Baker County, Georgia
Family Connections - Special Revenue Fund
Budgetary Comparison Schedule (Non GAAP)
For the Fiscal Year Ended April 30, 2023

	Original Budget	Final Budget	Actual	Positive (Negative)
Revenues				
Intergovernmental	$ 52,500	$ 52,500	$ 69,874	$ 17,374
Interest Income	-	-	24	24
Total Revenues	52,500	52,500	69,898	17,398
Expenditures				
Health & Welfare	52,500	52,500	51,522	978
Total Expenditures	52,500	52,500	51,522	978
Excess (Deficiency) of Revenues Over Expenditures	-	-	18,376	18,376
Fund Balance-Beginning of Period	17,148	17,148	17,148	-
Fund Balance-End of Period	$ 17,148	$ 17,148	$ 35,524	$ 18,376

Baker County, Georgia
For the Fiscal Year Ended April 30, 2023

FIDUCIARY FUNDS

Baker County, Georgia
Fiduciary Funds
Combining Statement of Fiduciary Net Position
For the Fiscal Year Ended April 30, 2023

	Custodial Funds				
	Probate Court	Magistrate Court	Tax Commissioner	Clerk of Superior Court	Total
Assets					
Cash	$ 3,922	$ 2,061	$ 106,605	$ 30,440	$ 143,028
Due from others	-	-	47,959	-	47,959
Total Assets	$ 3,922	$ 2,061	$ 154,564	$ 30,440	$ 190,987
Net Position					
Net position- held for others	$ 3,922	$ 2,061	$ 154,564	$ 30,440	$ 190,987
Total Net Position	$ 3,922	$ 2,061	$ 154,564	$ 30,440	$ 190,987

Baker County, Georgia
Fiduciary Funds
Combining Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended April 30, 2023

	Custodial Funds				
	Probate Court	Magistrate Court	Tax Commissioner	Clerk of Superior Court	Total
Additions					
Taxes	$ -	$ -	$ 3,924,915	$ 51,157	$ 3,976,072
Fees	95,341	12,783	177,858	74,840	360,822
Total Additions	95,341	12,783	4,102,773	125,997	4,336,894
Deductions					
Payment of taxes to other agencies	-	-	3,932,317	51,157	3,983,474
Payment of fees to other agencies	95,880	12,388	198,457	71,741	378,466
Total Deductions	95,880	12,388	4,130,774	122,898	4,361,940
Change in Net Position	(539)	395	(28,001)	3,099	(25,046)
Net Position Beginning of Year	4,461	1,666	182,565	27,341	216,033
Net Position End of Year	$ 3,922	$ 2,061	$ 154,564	$ 30,440	$ 190,987

STATE REPORTING REQUIREMENTS

Baker County, Georgia
Annual Report of 9-1-1 Collections and Expenditures
For the Fiscal Year Ended April 30, 2023

Line No.		O.C.G.A. Reference:		
1	Indicate UCOA Fund Type Used to Account for 9-1-1 Activity (choose one):			
	__X___ Special Revenue Fund _____ Enterprise Fund			
2	Monthly 9-1-1 charge billed to each exchange access facility subscriber:	46-5-134(a)(1)	$ -	
3	Total revenue from exchange access facility subscribers:			$ 13,806
4	Does 9-1-1 system provide automatic number identification of a wireless telecommunications connection? (choose one)			
	__X___ Yes _____ No			
5	If the answer to Line 4 is "yes", indicate below which of the following apply (choose one)			
	_____ System provides location of base station or cell site	46-5-134(a)(2)(A)		
	__X___ System provides automatic location identification	46-5-134(a)(2)(B)		
6	If the answer to Line 4 is "yes", identify the monthly 9-1-1 charge billed to each wireless telecommunications connection subscriber:	46-5-134(a)(2)	$ -	
7	Total revenue from wireless telecommunications connection subscribers:			$ 32,701
8	Total Line 3 plus Line 7 (should equal UCOA Revenue Source 34.2500)			$ 46,507
9	Additional revenue sources:			
9a	Federal (UCOA Revenue Source 33.1000) Identify each funding agency individually. Attach list, if necessary.	46-5-134(j)		
	_____			$ -
	_____			$ -
9b	State (UCOA Revenue Source 33.4000) Identify each funding agency individually. Attach list, if necessary.	46-5-134(j)		
	_____			$ -
	_____			$ -
9c	Local (UCOA Revenue Source 33.6000) Identify each unit of local government individually. Attach list, if necessary.	46-5-134(j)		
	_____			$ -
	_____			$ -

Baker County, Georgia
Annual Report of 9-1-1 Collections and Expenditures
For the Fiscal Year Ended April 30, 2023

