CALHOUN COUNTY, GEORGIA

FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2021

CALHOUN COUNTY, GEORGIA

FINANCIAL REPORT

TABLE OF CONTENTS

	PAGE
INDEPENDENT AUDITOR'S REPORT	1-3
BASIC FINANCIAL STATEMENTS:	
GOVERNMENT WIDE FINANCIAL STATEMENTS:	
STATEMENT OF NET POSITION	4
STATEMENT OF ACTIVITIES	5
FUND FINANCIAL STATEMENTS:	
BALANCE SHEET - GOVERNMENTAL FUNDS	6-7
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS	8
RECONCILIATION OF THE STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES	9
STATEMENT OF FIDUCIARY NET POSITION	10
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION	11
NOTES TO THE FINANCIAL STATEMENTS	12-27
REQUIRED SUPPLEMENTARY INFORMATION:	
BUDGETARY COMPARISON SCHEDULES:	
GENERAL FUND:	
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL	28-29
SUPPLEMENTARY INFORMATION:	
NON-MAJOR GOVERNMENTAL FUNDS:	
COMBINING BALANCE SHEET	30
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES	31
CUSTODIAL FUNDS:	
COMBINING STATEMENT OF FIDUCIARY NET POSITION	32
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION	33
SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX - 2019-2024 SPECIAL COUNTY SALES TAX PROCEEDS	34
SCHEDULE OF EXPENDITURES OF TRANSPORTATION SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS	35

CALHOUN COUNTY, GEORGIA

FINANCIAL REPORT

TABLE OF CONTENTS

	PAGE
COMPLIANCE SECTION:	
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*	36-37
SCHEDULE OF FINDINGS AND RESPONSES	38
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS	39

ROBERT BAKER
& ASSOCIATES, CPAs

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Calhoun County, Georgia
Morgan, Georgia

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Calhoun County, Georgia, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise Calhoun County, Georgia's basic financial statements as listed in the table of contents.

In our opinion, the 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 Calhoun County, Georgia, as of December 31, 2021, and the respective changes in financial position, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standard generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Calhoun County, Georgia 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 Calhoun County, Georgia'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 generally accepted auditing standards 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 generally accepted auditing standards 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 Calhoun County, Georgia'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 Calhoun County, Georgia's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information (pages 28 through 29) be presented to supplement the basic financial statements. Such information is the responsibility of management, and although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Calhoun County, Georgia's basic financial statements. The accompanying combining and individual nonmajor fund financial statements, and the individual fiduciary fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements of the County. The accompanying schedules of expenditures of special purpose local option sales tax and transportation special local option sales tax are presented for purposes of additional analysis as required by the Official Code of Georgia Annotated § 48-8-121, 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 non-major fund financial statements, individual fiduciary funds financial statements, schedule of expenditures of special purpose local option sales tax, and schedule of transportation special local option sales tax 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 September 29, 2022, on our consideration of Calhoun County, Georgia'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 Calhoun County, Georgia'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 Calhoun County, Georgia's internal control over financial reporting and compliance.

ROBERT BAKER & ASSOCIATES, CPAs



Certified Public Accountants
Albany, Georgia
September 29, 2022

CALHOUN COUNTY, GEORGIA

STATEMENT OF NET POSITION

December 31, 2021

	Primary Government	Component Unit
	Governmental Activities	Board of Health
ASSETS		
Cash and Cash Equivalents	$ 4,550,638	$ 369,839
Taxes Receivable	172,448	-
Accounts Receivable	83,549	14,291
Intergovernmental Receivable	89,925	51,974
Capital Assets:		
Nondepreciable	135,816	-
Depreciable, Net of Accumulated Depreciation	3,817,451	11,167
Total Assets	$ 8,849,827	$ 447,271
DEFERRED OUTFLOWS OF RESOURCES		
Pension Related	$ -	$ 32,493
OPEB Related	-	16,955
Total Deferred Outflows of Resources	$ -	$ 49,448
LIABILITIES		
Accounts Payable	$ 33,129	$ 24,071
Accrued Liabilities	3,652	-
Due to Other Governments	22,482	-
Escrow Funds	16,344	-
Unearned Revenues	492,030	-
Capital Leases Due Within One Year	65,556	-
Capital Leases Due in More Than One Year	126,546	-
Compensated Absences Due Within One Year	-	865
Compensated Absences Due in More Than One Year	-	7,790
Net Pension Liability	-	144,615
Net OPEB Liability	-	28,276
Total Liabilities	$ 759,739	$ 205,617
DEFERRED INFLOWS OF RESOURCES		
Pension Related	$ -	$ 5,298
OPEB Related	-	44,109
Total Deferred Inflows of Resources	$ -	$ 49,407
NET POSITION		
Net Investment in Capital Assets	$ 3,761,165	$ 11,167
Restricted For:		
Capital Projects	643,979	-
Special Revenue Purposes	290,028	110,094
Unrestricted	3,394,916	120,434
Total Net Position	$ 8,090,088	$ 241,695

