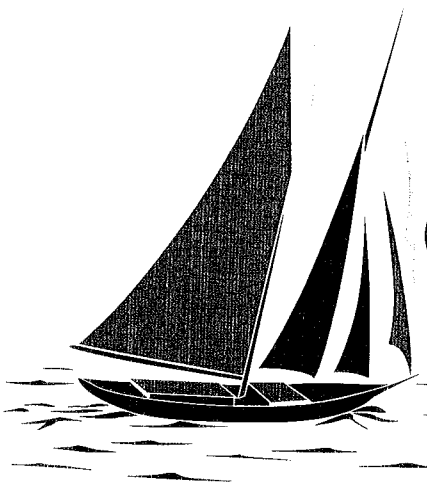


Coastal
CPAs, LLC

**Decatur County, Georgia**

**Report on Examination of Financial Statements**

For the Fiscal Year Ended
**June 30, 2021**



# DECATUR COUNTY, GEORGIA

## REPORT ON EXAMINATION

## OF

## FINANCIAL STATEMENTS

## For the Fiscal Year Ended June 30, 2021

# FINANCIAL SECTION

**DECATUR COUNTY, GEORGIA**
**For The Fiscal Year Ended June 30, 2021**
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## INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners
Decatur County, Georgia
Bainbridge, Georgia

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Decatur County, Georgia, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

#### *Management's Responsibility for the Financial Statements*

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

#### *Auditors' Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the aggregate discretely presented component units (Decatur County Health Department, the Hospital Authority of Bainbridge, Decatur County, Georgia, and the Development Authority of Bainbridge and Decatur County, Georgia), which represents 50.56%, 17.63% and 17.26%, respectively, of the total assets, net position and revenues of Decatur County, Georgia. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the aggregate discretely presented components units (Decatur County Health Department, the Hospital Authority of Bainbridge, Decatur County, Georgia, and the Development Authority of Bainbridge and Decatur County, Georgia), is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we



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Members of: American Institute of Certified Public Accountants | Georgia Society of Certified Public Accountants
Governmental Finance Officers Association | Association of Government Accountants | Association of Certified Fraud Examiners

express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Decatur County, Georgia, as of June 30, 2021, 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.

***Other Matters***

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and pension information on pages I–XV, 83-85, and 86-88 respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Decatur County's basic financial statements. The accompanying schedule of expenditures of Special Purpose Local Option Sales Tax and Transportation Special Purpose Local Option Sales Tax proceeds (pages 117) is presented for purposes of additional analysis as required by Georgia Statutes (48-8-121 OCGA) and is not a required part of the financial statements of Decatur County, Georgia. Additionally, in the supplemental section, the combining and individual fund financial statements and schedules on pages 89-116, and the Annual Report of 911 Expenditures on pages 120-122 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual non-major fund financial statements and schedules, the schedule of Special Purpose Local Option Sales Tax and Transportation Special Purpose Local Option Sales Tax proceeds, the annual report of 911 expenditures and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules, the schedule of Special Purpose Local Option Sales Tax and Transportation Special Purpose Local Option Sales Tax proceeds, the annual report of 911 expenditures and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 31, 2022, on our consideration of Decatur 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 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 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 Decatur County, Georgia's internal control over financial reporting and compliance.

*Coastal CPAs, LLC*

Coastal CPAs, LLC
St. Simons Island, Georgia
January 31, 2022

# DECATUR COUNTY GOVERNMENT

## Management's Discussion and Analysis

## For the Fiscal Year Ended June 30, 2021

Our discussion and analysis of Decatur County's financial performance provides an overview of the County's financial activities for the fiscal year ended June 30, 2021. Please read it in conjunction with the County's financial statements, which begin on page 1, and the Notes to the Financial Statements, which begin on page 15.

## FINANCIAL HIGHLIGHTS

The County's net position totaled $74,530,414 for its governmental and business-type activities, an increase of $7,430,819 from the previous fiscal year.

- Total combined revenues for governmental and business-type activities were $40,749,916.
- Overall expenses were $33,319,097, of which governmental activities were $27,450,343 and business-type activities were $5,868,754.
- As of June 30, 2021, governmental activities' expenses exceeded program revenue, resulting in the use of $21,624,246 in general revenues (primarily taxes).
- In the County's business-type activities, revenues were $6,108,025 and expenses were $5,868,754, for an operating gain of $239,271 for 2021. Operating gains for the County's business-type activities are also supplemented by general revenues.
- The General Fund resources available for appropriation were $3,108,429 more than budgeted and expenditures were $2,887,691 less than budgeted.
- The combined governmental funds' balance as of June 30, 2021 was $22,431,701, of which the General Fund comprised $14,113,966, the Transportation Special Purpose Local Option Sales Tax (TSPLOST) comprised $5,601,359, the Special Purpose Local Option Sales Tax (SPLOST) Capital Projects Funds comprised $707,557, and other governmental funds comprised $2,008,819.
- The General Fund reported an increase of $2,839,555 in unassigned fund balance to $13,690,487 from the prior fiscal year.

## USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 1- 3) provide information about the activities of the County as a whole and present a longer-term view of the County's finances. The Statement of Net Position presents information on all of the County's assets and liabilities, with the difference between the two reported as net position. The Statement of Activities presents information showing how the County's net position changed during the most recent fiscal year. The governmental fund financial statements start on page 4. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the County's operations in more detail than the government-wide statements by providing information about the County's most significant funds. The remaining statements provide financial information about activities for which the County acts solely as a trustee or agent for the benefit of those outside of the government.

## Government-wide Reporting

### The Statement of Net Position and the Statement of Activities

Our analysis of the County as a whole begins on page IV. One of the most important questions asked about the County's finances is, "Is the County as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the County as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the type of accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the County's net position and changes in them. You can think of the County's net position—the difference between assets and liabilities—as one way to measure the County's financial health, or financial position. Over time, increases or decreases in the County's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the County's property tax base and the condition of the County's roads to assess the overall well-being of the County.

In the Statement of Net Position and the Statement of Activities, we divide the County into three kinds of activities:

- Governmental activities—Most of the County's basic services are reported here, including the public safety, public works, judiciary, health, welfare, culture, recreation, development, as well as general administration. Property taxes, sales taxes, fees, fines, and state and federal grants finance most of these activities.
- Business-type activities—The County charges a fee to customers to help it cover the cost of certain services it provides. The Natural Gas, Landfill, Water and Sewer, and Prison are reported here.
- Component units—The County includes three separate legal entities in its report – the Decatur County Health Department, Development Authority of Bainbridge and Decatur County, Hospital Authority of Bainbridge, Decatur County, GA and the Law Library Special Revenue Fund. The Decatur County Health Department, Development Authority of Bainbridge and Decatur County, and the Hospital Authority of Bainbridge, Decatur County, GA are presented as discretely-presented component units in a separate column in the basic financial statements. The Law Library Special Revenue Fund is reported as a blended component unit in the other governmental funds column of the basic financial statements. Although legally separate, these "component units" are important because the County is either financially accountable, or may maintain control by means of appointments to the governing boards of these organizations, or may be required by the state to report them as component units. Financial Statements for the County's discretely presented component units are found beginning on page 13.

## Reporting the County's Most Significant Funds

### Fund Financial Statements

Our analysis of the County's major funds begins on page VIII. The fund financial statements begin on page 4 and provide detailed information about the most significant funds—not the County as a whole. Some funds are required by State law and by bond covenants. However, the County establishes other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (like grants received from the Georgia Department of Community Affairs). The County's two kinds of funds—governmental and proprietary—use different accounting approaches.

- Governmental funds—Most of the County's basic services are reported in governmental funds, which focuses on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the County's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. We describe the relationship (or differences) between government-wide information (reported in the Statement of Net Position and the Statement of Activities) and governmental fund information in reconciliations on pages 5 and 7, respectively.
- Proprietary funds—When the County charges customers for the services it provides—whether to outside customers or to other units of the County—these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the County's enterprise funds (a component of proprietary funds) are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds. The proprietary fund statements begin on page 8.

### The County as Trustee

### Reporting the County's Fiduciary Responsibilities

- Fiduciary funds—these funds are used to account for assets held for others. All of the County's fiduciary activities are reported in separate statements on pages 12-13 and 111-112. These agency funds' balances are due to other funds, agencies and individuals as of the fiscal year end. We exclude these activities from the County's other financial statements because the County cannot use these assets to finance its operations. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

## THE COUNTY AS A WHOLE

## NET POSITION

The County's combined net position increased by $7,430,819 from a year ago—from $67,099,595 to $74,530,414. Our analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the County's governmental and business-type activities.

**Table 1**
**Net Position**
(000's omitted)

| | Governmental Activities | | Business-type Activities | | Total Primary Government | | Total % Change |
|---|---|---|---|---|---|---|---|
| **Assets:** | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2019-2020 |
| Current assets | $ 25,012 | $ 24,413 | $ 9,560 | $ 9,227 | $ 34,572 | $ 33,640 | -2.7% |
| Capital assets- net | 40,560 | 41,116 | 18,032 | 18,250 | 58,592 | 59,366 | 1.3% |
| **Total assets** | **65,572** | **65,529** | **27,592** | **27,477** | **93,164** | **93,006** | **-0.2%** |
| Deferred Outflow of Resources | | | | | | | |
| Pension | 1,473 | 819 | 390 | 207 | 1,863 | 1,026 | 44.9% |
| **Total Deferred Ouflows of Resources** | **1,473** | **819** | **390** | **207** | **1,863** | **1,026** | **44.9%** |
| **Liabilities:** | | | | | | | |
| Long-term debt outstanding | 4,206 | 3,285 | 5,146 | 4,566 | 9,352 | 7,851 | -16.1% |
| Other liabilities | 12,298 | 5,280 | 4,882 | 4,573 | 17,180 | 9,853 | -42.6% |
| **Total liabilities** | **16,504** | **8,565** | **10,028** | **9,139** | **26,532** | **17,704** | **-33.3%** |
| Deferred Inflow of Resources | | | | | | | |
| Pension | 1,104 | 1,435 | 292 | 363 | 1,396 | 1,798 | -28.8% |
| **Total Deferred Inflows of Resources** | **1,104** | **1,435** | **292** | **363** | **1,396** | **1,798** | **-28.8%** |
| **Net position:** | | | | | | | |
| Net investment in capital assets | 36,355 | 37,831 | 12,887 | 13,683 | 49,242 | 51,514 | 4.6% |
| Restricted | 5,996 | 8,904 | 88 | - | 6,084 | 8,904 | 46.4% |
| Unrestricted (deficit) | 7,087 | 9,613 | 4,687 | 4,499 | 11,774 | 14,112 | 19.9% |
| **Total net position *** | **$ 49,438** | **$ 56,348** | **$ 17,662** | **$ 18,182** | **$ 67,100** | **$ 74,530** | **11.1%** |