9d	Private (UCOA Revenue Source 37.1000) Identify each private source individually. Attach list, if necessary.	46-5-134(j)	
	_____		$ -
	_____		$ -
10	Investment Income (UCOA Revenue Source 36.1000 through 36.3000)		$ 20
11	Other revenue sources not included above. Identify each source individually. Transfers from other funds of the local government should be reported on Line 25 and not included here.		
	_____		$ -
	_____		$ -
	_____		$ -
	_____		$ -
12	Total Revenues (total of all amounts reported on Lines 8 through 11)		$ 46,527
	Expenditures (UCOA Activity 3800)		
13	Wireless service supplier cost recovery charges (identify each supplier individually on lines below - attach list, if necessary)	46-5-134(e)	
	_____		$ -
	_____		$ -
	_____		$ -
14	Emergency telephone equipment, including necessary computer hardware, software, and data base provisioning, addressing, and nonrecurring costs of establishing a 9-1-1 system:		
14a	Lease costs	46-5-134(f)(1)	$ -
14b	Purchase costs	46-5-134(f)(1)	$ -
14c	Maintenance costs	46-5-134(f)(1)	$ -
15	Rates associated with the service suppliers 9-1-1 service and other service suppliers recurring charges	46-5-134(f)(2)	$ -
16	Employees hired by the local government solely for the operation and maintenance of the emergency 9-1-1 system: Number of employees classified as: Full time _____ Part time _____		
16a	Salaries and wages	46-5-134(f)(3)	$ -
16b	Employee benefits	46-5-134(f)(3)	$ -
17	Cost of training of employees who work as dispatchers	46-5-134(f)(3)	$ -

Baker County, Georgia
Annual Report of 9-1-1 Collections and Expenditures
For the Fiscal Year Ended April 30, 2023

18	Office supplies of the public safety answering points used directly in providing emergency 9-1-1 system services	46-5-134(f)(4)	$ -
19a	Building used as a public safety answering point:		
19a1	Lease costs	46-5-134(f)(5)	$ -
19a2	Purchase costs	46-5-134(f)(5)	$ -
19b	Has the local government completed its street addressing plan? (choose one)	46-5-134(f)(5)	$ -
	_X_ Yes _____ No		
20	Computer hardware and software used at a public safety answering point, including computer assisted dispatch systems:		
20a	Lease costs	46-5-134(f)(6)	$ -
20b	Purchase costs	46-5-134(f)(6)	$ -
20c	Maintenance costs	46-5-134(f)(6)	$ -
21	Supplies directly related to providing emergency 9-1-1 system services, including the cost of printing emergency 9-1-1 public education materials	46-5-134(f)(7)	$ -
22	Logging recorders used at a public safety answering point to record telephone and radio traffic:		
22a	Lease costs	46-5-134(f)(8)	$ -
22b	Purchase costs	46-5-134(f)(8)	$ -
22c	Maintenance costs	46-5-134(f)(8)	$ -
23	Other expenditures not included in Lines 13 through 22 above. Identify by object and purpose. Transfers to other funds of the local government should be reported on Line 26 and not included here.		
	Reimbursement to Miller County, Georgia for operating costs incurred for joint 911 system.		$ 94,030
			$ -
			$ -
24	Total Expenditures (total of all amounts reported on Lines 13 through 23 above)		$ 94,030
25	Transfers From Other Funds (identify by fund)		
	Transfer from General Fund		$ 51,952
			$ -
26	Transfers To Other Funds (identify by fund)		
			-
			$ -

Baker County, Georgia
Annual Report of 9-1-1 Collections and Expenditures
For the Fiscal Year Ended April 30, 2023

27	Proceeds from Capital Lease (identify by asset class and, if equipment, purpose)	
	_____	$ -
	_____	$ -
28	Net Change in Fund Balance (Line 12 - Line 24 + Line 25 - Line 26 + Line 27)	$ 4,449
29	Fund Balance - Beginning of Year	$ 9,433
30	Fund Balance - End of Year	$ 13,882

31a Do amounts on Lines 12, 24, 28, 29, and 30 agree to amounts reported in the government's audited financial statements submitted to the Georgia Department of Audits and Accounts?

__X__ Yes _____ No

31b If the answer to Line 31a is "no", provide explanation (including amounts) to reconcile each line item specified in Line 31a above to government's audited financial statements. Reconciliation should be attached to this report.

Certification of Local Government Officials

I have reviewed the information presented in this report and certify that it is accurate and correct. I further certify that the 9-1-1 funds were expended in compliance with the expenditure requirements specified in the Official Code of Georgia Annotated (OCGA), Section 46-5-134. I understand that, in accordance with OCGA Section 46-5-134(m)(2), any local government which makes expenditures not in compliance with this Code section may be held liable for pro rata reimbursement to telephone and wireless telecommunications subscribers of amounts improperly expended. Further, the noncompliant local government shall be solely financially responsible for the reimbursement and for any costs associated with the reimbursement. Such reimbursement shall be accomplished by service providers abating the imposition of the 9-1-1 charges and 9-1-1 wireless enhanced charges until such abatement equals the total amount of the rebate.