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

CALHOUN COUNTY, GEORGIA

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2021

Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Component Unit
Primary Government:						
Governmental Activities:						
General Government	$ 1,057,054	$ 24,507	$ 456,504	$ -	$ (576,043)	$ -
Judicial	384,657	39,783	-	-	(344,874)	-
Public Safety	1,717,887	510,990	-	31,870	(1,175,027)	-
Public Works	1,420,381	1,724	-	255,585	(1,163,072)	-
Health & Welfare	265,118	-	49,646	-	(215,472)	-
Housing and Development	55,447	-	-	-	(55,447)	-
Interest on Long-Term Debt	8,636	-	-	-	(8,636)	-
Total Governmental Activities	$ 4,909,180	$ 577,004	$ 506,150	$ 287,455	$ (3,538,571)	$ -
Component Unit:						
Board of Health:	$ 298,376	$ 119,674	$ 263,516	$ -	$ -	$ 84,814
General Revenues:						
Property Taxes					$ 2,333,323	$ -
Sales Taxes					1,270,174	-
Alcohol Beverage Taxes					2,246	-
Insurance Premium Taxes					122,058	-
Other Taxes					46,864	-
Gain on Sale of Capital Assets					100,194	-
Total General Revenues					$ 3,874,859	$ -
Change in Net Position					$ 336,288	$ 84,814
Net Position, Beginning of Year					7,753,800	156,881
Net Position, End of Year					$ 8,090,088	$ 241,695

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

CALHOUN COUNTY, GEORGIA

BALANCE SHEET

GOVERNMENTAL FUNDS

December 31, 2021

	Major Funds				
ASSETS	General	SPLOST Fund	T-SPLOST Fund	Other Governmental Funds	Totals Governmental Funds
Cash and Cash Equivalents	$ 3,686,210	352,398	$ 233,630	$ 278,400	$ 4,550,638
Taxes Receivable	172,448	-	-	-	172,448
Accounts Receivable	71,921	-	-	11,628	83,549
Due from Other Funds	-	-	108,633	-	108,633
Intergovernmental Receivable	-	47,290	42,635	-	89,925
Total Assets	$ 3,930,579	$ 399,688	$ 384,898	$ 290,028	$ 5,005,193
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts Payable	$ 23,637	$ 9,492	$ -	$ -	$ 33,129
Accrued Liabilities	3,652	-	-	-	3,652
Due to Other Funds	-	108,633	-	-	108,633
Due to Other Governments	-	11,823	10,659	-	22,482
Escrow Funds	16,344	-	-	-	16,344
Unearned Revenues	492,030	-	-	-	492,030
Total Liabilities	$ 535,663	$ 129,948	$ 10,659	$ -	$ 676,270
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue - Property Taxes	94,909	$ -	$ -	$ -	$ 94,909
FUND BALANCES					
Restricted for:					
Capital Outlay	$ -	$ 269,740	$ 374,239	$ -	$ 643,979
Public Safety	-	-	-	290,028	290,028
Unassigned	3,300,007	-	-	-	3,300,007
Total Fund Balances	$ 3,300,007	$ 269,740	$ 374,239	$ 290,028	$ 4,234,014
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 3,930,579	$ 399,688	$ 384,898	$ 290,028	

CALHOUN COUNTY, GEORGIA

BALANCE SHEET - CONTINUED

GOVERNMENTAL FUNDS

December 31, 2021

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	$ 3,953,267
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	94,909
Certain liabilities are not due and payable in the current period and are, therefore, not reported in the funds.	(192,102)
Net Position of Governmental Activities	$ 8,090,088

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

CALHOUN COUNTY, GEORGIA

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

For the Year Ended December 31, 2021

	Major Funds				
	General	SPLOST Fund	T-SPLOST Fund	Other Governmental Funds	Totals Governmental Funds
REVENUES					
Property Taxes	$ 2,386,474	$ -	$ -	$ -	$ 2,386,474
Sales Taxes	293,908	515,318	460,948	-	1,270,174
Alcohol Beverage Taxes	2,246	-	-	-	2,246
Insurance Premium Taxes	122,058	-	-	-	122,058
Other Taxes	46,864	-	-	-	46,864
Licenses and Permits	13,214	-	-	-	13,214
Fines and Forfeitures	81,707	-	-	8,861	90,568
Charges for Services	348,308	-	-	91,853	440,161
Intergovernmental	793,605	-	-	-	793,605
Other Revenues	11,143	-	-	21,918	33,061
Total Revenues	$ 4,099,527	$ 515,318	$ 460,948	$ 122,632	$ 5,198,425
EXPENDITURES					
Current:					
General Government	$ 973,981	$ -	$ -	$ -	$ 973,981
Judicial	382,154	-	-	-	382,154
Public Safety	1,620,146	-	-	75,443	1,695,589
Public Works	811,781	-	-	-	811,781
Health & Welfare	243,801	-	-	-	243,801
Housing and Development	55,447	-	-	-	55,447
Intergovernmental Payments	-	128,806	115,203	-	244,009
Capital Outlay	-	165,156	72,816	12,865	250,837
Debt Service:					
Principal	$ 26,283	$ 178,412	$ -	$ -	$ 204,695
Interest	5,455	3,181	-	-	8,636
Total Expenditures	$ 4,119,048	$ 475,555	$ 188,019	$ 88,308	$ 4,870,930
Excess (Deficiency) of Revenues Over Expenditures	$ (19,521)	$ 39,763	$ 272,929	$ 34,324	$ 327,495
OTHER FINANCING SOURCES (USES)					
Proceeds from Sale of Capital Assets	$ 33,765	$ 125,000	$ -	$ -	$ 158,765
Transfers In	169,423	343	33,543	990	204,299
Transfers Out	(990)	(96,317)	(106,992)	-	(204,299)
Total Other Financing Sources (Uses)	$ 202,198	$ 29,026	$ (73,449)	$ 990	$ 158,765
Net Change in Fund Balances	$ 182,677	$ 68,789	$ 199,480	$ 35,314	$ 486,260
Fund Balances, Beginning of Year	3,117,330	200,951	174,759	254,714	3,747,754
Fund Balances, End of Year	$ 3,300,007	$ 269,740	$ 374,239	$ 290,028	$ 4,234,014