The County's total net position (governmental and business-type activities) was $74,530,414 as of June 30, 2021. The County's unrestricted net position was a positive $14,111,916 at June 30, 2021; however, $51,514,757 was the net investment in capital assets.

The largest portion of the County's net position reflects its net investment in capital assets such as land, buildings, equipment and infrastructure (roads, bridges,). The County uses these capital assets to provide services to its citizens; therefore, these assets are not available for future spending. Although the County's investment in capital assets

is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The total net position of our business-type activities increased by 2.95% to $18,182,209 compared to $17,661,790 in 2020.

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## CHANGES IN NET POSITION

The County's total change in net position was a positive $7,430,819 from the prior fiscal year as a result of a positive $6,910,400 in its governmental activities and a positive $520,419 in its business-type activities.

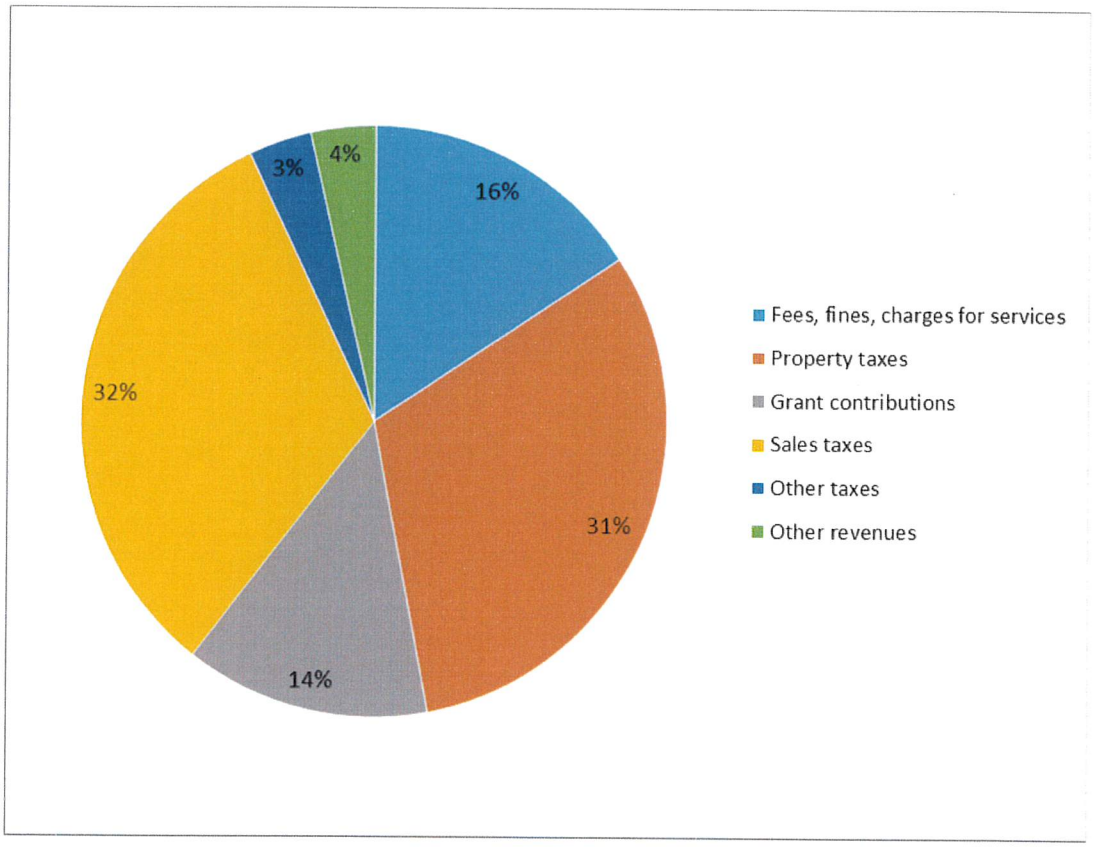
**Table 2**
**Changes in Net Position**
(000's omitted)