Signature of Chief Elected Official: Connie S. Hobbs Date: 10/31/2023

Print Name of Chief Elected Official: Connie Hobbs

Title of Chief Elected Official: Chairperson

Signature of Chief Financial Officer: Penny Eure Date: 10/31/2023

Print Name of Chief Financial Officer: Penny Eure

Baker County, Georgia
Schedule of Special Purpose
Local Option Sales Tax
For the Fiscal Year Ended April 30, 2023

Project	Original Estimated Cost	Expenditure			Estimated Percentage of Completion
		Prior Year	Current Year	Total	
SPLOST 2021-2026					
County Projects - Construction, maintenance, and improvement of county roads, streets, and bridges	$ 1,013,125	$ 166,348	$ 289,933	$ 456,281	45.04%
City of Newton	236,875	80,528	62,820	143,348	60.52%
Total	$ 1,250,000	$ 246,876	$ 352,753	$ 599,629	47.97%

Reconciliation of the SPLOST Schedule above to expenditures reported in the the SPLOST Capital Projects Fund on Page 7

Expenditures from SPLOST schedule (above)	$ 352,753
Principal paid on capital leases	76,320
Total expenditures per SPLOST Capital Projects Fund on Page 7	$ 429,073

Baker County, Georgia
Community Development Block Grant
Source and Application of Funds Schedule

Grant # 21p-y-004-1-6179

April 30, 2023

Total Program Year 2023 funds allocated to recipient	$	505,454
Less: Total Program Year 2023 funds drawn down by recipient		(47,101)
Funds still available from Program Year 2023 Resources	$	458,353
Total Program Year 2023 funds held at Fiscal Year-End	$	-
Total Program Year 2023 funds drawn down and received by recipient		47,101
Less: Funds applied and expended to Program Year 2023 costs		(47,101)
TOTAL PROGRAM YEAR 2023 FUNDS HELD BY RECIPIENT	$	-

Baker County, Georgia
Community Development Block Grant
Budget to Actual Funds Schedule

Grant # 21p-y-004-1-6179

April 30, 2023

Activity Number	Latest Approved Budget CDBG Funds	Prior Period Expenditures	Current Period Expenditures	Grand Total Expenditures to Date	Questioned Costs
P-001-01	$ 26,500	$ -	$ -	$ -	$ -
T-03K-00	28,050	-	-	-	-
P-03K-01	402,761	-	19,765	19,765	-
P-03K-02	17,829	-	16,023	16,023	-
A-21A-00	30,314	-	11,313	11,313	-
	$ 505,454	$ -	$ 47,101	$ 47,101	$ -

GOVERNMENTAL AUDITING STANDARDS REQUIREMENTS

Perry L. Henry, LLC

Certified Public Accountant and Consultant

Perry L. Henry, CPA, CGFM, CFS

Members
American Institute of Certified Public Accountants
Georgia Society of Certified Public Accountants

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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*

Honorable Chairperson and Members of
the County Commission
Baker County, Georgia

We have audited, in accordance with auditing standards generally accepted in the United States of America and 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 aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Baker County, Georgia as of and for the year ended April 30, 2023, and the related notes to the financial statements, which collectively comprise Baker County's basic financial statements, and have issued our report dated thereon October 31, 2023. Our report includes a reference to other auditors who audited the financial statements of the Baker County Health Department, as described in our report on Baker County's financial statements. This report includes our consideration of the results of the other auditor's testing on internal control over financial reporting and compliance and other matters that are reported on separately by those auditors. However, this report, insofar as it related to the results of the other auditors, is based solely on the reports of the other auditors.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Baker County, Georgia's internal control over financial reporting (internal control) to determine the 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 Baker County, Georgia's internal control. Accordingly, we do not express an opinion on the effectiveness of Baker County, Georgia'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. Given these limitations, during our audit we and the other auditors did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We and the other auditors did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Responses as item *2011-1* that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Baker County, Georgia'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 determination of financial statement amounts. 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 instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards.*

Baker County's Response to Findings

Baker County, Georgia's response to the findings identified in our audit is described in the accompanying Schedule of Findings and Responses. Baker County, Georgia's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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.

Perry L. Henry, LLC
Perry L. Henry, LLC
Bainbridge, Georgia
October 31, 2023

Baker County, Georgia
Schedule of Findings and Responses
For the Fiscal Year Ended April 30, 2023

2011-1

Condition:

The County (Board of Commissioners and/or Elected Constitutional Officers) does not have adequate separation of duties in various functions of the County.

Criteria:

Internal control is a process designed to provide reasonable assurance about your objectives with regard to reliability of:

(1) financial reporting,
(2) effectiveness and efficiency of operations and
(3) compliance with applicable laws and regulations.

Cause:

There is an insufficient number of staff to properly segregate functions of all transaction cycles.

Effect:

The County (Board of Commissioners and/or Elected Constitutional Officers) will be exposed to increased risk that the financial statements will be materially misstated, whether by error or intentionally, and not be detected in a timely manner.

Recommendation:

The County (Board of Commissioners and/or Elected Constitutional Officers) should monitor the control environment and continue to strengthen controls where cost effective.

Management's Response:

Management (Board of Commissioners and/or Elected Constitutional Officers) agrees. A corrective action plan will be issued under a separate cover.