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

CALHOUN COUNTY, GEORGIA

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

For the Year EndedDecember 31, 2021

Amounts reported for governmental activities in the Statement of Activities are different because:		
Net change in fund balances - total governmental funds	$	486,260
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. The amounts are detailed as follows:		
Capital Outlay		45,346
Depreciation Expense		(288,291)
Gain on the Sale of Capital Assets		(58,571)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(53,151)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of the differences in the treatment of long-term debt and related items.		
Payments on Capital Leases Payable		204,695
Net Change in Net Position - Governmental Activities	$	336,288

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

CALHOUN COUNTY, GEORGIA

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS

December 31, 2021

	Custodial Funds
ASSETS	
Cash and Cash Equivalents	$ 1,701,634
Taxes Receivable	172,448
Total Assets	$ 1,874,082
LIABILITIES	
Due to Others	$ 1,610,275
Uncollected Taxes	172,448
Total Liabilities	$ 1,782,723
NET POSITION	
Restricted:	
Individuals, Organizations, and Other Governments	$ 91,359
Total Net Position	$ 91,359

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

CALHOUN COUNTY, GEORGIA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS

For the Year ended December 31, 2021

	Custodial Funds
ADDITIONS	
Taxes Collected	$ 5,694,394
Fines and Fees Collected	317,814
Other Custodial Collections	64,437
Total Additions	$ 6,076,645
DEDUCTIONS	
Taxes Disbursed	$ 5,694,394
Fines and Fees Disbursed	301,763
Other Custodial Disbursements	64,437
Total Deductions	$ 6,060,594
Change in Net Position	$ 16,051
Net Position, Beginning of Year	75,308
Net Position, End of Year	$ 91,359

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

NOTE 1 - 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 Calhoun County, Georgia (the "County") 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 County 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 January 1, 2021, Calhoun County, Georgia adopted the following GASB Statements:

GASB Statement 89, Accounting for Interest Cost Incurred Before the end of a Construction period. This statement was issued in June of 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 year ended December 31, 2021.

FUTURE ADOPTION OF GASB PRONOUNCEMENTS

Due to the ongoing COVID-19 pandemic, the GASB issued Statement 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, in May of 2020. The effective dates of the following GASB pronouncements, which were issued prior to May of 2020, are based on the revised dates in Statement 95:

GASB Statement 87, Leases. This statement was issued in June of 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 year ending December 31, 2022.

GASB Statement 91, *Conduit Debt Obligations*. This statement was issued in May of 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 year ending December 31, 2023.

GASB Statement 92, Omnibus 2020. This statement was issued in January of 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 year ending December 31, 2022.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

GASB Statement 93, Replacement of Interbank Offered Rates. This statement was issued in March of 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 year ending December 31, 2022.

GASB Statement 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangement. This statement was issued in March of 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 year ending December 31, 2023.

GASB Statement 96, Subscription-Based Information Technology Arrangements. This statement was issued in May of 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 year ending December 31, 2023.

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 in June of 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 year ending December 31, 2022.

GASB Statement 99, Omnibus 2022. This statement was issued in April of 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 year ending December 31, 2023.

GASB Statement 100, Accounting Changes and Error Corrections - an amendment of GASB Statement no. 62. This statement was issued in June of 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 year ending December 31, 2024.

GASB Statement 101, Compensated Absences. This statement was issued in June of 2022 to better meet the informational 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 year ending December 31, 2025.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

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

FINANCIAL REPORTING ENTITY

The accompanying financial statements report on the financial activities of the County, which operates under a county commissioner form of government and provides for the general administration of County functions; citizens public safety; a judicial system; public works; roads and bridges; health and welfare; and housing and development.

In conformity with generally accepted accounting principles, as set forth in GASB Statement No. 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34*, the component units' financial statements have been included as either blended or discretely presented.

Discretely Presented Component Unit

Calhoun County Board of Health - provides health services to the citizenry of Calhoun County, Georgia. The County Board of Health is a legally separate entity, although the Board of Commissioners of Calhoun County, Georgia appoints a voting majority of the Board of Health's governing board, and thus, has the ability to impose its will on the Board of Health in accordance with Georgia law (OCGA §31-3-14). The Board of Health has a June 30th year-end. Complete financial statements of the Calhoun County Board of Health may be obtained from their offices in Calhoun County, Georgia.

Joint Venture

The County, in conjunction with other cities and counties, is a member of the Southwest Georgia Regional Commission (RC). Membership in the RC is automatic for each municipality and county in the state. The Official Code of Georgia Annotated (O.C.G.A.) section 50-8-34 (Georgia Planning Act of 1989) provides for the organizational structure of RC's. Each county and municipality in the state is required by law to pay minimum annual dues to the RC. The County paid $1,180 to the RC for the year ended December 31, 2021. The RC board membership includes the chief elected official of each county and municipality. The county and municipal board members from that county elect one member of the board who is a resident (but not an elected or appointed official or employee of either) to serve as the non- public board member from that county. Complete financial statements of the Southwest Georgia Regional Commission may be obtained at their offices in Camilla, Georgia. The Georgia Planning Act of 1989 (O.C.G.A. 50-8-34) further defines RC's as public agencies and instrumentalities of their members, and as such, provides that member governments are liable for any debts or obligations of an RC beyond its resources (O.C.G.A. 50-8-39.1).