| | Governmental Activities | | Business Type Activities | | Total Primary Government | | Total % Change |
|---|---|---|---|---|---|---|---|
| | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020-2021 |
| **Revenues** | | | | | | | |
| Program revenues: | | | | | | | |
| Charges for services | $ 2,288 | $ 2,424 | $ 4,003 | $ 3,983 | $ 6,291 | $ 6,407 | 1.8% |
| Operating grants | 2,246 | 1,536 | 2,520 | 2,125 | 4,766 | 3,661 | -23.2% |
| Capital grants | 1,221 | 1,842 | - | - | 1,221 | 1,842 | 50.9% |
| General revenues: | | | | | | | |
| Property taxes | 12,679 | 12,748 | - | - | 12,679 | 12,748 | 0.5% |
| Other taxes | 12,732 | 14,638 | - | - | 12,732 | 14,638 | 15.0% |
| Grants not restricted to specific programs | 6,570 | - | - | - | 6,570 | - | -100.0% |
| Investment earnings | 183 | 69 | - | - | 183 | 69 | -62.3% |
| Miscellaneous | 563 | 746 | - | - | 563 | 746 | 32.5% |
| **Total general / program revenues** | **38,482** | **34,003** | **6,523** | **6,108** | **45,005** | **40,111** | **-10.9%** |
| **Program Expense** | | | | | | | |
| General government | 1,880 | 1,852 | - | - | 1,880 | 1,852 | -1.5% |
| Judicial | 1,959 | 1,562 | - | - | 1,959 | 1,562 | -20.3% |
| Public safety | 14,932 | 14,345 | 2,810 | 2,638 | 17,742 | 16,983 | -4.3% |
| Public works | 11,228 | 7,341 | 3,251 | 3,231 | 14,479 | 10,572 | -27.0% |
| Health and welfare | 140 | 148 | - | - | 140 | 148 | 5.7% |
| Culture and recreation | 110 | 108 | - | - | 110 | 108 | -1.8% |
| Housing and development | 1,207 | 1,082 | - | - | 1,207 | 1,082 | -10.4% |
| Interest & fiscal charges | 912 | 1,012 | - | - | 912 | 1,012 | 11.0% |
| **Total program expenses** | **32,368** | **27,450** | **6,061** | **5,869** | **38,429** | **33,319** | **-13.3%** |
| Changes in net position before transfers | 6,114 | 6,553 | 462 | 239 | 6,576 | 6,792 | -3.3% |
| Special item | 148 | 357 | (81) | 281 | 67 | 638 | 852.2% |
| Transfers | (189) | - | 189 | - | - | - | - |
| **Changes in net position** | **$ 6,073** | **$ 6,910** | **$ 570** | **$ 520** | **$ 6,643** | **$ 7,430** | **-11.8%** |

Depreciation expenses of $4,133,545 were allocated to the governmental and business type activities. $2,842,735 was allocated to the function of governmental activities and $1,290,810 was allocated to the function of business type activities.

As can be seen from the following chart, approximately 31% of the County's combined total revenue is provided by property taxes, 14% by grant contributions, 16% by fees, fines, and charges for services, 32% by sales taxes, 3% by other taxes, and the remaining 4% by other revenues. The County charges fees for services as varied as providing copies of documents, issuing building permits, water and sewer, natural gas, landfill, inmate housing/labor and Emergency 911, in addition, the Courts (Superior, State, Probate, Magistrate & Juvenile) impose fines for violations of laws and ordinances.

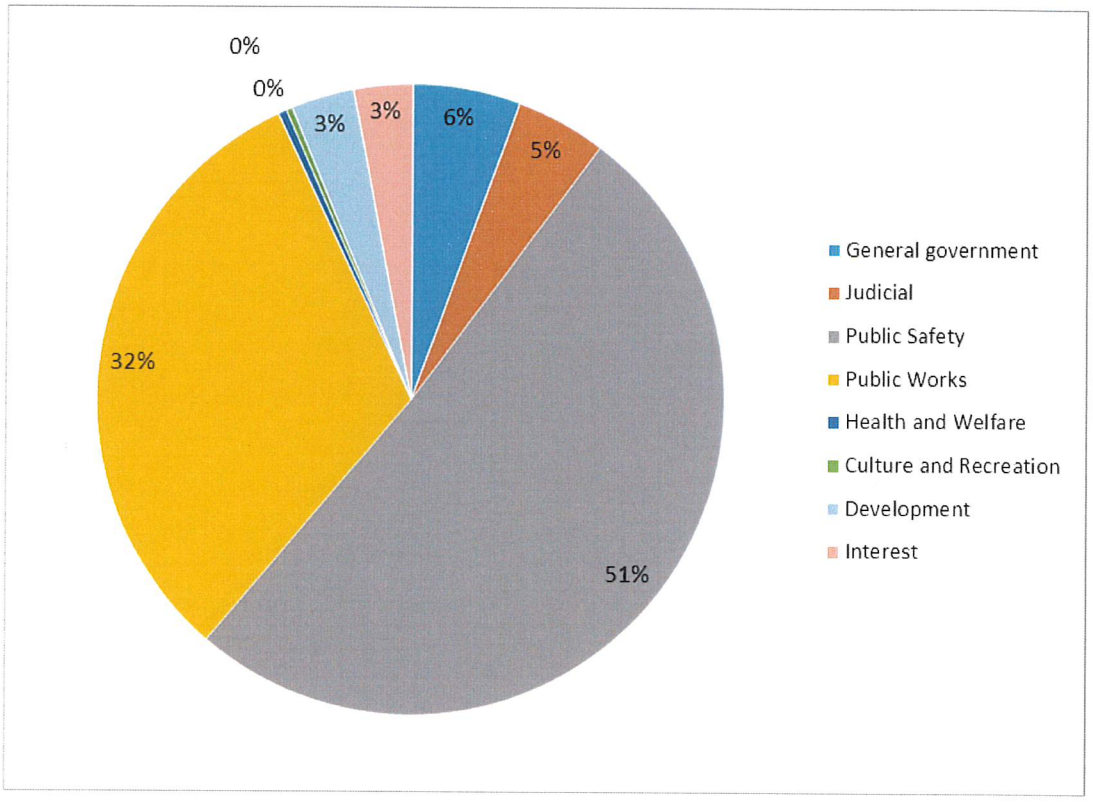
## Revenue Sources – FY 2021




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The County's major expenses, at 51% of the combined total, are clearly in the area of providing services to ensure the public safety. These services include the Sheriff's office, jail operations, fire protection, emergency medical services, E-911, the coroner, animal control, and emergency management.

## Program Expenses – FY 2021




*This space intentionally left blank.*

## THE COUNTY'S FUNDS

Decatur County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The objective of the County's governmental funds is to provide information on near-term activity and balances of spendable resources. Such information is useful in assessing the County's financial requirements. In particular, the unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. It should be noted, however, that one of the County's major revenue sources—property taxes—is available once a year, approximately five months after the close of the fiscal year. The fund balance at the close of any fiscal year should be large enough to provide adequate financial resources until the next fiscal year's taxes are received.

The County ended the 2021 fiscal year with a fund balance of $22,431,701 in its governmental funds. Restricted fund balance is made up of $47,531 restricted for legal reference materials, $1,076,161 restricted for public safety, $7,608 restricted for debt service, and $7,757,441 restricted for other projects. Unassigned fund balance was $13,104,481 and Nonspendable fund balance was $423,479.

### Major Funds

### General Fund

The General Fund is the operating fund of the County. At the end of the current year, the fund balance was $14,113,966, with $13,690,487 listed as unassigned. The fund balance in the General Fund increased $2,423,125 during FY 2021, primarily due to revenues in exceeding expenditures.

### Transportation Special Purpose Local Option Sales Tax (TSPLOST) Capital Projects Fund

The TSPLOST Capital Project Fund was established to account for the proceeds of the special one-cent sales tax for transportation related projects approved by the voters on November 7, 2017, for up to $24 million during five years beginning April 1, 2018. These funds will be applied to the maintenance and repair of county-wide roads.

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TSPLOST expenditures during FY 2021 consisted of the following:

| Description | TSPLOST |
|---|---|
| County Wide Projects | $ 851,427 |
| Total | $ 851,427 |

| Reconciliation to Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds | |
|---|---|
| Total expenditures from above | $ 851,427 |
| Intergovernmental | 1,787,309 |
| Total expenditures | $ 2,638,736 |

Additional information on the TSPLOST Capital Projects funds can be found on pages 4-7 and page 119.

**Special Purpose Local Option Sales Tax VI (SPLOST) Capital Projects Fund**

The SPLOST VI Fund was established to account for the proceeds of the special one-cent sales tax and projects approved by the voters on September 16, 2008, for up to $17.8 million and November 4, 2003, for up to $13.5 million.

On February 25, 2014, the voters approved a six year SPLOST referendum (SPLOST VI Fund) which began on April 1, 2015. Capital projects approved in the referendum are as follows:

| | | |
|---|---|---|
| County Wide Projects | $ 3.30 | Million |
| Public Safety | 3.80 | Million |
| Public Works | 5.10 | Million |
| Regional Landfill | 0.80 | Million |
| Vehicle Fleet Upgrade | 0.40 | Million |
| Recreation/Debt service | 2.00 | Million |
| Industrial Park | 0.60 | Million |
| Total | $ 16.00 | Million |

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SPLOST VI expenditures during FY 2021 consisted of the following:

| Description | | SPLOST VI |
|---|---|---|
| County Wide Projects | $ | 155,969 |
| Public Safety | | 709,069 |
| Public Works | | 1,103,405 |
| Regional Landfill | | - |
| Industrial Park | | - |
| Vehicle Fleet Upgrade | | - |
| Recreation/ Debt Service | | 169,521 |
| Total | $ | 2,137,964 |
| Reconciliation to Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds | | |
| Total expenditudres from above | $ | 2,137,964 |
| Intergovernmental | | 2,434,228 |
| SPLOST debt service expenditures | | (169,521) |
| Grant proceeds expended for road projces | | 1,104,583 |
| Total expenditures | $ | 5,507,254 |

Additional information on the SPLOST Capital Projects funds can be found on pages 4-7 and page 117.

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**Other Governmental Funds**

Combined assets were $3,087,387, liabilities $1,078,568; restricted fund balance was $2,594,825; unassigned fund balance was a negative $586,006 for the year ended June 30, 2021. These totals are a combination of special revenue and capital projects funds.