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

BASIS OF PRESENTATION

Government-Wide Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information of the County as a whole, excluding fiduciary activities such as employee pension plans. The primary government and component unit are presented separately within the financial statements with the focus on the primary government. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and County general revenues, from business-type activities, generally financed in whole or in part with fees charged to external customers. The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program.

A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and programs associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees, fines and forfeitures, and other charges to users of the County's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund acquisition, construction, or rehabilitation of capital assets and include fees to developers. These revenues are subject to externally imposed restrictions to these program uses.

Taxes and other revenue sources not properly included with program revenues are reported as general revenues.

Fund Financial Statements

Fund financial statements are provided for government, proprietary, and fiduciary funds. Major individual governmental and enterprise funds are reported in separate columns with composite columns for non-major funds.

The County reports the following major governmental funds:

General Fund - reports as the primary fund for the County. This fund is used to account for all financial resources not reported in other funds.

Calhoun County Special Purpose Local Option Sales Tax (SPLOST) Fund - is used to account for the estimated $3,300,000 in tax proceeds to be collected for the 2019 SPLOST referendum over a six-year period beginning July 1, 2019. The proceeds are to be used to finance projects including road, streets, and bridges, capital outlay projects for the use or the benefit of the citizens of the entire county consisting of administrative buildings, county jail, and other county buildings, and projects of municipalities within the County.

Calhoun County Transportation Special Purpose Local Option Sales Tax (TSPLOST) Fund - is used to account for the estimated $1,300,000 in tax proceeds to be collected for the 2019 TSPLOST referendum over a five-year period beginning April 1, 2019. The proceeds are to be used to finance projects including resurfacing and paving roads, replacement and repairing of gravel on county roads, acquiring equipment to repair and maintain roads, and projects of municipalities within the County.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Additionally, the County reports the following fiduciary fund type:

Custodial Funds - are used to administer the collections, and subsequent remittances, by various elected or appointed officials to the appropriate agencies or organizations.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The financial statements of the County are prepared in accordance with generally accepted accounting principles (GAAP). The government-wide statements report using the economic resources measurement focus and the accrual basis of accounting generally including the reclassification or elimination of internal activity (between or within funds). However, internal eliminations do not include utility services (if any) provided to County departments. Reimbursements are reported as reductions to expenses. Proprietary and fiduciary fund financial statements and financial statements of the County's component unit also reports using the same focus and basis of accounting, although internal activity is not eliminated in these statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Property tax revenues are recognized in the year for which they are levied, while grants are recognized when grantor eligibility requirements are met.

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The County considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported as expenditures in the year due.

Major revenue sources susceptible to accrual include sales and use taxes, property taxes, charges for services, and intergovernmental revenues. In general, other revenues are recognized when cash is received.

Principal operating revenues for proprietary funds are charges to customers for sales or services. Principal operating expenses are the costs of providing goods or services and include administrative expenses and depreciation of capital assets. Other revenues and expenses are classified as non-operating in the financial statements.

CASH AND CASH EQUIVALENTS

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

RECEIVABLES

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

INTERFUND RECEIVABLES AND PAYABLES

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year, as well as other outstanding balances between funds, are reported as "due to/from other funds."

CAPITAL ASSETS

Capital assets, which include buildings and improvements; infrastructure; furniture, machinery, and equipment; and vehicles, are reported in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. The County has reported all infrastructure that it currently owns and has a responsibility for maintaining. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives is not capitalized.

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

Buildings and Improvements	20 - 40 years
Infrastructure	20 - 40 years
Furniture, Machinery, and Equipment	5 - 10 years
Vehicles	5 years

Fully depreciated assets still in service are carried in the capital asset accounts.

DEFERRED OUTFLOW/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 County does not have any items that qualify for reporting in this category. However, the Board of Health has items related to changes in pension and OPEB liability which are discussed on the following page.

In addition to liabilities, the Statement 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 County has one item arising only under a modified accrual basis of accounting, that qualifies for reporting in this category. Unavailable revenue is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes not received within 60 days after year-end. These amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available. The Board of Health has items related to changes in net pension and OPEB liability which are discussed on the following page.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

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.

COMPENSATED ABSENCES

According to the County's policy any unused vacation and sick time as of year-end is forfeited. Therefore, no liability is recorded as of year-end.

Board of Health 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 non-vesting accumulated rights to receive sick pay benefits. Board of Health 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 current and non-current liabilities on the government-wide financial statements. The annual change in the liability is reflected in the Statement of Activities.

LONG-TERM OBLIGATIONS

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position.

In the fund financial statements, governmental fund types recognize the face amount of the long-term debt issued as other financing sources and the repayment of debt as debt service expenditures.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

FUND BALANCE

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 County's highest level of decision-making authority, the Board of Commissioners. A formal resolution of the County's Board of Commissioners is required to establish, modify, or rescind a fund balance commitment. The County 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 County incurs an expenditure for purposes for which various fund balance classifications can be used, it is the County'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 County has spent) for the acquisition, construction or improvement of those assets. Net position is reported as restricted using the same definition as used for restricted fund balance as described in the section above. All other net position is reported as unrestricted.

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

USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ, in some cases significantly, from those estimates.

NOTE 2 - BUDGETS AND BUDGETARY ACCOUNTING

BUDGETARY INFORMATION

The County maintains the following budgetary procedures:

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

b. 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 Calhoun County.

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

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

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

f. Budget amounts are as originally adopted, or as amended by the Commission. Individual amendments (if any) were not material in relation to the original appropriation that was amended.