**Non-Major Special Revenue Funds**

The County uses special revenue funds to account for the collection and disbursement of revenues that are legally restricted to expenditures for specific purposes. Included in this classification are:

- E-911 Fund
- E-911 Radio System
- Confiscated Asset Fund
- Law Library Fund
- CDBG – EIP Fund
- Victim's Assistance Fund
- Mandatory Drug Fund
- Decatur County Prison Account
- Jail Fund
- Decatur Jail Inmate Fund
- A-1 Truss Fund
- Multiple Grants Fund

**Non-Major Debt Service Funds**

The County uses debt service funds to account for the collection and disbursement of revenues that are restricted to related debt. Included in this classification are:

- SPLOST Debt Service Fund
- Bond Debt Service Fund

**Non-Major Capital Projects Funds**

The County uses capital projects funds to account for the financial resources used for the acquisition or construction of major capital facilities and improvements. Included in this classification are:

- SPLOST VII Fund
- CDBG Bethel Heights Subd Fund

### Proprietary Funds

The County reports four business-type activities as proprietary funds: Water and Sewer, Natural Gas, Landfill, and Prison. The Water and Sewer, Natural Gas, Landfill, and Prison Funds had combined operating income which totaled $329,385. This compares to last year's operating gain of Water and Sewer, Natural Gas, Landfill, and Prison Funds of $574,449. The operating gains/losses in the business-type activities were increased by non-operating revenues and transfers from other funds. More detailed information about the County's proprietary funds can be found on pages 8-11.

### Fiduciary Funds

These agency funds' balances are due to other funds, agencies and individuals as of the fiscal year end. Additional information is available on pages 111-112 of the Combining and Individual Fund Statements and Schedules Section. We exclude these activities from the County's other financial statements because the County cannot use these assets to finance its operations. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes. The fiduciary funds' had a total net position of $1,531,372.

## GENERAL FUND BUDGETARY HIGHLIGHTS

The legal level of budgetary control (the level at which expenditures may not legally exceed appropriations) is at the department level. The most significant budget is that of the General Fund. Significant variations between the original and final budget amounts were as a result of increased funding from grantor agencies and increases in fines, fees, charges for services, and miscellaneous revenues.

The County's original budget and the final budget were prepared on the cash basis. The actual revenues and expenditures on the cash basis, along with transfers and proceeds from the sale of capital assets, resulted in an excess of $9,031,777.

Actual revenues were $3,108,429 more than budgeted and actual expenditures were $2,887,691 less than budgeted and other financing sources/uses and special items reflects a positive $2,690,492 variance resulting in the increase in unassigned financial resources of $9,031,777.

## CAPITAL ASSET AND DEBT ADMINISTRATION

### Capital Assets

The County's investment in capital assets for its governmental and business-type activities as of June 30, 2021, amounts to $59,366,023 net of accumulated depreciation of $65,435,188. This investment in capital assets includes land, site improvements, construction-in-progress, buildings and building improvements, equipment, and infrastructure.

Depreciation expense for the period was $4,144,590, of which $1,784,283 was for infrastructure. Additional information on Capital Assets can be found in Note 4 of the Notes to the Financial Statements, on pages 30-31.

### Long-term Debt

As of June 30, 2021, Decatur County had $7,851,266 in outstanding long-term debt principal, of which $1,390,822 is due within one year. $858,276 of the debt due within one year represents current payments on capital leases for equipment used in the General and Landfill funds. The County elected to enter into a loan agreement with the Georgia Environmental Facilities Authority to be used to finance the Silver Lake property. The current portion of this debt due in the upcoming fiscal year is $163,782. The landfill fund has an accrued liability of $835,362 for closure and post closure costs for the old landfill, which was closed in July 2006. Also, the landfill fund has an accrued liability of $2,904,103 for closure and post-closure costs for the new landfill, which was opened shortly after the old landfill was closed and is currently in use. The County is of the opinion that future net resources of the landfill fund will be able to service this liability.

The Commissioners annually adopt a balanced budget, set the millage rate to provide general revenues to cover the costs of all County programs that are not covered by specific program revenues, maintain an adequate unassigned general fund balance, and adopt such financial policies as enhance their ability to maintain a safe and sound financial structure for the County. Additional information about the County's long-term debt can be found in Note 5 of the Notes to the Financial Statements, beginning on page 32.

## ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The County's elected and appointed officials considered many factors when setting the fiscal-year 2021 budget, including, but not limited to, tax rates and fees that will be charged for services. One of the most significant factors is the current condition of the economy. Although demand for an increase in services continues to rise, as does the expenses to fund services, the economy has not kept pace providing any additional funds.

The commissioners actively participate in regional planning with State agencies, Federal agencies, neighboring counties and municipalities within the County to maximize services to our citizens and to provide these services as economically reasonable as possible.

It is the desire of the Board of Commissioners to provide the highest level of service at the most economical cost to our citizens.

## CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Decatur County Board of Commissioners, 203 West Broughton, Bainbridge, Georgia 39817 or call 229-248-3030.

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# BASIC FINANCIAL STATEMENTS

# DECATUR COUNTY, GEORGIA
## Statement of Net Position
## June 30, 2021

| | Governmental Activities | Business-Type Activities | Total | Total Component Units |
|---|---|---|---|---|
| **ASSETS** | | | | |
| Cash on hand and in banks | $ 20,422,571 | $ 3,267,305 | $ 23,689,876 | $ 8,003,075 |
| Pooled cash | 6,418,390 | - | 6,418,390 | - |
| Receivable (net, where applicable, of allowances for uncollectible): | | | | |
| Taxes | 209,614 | - | 209,614 | - |
| Accounts | 147,596 | 654,242 | 801,838 | 6,765,987 |
| Other | - | - | - | 4,394,680 |
| Internal balances | (5,206,464) | 5,206,464 | - | - |
| Due from other governments | 2,339,819 | 78,826 | 2,418,645 | 235,916 |
| Inventory, at cost | 15,775 | - | 15,775 | 646,594 |
| Prepaid expenses | 66,057 | 20,223 | 86,280 | 379,720 |
| Restricted assets | - | - | - | 11,035,175 |
| Land and construction in progress | 9,938,058 | 1,861,277 | 11,799,335 | - |
| Other capital assets, net of depreciation | 31,177,860 | 16,388,828 | 47,566,688 | 15,911,917 |
| **Total Assets** | 65,529,276 | 27,477,165 | 93,006,441 | 47,373,064 |
| **DEFERRED OUTFLOWS OF RESOURCES** | | | | |
| Deferred outflow of resources-pension | 819,313 | 207,096 | 1,026,409 | 219,000 |
| **Total Deferred Outflows of Resources** | 819,313 | 207,096 | 1,026,409 | 219,000 |
| **LIABILITIES** | | | | |
| Accounts payable and accrued expenses | 990,949 | 154,852 | 1,145,801 | 7,883,277 |
| Accrued liabilities | 660,418 | 61,210 | 721,628 | 2,107,223 |
| Unearned revenue | 1,186,800 | - | 1,186,800 | - |
| Short-term debt | - | - | - | 2,411,083 |
| Long-term liabilities: | | | | |
| Portion due and payable within one year: | | | | |
| Capital leases, notes and bonds payable | 915,290 | 475,532 | 1,390,822 | 1,742,876 |
| Portion due and payable after one year: | | | | |
| Capital leases, notes and bonds payable | 2,369,533 | 4,090,911 | 6,460,444 | 10,722,456 |
| Net Pension Liability | 2,442,020 | 617,265 | 3,059,285 | 664,024 |
| Net OPEB Liability | - | - | - | 117,414 |
| Accrued closure/postclosure costs | - | 3,739,465 | 3,739,465 | - |
| Compensated absences payable | - | - | - | 89,529 |
| **Total Liabilities** | 8,565,010 | 9,139,235 | 17,704,245 | 25,743,846 |
| **DEFERRED INFLOWS OF RESOURCES** | | | | |
| Deferred inflow of resources-pension | 1,435,374 | 362,817 | 1,798,191 | 213,644 |
| **Total Deferred Inflows of Resources** | 1,435,374 | 362,817 | 1,798,191 | 213,644 |
| **NET POSITION** | | | | |
| Net investment in capital assets | 37,831,095 | 13,683,662 | 51,514,757 | 10,777,282 |
| Restricted for: | | | | |
| Other projects | 8,896,133 | - | 8,896,133 | - |
| Other purposes | - | - | - | 433,563 |
| Family Planning | - | - | - | 25,000 |
| Donations | - | - | - | 10,658 |
| Rabies | - | - | - | 10,000 |
| Equipment | - | - | - | 23,747 |
| Migrant | - | - | - | 378,744 |
| Debt service | 7,608 | - | 7,608 | - |
| Expendable for Self-Insurance | - | - | - | 746,692 |
| Unrestricted | 9,613,369 | 4,498,547 | 14,111,916 | 736,930 |
| **Total Net Position** | $ 56,348,205 | $ 18,182,209 | $ 74,530,414 | $ 13,142,616 |

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

# DECATUR COUNTY, GEORGIA
## Statement of Activities
## For the Fiscal Year Ended June 30, 2021

| 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: Business-Type Activities | Primary Government: Total | Component Units |
|---|---|---|---|---|---|---|---|---|
| **Governmental:** | | | | | | | | |
| General Government | $ 1,852,301 | $ 445,929 | $ 304,033 | $ - | $ (1,102,339) | | $ (1,102,339) | |
| Judicial | 1,562,135 | 817,552 | - | - | (744,583) | | (744,583) | |
| Public Safety | 14,344,971 | 1,159,961 | 1,165,711 | 601,706 | (11,417,593) | | (11,417,593) | |
| Public Works | 7,341,188 | - | - | 1,240,046 | (6,101,142) | | (6,101,142) | |
| Health and Welfare | 147,998 | - | - | - | (147,998) | | (147,998) | |
| Culture and Recreation | 107,752 | - | - | - | (107,752) | | (107,752) | |
| Housing and Development | 1,082,410 | 250 | 66,235 | - | (1,015,925) | | (1,015,925) | |
| Interest on long-term debt | 1,011,588 | - | - | - | (1,011,588) | | (1,011,588) | |
| Total governmental activities | 27,450,343 | 2,423,692 | 1,535,979 | 1,841,752 | (21,648,920) | | (21,648,920) | |
| **Business-type:** | | | | | | | | |
| Water and Sewer | 486,558 | 233,681 | - | - | - | $ (252,877) | (252,877) | |
| Natural Gas | 417,554 | 640,626 | - | - | - | 223,072 | 223,072 | |
| Landfill | 2,326,257 | 2,850,305 | 10,294 | - | - | 534,342 | 534,342 | |
| Prison | 2,638,385 | 258,168 | 2,114,951 | - | - | (265,266) | (265,266) | |
| Total business-type activities | 5,868,754 | 3,982,780 | 2,125,245 | - | - | 239,271 | 239,271 | |
| Total primary government | $ 33,319,097 | $ 6,406,472 | $ 3,661,224 | $ 1,841,752 | | | | |
| **Component units:** | | | | | | | | |
| Hospital Authority of Bainbridge and Decatur County | $ 47,420,835 | $ 46,667,067 | $ - | $ 39,920 | | | | $ (713,848) |
| Development Auth. Bdge & Dec. Co. | 473,404 | 66,698 | 165,000 | 747,477 | | | | 505,771 |
| Decatur County Health Department | 1,913,997 | 526,952 | 1,383,557 | - | | | | (3,488) |
| Total component units | $ 49,808,236 | $ 47,260,717 | $ 1,548,557 | $ 787,397 | | | | (211,565) |