The general fund appropriated budget is prepared on a detailed line-item basis. Revenues are budgeted by source and expenditures are by budgeted by department. The legal level of control is by department and expenditures may not exceed appropriations at this level. Budget revisions at this level are subject to final review by the County Commission. Within the legal level of control, management may transfer appropriations without commission approval.

ENCUMBRANCES

The County has not reserved any fund balances for recorded encumbrances of financial resources. Encumbrance accounting is normally an extension of formal budgetary integration. Encumbrances do not represent actual expenditures but rather are budgetary items, which represent the estimated cost of goods and services, which have yet to be received. The purpose of encumbrance accounting is to facilitate the prevention of overspending of appropriations.

DEFICIT FUND BALANCES

No funds operated by the County have deficit fund balances.

NOTE 3 - CASH AND CASH EQUIVALENTS

Total cash and cash equivalents as of December 31, 2021, are summarized as follows:

Government-Wide Statement of Net Position	$ 4,550,638
Statement of Fiduciary Net Position	1,701,634
	$ 6,252,272
Cash Deposited with Financial Institutions	$ 6,359,515

Custodial credit risk 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 December 31, 2021, the Community Service Board did not have any balances exposed to custodial credit risk as uninsured and uncollateralized as defined by GASB pronouncements.

NOTE 4 - RECEIVABLES

Property taxes were levied on September 13, 2021. Bills are payable on or before December 20, 2021. The lien date for unpaid taxes was June 17, 2022. After that date, an interest penalty of 18% applies. The County bills and collects its own property taxes. Property taxes levied for 2021 are recorded as receivables, net of estimated uncollectibles. The net receivables collected during the year ended December 31, 2021, and collected by March 1, 2022 are recognized as revenues in the year ended December 31, 2021.

Accounts and intergovernmental receivables are recorded net of allowance for uncollectibles.

NOTE 5 - CAPITAL ASSETS

The County's capital asset activity for the year ended December 31, 2021, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital Assets, Not Being Depreciated:				
Land	$ 135,816	$ -	$ -	$ 135,816
Total Capital Assets, Not Being Depreciated	$ 135,816	$ -	$ -	$ 135,816
Capital Assets, Being Depreciated:				
Buildings and Improvements	$ 3,877,443	$ 5,860	$ -	$ 3,883,303
Infrastructure	2,101,220	-	-	2,101,220
Furniture, Machinery, and Equipment	1,840,186	39,486	(261,412)	1,618,260
Vehicles	1,483,044	-	(409,750)	1,073,294
Total Capital Assets, Being Depreciated	$ 9,301,893	$ 45,346	$ (671,162)	$ 8,676,077
Accumulated Depreciaion for:				
Buildings and Improvements	$ (2,332,140)	$ (101,661)	$ -	$ (2,433,801)
Infrastructure	(123,514)	(55,407)	-	(178,921)
Furniture, Machinery, and Equipment	(1,456,650)	(81,992)	202,841	(1,335,801)
Vehicles	(1,270,622)	(49,231)	409,750	(910,103)
Total Accumulated Depreciaion	$ (5,182,926)	$ (288,291)	$ 612,591	$ (4,858,626)
Total Capital Assets, Being Depreciated, Net	$ 4,118,967	$ (242,945)	$ (58,571)	$ 3,817,451
Governmental Activities Capital Assets, Net	$ 4,254,783	$ (242,945)	$ (58,571)	$ 3,953,267

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

Governmental Activities:	
General Government	$ 88,933
Judicial	2,503
Public Safety	61,784
Public Works	113,754
Health and Welfare	21,317
Total Depreciation Expense - Governmental Activities	$ 288,291

NOTE 6 - CAPITAL LEASES

The following is a summary of capital leases for the fiscal year ended December 31, 2021:

	Beginning Balance	Increase	Decrease	Ending Balance	Due in One Year
Leasing 2, Inc.	$ 112,992	$ -	$ 26,283	$ 86,709	$ 27,552
John Deere Financial	82,117	-	33,144	48,973	24,445
Caterpillar Financial Services	201,688	-	145,268	56,420	13,559
Total	$ 396,797	$ -	$ 204,695	$ 192,102	$ 65,556

Leasing 2, Inc.

The terms and purposes for the long-term obligation to Leasing 2, Inc. are as follows:

Capital lease payable dated May 1, 2019, for a Type 1 Chevrolet 3500HD Ambulance, due in annual installments of $31,738 each at 4.83% and maturing May 1, 2024. The outstanding amount due as of December 31, 2021 was $86,709.

John Deere Financial

The terms and purposes for the long-term obligation to John Deere Financial are as follows:

Capital lease payable dated August 7, 2018, for a 2017 John Deere 6120M Cab Tractor, due in monthly installments of $1,740 each at 0.00% and maturing July 7, 2022. The outstanding amount due as of December 31, 2021 was $12,181.

Capital lease dated March 22, 2019, for a 2019 John Deere 6120M Cab Tractor, due in annual installments of $12,264 each at 0.00% and maturing March 13, 2024. The outstanding amount due as of December 31, 2021 was $36,792.

Caterpillar Financial Services Corporation

The terms and purposes for the long-term obligation to Caterpillar Financial Services Corporation are as follows:

Capital lease payable dated September 30, 2021, for 2021 Caterpillar 306-07CR Hydraulic Excavator, due in annual installments of $10,000 in the year of acquisition and $15,047 each year thereafter through December 31, 2025, at 2.60%. The outstanding amount due as of December 31, 2021 was $56,420.

NOTE 6 - CAPITAL LEASES - CONTINUED

The future principal and interest lease payments as of December 31, 2021, are as follows:

Fiscal Year Payable	Principal	Interest	Total
2022	$ 65,556	$ 5,673	$ 71,229
2023	55,063	3,986	59,049
2024	56,822	2,227	59,049
2025	14,661	386	15,047
	$ 192,102	$ 12,272	$ 204,374

NOTE 7 - INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of December 31, 2021, is as follows:

DUE TO/FROM OTHER FUNDS

Receivable Fund	Payable Fund	Amount
TSPLOST Fund	SPLOST Fund	$ 108,633

All interfund balances resulted from the time lag between the dates that: (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

INTERFUND TRANSFERS

	Transfers Out			
Transfers In	SPLOST Fund	TSPLOST Fund	General Fund	Total
General Fund	$ 62,774	$ 106,649	$ -	$ 169,423
SPLOST Fund	-	343	-	343
TSPLOST Fund	33,543	-	-	33,543
Nonmajor Govermental F	-	-	990	990
Total	$ 96,317	$ 106,992	$ 990	$ 204,299

NOTE 7 - INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS - CONTINUED

Transfers are used to: 1) transfers out of the SPLOST Fund to the TSPLOST Fund were made for projects associated with TSPLOST activities that were paid for out of the SPLOST fund; 2) move unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds; and 3) transfers out of the SPLOST and TSPLOST Funds to the General Fund were made for projects and debt service associated with SPLOST and TSPLOST activities that were paid for out of the general fund.

NOTE 8 - LANDFILL CLOSURE AND POST-CLOSURE CARE COST

The County has closed its landfill and placed a final cover on the landfill in accordance with state and federal laws and regulations. In addition, state and federal laws and regulations require the County to perform certain maintenance and monitoring functions at the site for 30 years after closure. These maintenance and monitoring functions were completed during the year ended December 31, 2000 and were estimated to cost $1,730 per year. Since these maintenance and monitoring functions were completed during the year ended December 31, 2000, the County does not report any liability for landfill post-closure care. Actual costs were $13,854 for the year ended December 31, 2021.

NOTE 9 - RISK MANAGEMENT

The County is exposed to various forms of risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County maintains commercial insurance coverage for these risks of loss which management believes to be sufficient to preclude any significant uninsured losses to the County. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

In addition, the County has joined together with other counties in the state as part of the ACCG-GSIWCF (a Workers' Compensation Self Insurance Fund), a public entity risk pool currently operating as a common risk management and insurance program for member local governments.

As a 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 purview 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 judgment, and all expenses incurred for investigation, negotiation, or defense.

NOTE 10- TAX ABATEMENTS

Calhoun County, through the Development Authority of Calhoun County, allows for taxable revenue bond financing, pursuant to the Georgia Development Authorities law, under Title 36 Chapter 62 of the Official Code of Georgia, in order to promote the creation of jobs and stimulate development activity within Calhoun County. The taxable revenue bond financings result in the reduction of ad-valorem (real and/or personal property) taxes.

The County offers a reduction in property taxes through the structure of these financing arrangements. Specifically, the Development Authority of Calhoun County, a tax-exempt public organization created independently from the County, may enter into agreements with private individuals or entities in order to incentivize businesses to build, relocate, expand, or renovate in Calhoun County. The agreements involve a bond issuance and a sale-leaseback transaction, whereby the Development Authority of Calhoun County takes title to property and leases it back to the company. The company is responsible for making ad-valorem tax payments on the leasehold interest. The rental payments for the leasehold offset the debt service on the bonds over a 20-year term, so that at the end of the incentive period the bonds are fully retired, and the company regains title of the property through an option to purchase.

The Development Authority of Calhoun County considers the economic impacts of a proposed project and weighs such benefits against the costs of reduced revenue impacts when considering whether to enter into a taxable revenue bond deal with an individual or entity. Generally, eligible projects involve a commitment of significant capital investment and/or creation of net new jobs to the County, which propose a favorable return on investment for the County. There are no additional commitments other than to provide favorable tax treatment. There are provisions for recapturing some portion of the value of these incentives in the event capital investment and job creation numbers are not met during the incentive period; however, the Development Authority of Calhoun County can immediately return title to a company for a non-performing project, which cancels the incentive going forward.

For the year ended December 31, 2021, Calhoun County abated no property taxes that were levied on September 13, 2021 and due December 20, 2021. During the year ended December 31, 2020, the County entered in an agreement for the acquisition and installation of a photovoltaic electrical generating facility (the Lancaster Solar, LLC Project) with tax abatements to commence during the year ended December 31, 2022.

NOTE 11- COMMITMENTS AND CONTINGENCIES

LITIGATION

No litigation is pending (or has been threatened) against the County as of December 31, 2021, that management believes will result in a negative outcome and that would be material to the financial statements.

HOSPITAL AUTHORITY OF CALHOUN COUNTY

On April 7, 2009, the County entered into an intergovernmental agreement with the Hospital Authority of Calhoun County. Under this agreement, the Authority has issued a bond in the aggregate principal amount of $1,415,000 in order to finance the acquisition, construction and equipping certain capital improvements for the Hospital Authority of Calhoun County. In consideration of the Authority's doing so, the County has agreed to pay to the Authority amounts sufficient to pay the debt service on this bond and to levy an ad-valorem property tax on all property in the County subject to such tax, in order to pay the debt service.

NOTE 11- COMMITMENTS AND CONTINGENCIES - CONTINUED

Under the terms of this agreement, these annual debt service payments are due in monthly installments beginning July 2009 and ending July 2027.

GRANT CONTINGENCIES

In the normal course of operations, the County receives grant funds from various federal and state agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds.

NOTE 12- SUBSEQUENT EVENTS

The County has evaluated subsequent events through September 29, 2022, the date on which the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

CALHOUN COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND

For the Year Ended December 31, 2021

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
REVENUES				
Property Taxes	$ 1,632,199	$ 2,374,983	$ 2,386,474	$ 11,491
Sales Taxes	263,214	293,908	293,908	-
Alcohol Beverage Taxes	2,742	2,742	2,246	(496)
Insurance Premium Taxes	116,813	116,813	122,058	5,245
Other Taxes	37,093	37,093	46,864	9,771
Licenses and Permits	14,522	14,522	13,214	(1,308)
Fines and Forfeitures	58,770	81,707	81,707	-
Charges for Services	338,360	338,360	348,308	9,948
Intergovernmental	605,609	793,605	793,605	-
Other Revenues	184,994	184,994	11,143	(173,851)
Total Revenues	$ 3,254,316	$ 4,238,727	$ 4,099,527	$ (139,200)
EXPENDITURES				
Current:				
General Government	$ 1,044,501	$ 1,044,501	$ 973,981	$ 70,520
Judicial	458,008	458,008	382,154	75,854
Public Safety	1,603,128	1,620,146	1,620,146	-
Public Works	569,217	811,781	811,781	-
Health & Welfare	175,147	243,801	243,801	-
Housing and Development	66,253	66,253	55,447	10,806
Debt Service:				-
Principal	$ 26,283	$ 26,283	$ 26,283	$ -
Interest	5,455	5,455	5,455	-
Total Expenditures	$ 3,947,992	$ 4,276,228	$ 4,119,048	$ 157,180
EXCESS (DEFICIENY) OF REVENUES OVER EXPENDITURES	$ (693,676)	$ (37,501)	$ (19,521)	$ 17,980
OTHER FINANCING SOURCES (USES)				
Proceeds from Sale of Capital Assets	$ 37,501	$ 37,501	33,765	$ (3,736)
Appropriation of Fund Balance	656,175	-	-	-
Transfers In	-	-	169,423	169,423
Transfers Out	-	-	(990)	(990)
Capital Leases	-	-	-	-
Total Other Financing Sources (Uses)	$ 693,676	$ 37,501	$ 202,198	$ 164,697

CALHOUN COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND - CONTINUED

For the Year Ended December 31, 2021

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
Net Change in Fund Balances	$ -	$ -	$ 182,677	$ 182,677
Fund Balances, Beginning of Year	3,117,330	3,117,330	3,117,330	-
Fund Balances, End of Year	$ 3,117,330	$ 3,117,330	$ 3,300,007	$ 182,677

SUPPLEMENTARY INFORMATION

CALHOUN COUNTY, GEORGIA

COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS

December 31, 2021

	Special Revenue Funds				
	Jail Fund	E-911 Fund	Comdemnation of Controlled Substance Money Fund	Drug Abuse Treatment and Education Fund	Total Nonmajor Governmental Funds
ASSETS					
Cash and Cash Equivalents	$ 8,740	$ 239,308	$ 1,450	$ 28,902	$ 278,400
Accounts Receivable	-	7,697	3,931	-	11,628
Total Assets	$ 8,740	$ 247,005	$ 5,381	$ 28,902	$ 290,028
LIABILITIES AND FUND BALANCES					
FUND BALANCES					
Restricted for:					
Public Safety	$ 8,740	$ 247,005	$ 5,381	$ 28,902	$ 290,028
Total Fund Balances	$ 8,740	$ 247,005	$ 5,381	$ 28,902	$ 290,028

CALHOUN COUNTY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS

For the Year Ended December 31, 2021

	Special Revenue Funds				
	Jail Fund	E-911 Fund	Comdemnation of Controlled Substance Money Fund	Drug Abuse Treatment and Education Fund	Total Nonmajor Governmental Funds
REVENUES					
Fees and Forfeitures	$ 6,341	$ -	$ 1,920	$ 600	$ 8,861
Charges for Services	-	91,853	-	-	91,853
Other Revenues	1,019	-	20,668	231	21,918
Total Revenues	$ 7,360	$ 91,853	$ 22,588	$ 831	$ 122,632
EXPENDITURES					
Current:					
Public Safety	$ 24,671	$ 41,609	$ 9,163	$ -	$ 75,443
Capital Outlay	-	-	12,865	-	12,865
Total Expenditures	$ 24,671	$ 41,609	$ 22,028	$ -	$ 88,308
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	$ (17,311)	$ 50,244	$ 560	$ 831	$ 34,324
OTHER FINANCING SOURCES (USES)					
Transfers In	$ -	$ 990	$ -	$ -	$ 990
Transfers Out	-	-	-	-	-
Total Other Financing Sources (Uses)	$ -	$ 990	$ -	$ -	$ 990
Net Change in Fund Balances	$ (17,311)	$ 51,234	$ 560	$ 831	$ 35,314
Fund Balances, Beginning of Year	26,051	195,771	4,821	28,071	254,714
Fund Balances, End of Year	$ 8,740	$ 247,005	$ 5,381	$ 28,902	$ 290,028

CALHOUN COUNTY, GEORGIA

COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS

December 31, 2021

	Tax Commissioner	Probate Court	Clerk of Court	Sheriff	Magistrate Court	Total
ASSETS						
Cash and Cash Equivalents	$ 1,635,041	$ 13,789	$ 35,851	$ 2,103	$ 14,850	$ 1,701,634
Taxes Receivable	172,448	-	-	-	-	172,448
Total Assets	$ 1,807,489	$ 13,789	$ 35,851	$ 2,103	$ 14,850	$ 1,874,082
LIABILITIES						
Due to Others	$ 1,600,544	$ -	$ 8,539	$ 1,192	$ -	$ 1,610,275
Uncollected Taxes	172,448	-	-	-	-	172,448
Total Liabilities	$ 1,772,992	$ -	$ 8,539	$ 1,192	$ -	$ 1,782,723
NET POSITION						
Restricted for:						
Individuals, Organizations, and Other Governments	$ 34,497	$ 13,789	$ 27,312	$ 911	$ 14,850	$ 91,359
Total Net Position	$ 34,497	$ 13,789	$ 27,312	$ 911	$ 14,850	$ 91,359

CALHOUN COUNTY, GEORGIA

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS

For the Year Ended December 31, 2021

	Tax Commissioner	Probate Court	Clerk of Court	Sheriff	Magistrate Court	Total
ADDITIONS						
Taxes Collected	$ 5,694,394	$ -	$ -	$ -	$ -	$ 5,694,394
Fines and Fees Collected	-	135,640	81,350	52,370	48,454	317,814
Other Custodial Collections	64,437	-	-	-	-	64,437
Total Additions	$ 5,758,831	$ 135,640	$ 81,350	$ 52,370	$ 48,454	$ 6,076,645
DEDUCTIONS						
Taxes Disbursed	$ 5,694,394	$ -	$ -	$ -	$ -	$ 5,694,394
Fines and Fees Disbursed	-	124,275	81,350	52,370	43,768	301,763
Other Custodial Disbursements	64,437	-	-	-	-	64,437
Total Deductions	$ 5,758,831	$ 124,275	$ 81,350	$ 52,370	$ 43,768	$ 6,060,594
Change in Net Position	$ -	$ 11,365	$ -	$ -	$ 4,686	$ 16,051
Net Position, Beginning of Year	34,497	2,424	27,312	911	10,164	75,308
Net Position, End of Year	$ 34,497	$ 13,789	$ 27,312	$ 911	$ 14,850	$ 91,359

CALHOUN COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF
SPECIAL PURPOSE LOCAL OPTION SALES TAX
2019-2024 SPECIAL COUNTY SALES TAX PROCEEDS

For the Year Ended December 31, 2021

Project	Original Estimated Cost	Expenditures Prior Years	Expenditures Current Year	Cumulative Total
Road, Street, and Bridge Purposes	$ 2,475,000	$ 262,617	$ 165,156	$ 427,773
Capital Outlay Projects for the Following Municipalities:				
Arlington	$ 247,500	$ 49,335	$ 38,642	$ 87,977
Edison	288,750	57,556	45,082	102,638
Leary	148,500	29,601	23,185	52,786
Morgan	140,250	27,957	21,897	49,854
Total	$ 3,300,000	$ 427,066	$ 293,962	$ 721,028

Reconcilation of the Schedule of Expenditures of Special Purpose Local Option Sales Tax Proceeds to the Statement of Revenues, Expenditures and Changes in Fund Balance

Total current year expenditures of special purpose local option sales tax proceeds.	$ 293,962
Payment of principal and interest for expenditures previously included.	181,593
Total expenditures, per the statement of revenues, expenditures and changes in fund balance	$ 475,555

CALHOUN COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF TRANSPORTATION
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS

For the Year Ended December 31, 2021

Project	Original Estimated Cost	Expenditures		Cumulative Total
		Prior Years	Current Year	
Resurface and Pave Roads, Replace and Repair Gravel on County Roads, and Acquisition of Equipment to Repair and Maintain Roads	$ 975,000	$ 441,215	$ 72,816	$ 514,031
Capital Outlay Projects for the Following Municipalities:				
Arlington	$ 97,500	$ 54,686	$ 34,560	$ 89,246
Edison	113,750	63,801	40,320	104,121
Leary	58,500	32,812	20,736	53,548
Morgan	55,250	30,989	19,587	50,576
Total	$ 1,300,000	$ 623,503	$ 188,019	$ 811,522

COMPLIANCE SECTION

ROBERT BAKER
& ASSOCIATES, CPAs

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*

To the Board of Commissioners
Calhoun County, Georgia
Morgan, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Calhoun County, Georgia, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise Calhoun County, Georgia's basic financial statements, and have issued our report thereon dated September 29, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Calhoun County, Georgia's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Calhoun County, Georgia's internal control. Accordingly, we do not express an opinion on the effectiveness of Calhoun 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

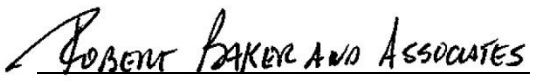
Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Calhoun 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

ROBERT BAKER & ASSOCIATES, CPAs



Certified Public Accountants
Albany, Georgia
September 29, 2022

CALHOUN COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND RESPONSES

For The Fiscal Year Ended December 31, 2021

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: unmodified

Internal control over financial reporting:

Material weakness(es) identified?	____ yes	_X_ no
Control deficiency(ies) identified not considered to be material weaknesses?	____ yes	_X_ none reported
Noncompliance material to financial statements noted?	____ yes	_X_ no

Section II - Financial Statement Findings

Auditor Reference Number

-NONE-

CALHOUN COUNTY, GEORGIA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For The Fiscal Year Ended December 31, 2021

Auditor Reference Number	
2020-001	Expenditures Exceeded Appropriations - This funding was corrected during the year ended December 31, 2021.