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

## DECATUR COUNTY, GEORGIA
## Statement of Activities
## For the Fiscal Year Ended June 30, 2021

| | Primary Government | | | |
|---|---|---|---|---|
| | Governmental Activities | Business-Type Activities | Total | Component Units |
| Changes in Net position: | | | | |
| Net (expenses) revenue (Page 2) | (21,648,920) | 239,271 | (21,409,649) | (211,565) |
| General revenues: | | | | |
| Taxes | | | | |
| Property taxes, levied for general purposes | 12,748,310 | - | 12,748,310 | 366,905 |
| Sales taxes | 13,218,140 | - | 13,218,140 | 605,510 |
| Intangible taxes | 113,034 | - | 113,034 | - |
| Insurance premium tax | 1,035,457 | - | 1,035,457 | - |
| Other general taxes | 271,111 | - | 271,111 | - |
| Investment earnings | 68,868 | - | 68,868 | - |
| Miscellaneous | 747,460 | - | 747,460 | 6,038,949 |
| Special item - sale of capital assets | 356,940 | 281,148 | 638,088 | 20,313 |
| Total general revenues, extraordinary items, and transfers | 28,559,320 | 281,148 | 28,840,468 | 7,031,677 |
| **Change in net position** | 6,910,400 | 520,419 | 7,430,819 | 6,820,112 |
| **Net position - beginning** | 49,437,805 | 17,661,790 | 67,099,595 | 7,440,618 |
| **Net position - ending** | $ 56,348,205 | $ 18,182,209 | $ 74,530,414 | $ 14,260,730 |

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

# DECATUR COUNTY, GEORGIA
## Balance Sheet
## Governmental Funds
## June 30, 2021

| | General Fund | TSPLOST | SPLOST 6 | Other Governmental Funds | Total Governmental Funds |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| Cash and cash equivalents | $ 17,462,530 | $ 2,525 | $ 2,305,760 | $ 1,834,874 | $ 21,605,689 |
| Investments | - | 5,212,410 | - | - | 5,212,410 |
| Taxes receivable, net | 209,614 | 855,462 | - | 967,302 | 2,032,378 |
| Due from other funds | 4,839,773 | - | - | 181,653 | 5,021,426 |
| Receivable from other governments | 517,055 | - | - | - | 517,055 |
| Other receivables | 19,222 | - | - | 103,558 | 122,780 |
| Inventories | 15,775 | - | - | - | 15,775 |
| Total assets | $ 23,063,969 | $ 6,070,397 | $ 2,305,760 | $ 3,087,387 | $ 34,527,513 |
| **LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES** | | | | | |
| Liabilities: | | | | | |
| Accounts payable | $ 367,606 | $ 222,161 | $ 3,699 | $ 330,667 | $ 924,133 |
| Due to other agencies | 7,818,628 | 246,877 | 407,704 | 725,008 | 9,198,217 |
| Unearned revenue | - | - | 1,186,800 | - | 1,186,800 |
| Other accrued expenses | 237,730 | - | - | 22,893 | 260,623 |
| Other payables | 382,931 | - | - | - | 382,931 |
| Total liabilities | 8,806,895 | 469,038 | 1,598,203 | 1,078,568 | 11,952,704 |
| Deferred inflows of resources: | | | | | |
| Unavailable Revenues-Property Taxes | 143,108 | - | - | - | 143,108 |
| Total deferred inflows of resources | 143,108 | - | - | - | 143,108 |
| Fund balances: | | | | | |
| Nonspendable: | | | | | |
| Long-Term Interfund Receivable | 407,704 | - | - | - | 407,704 |
| Inventories | 15,775 | - | - | - | 15,775 |
| Restricted for: | | | | | |
| Debt service | - | - | - | 7,608 | 7,608 |
| Legal Reference Materials | - | - | - | 47,531 | 47,531 |
| Public Safety | - | - | - | 1,076,161 | 1,076,161 |
| Other Projects | - | 5,601,359 | 707,557 | 1,448,525 | 7,757,441 |
| Unassigned | 13,690,487 | - | - | (586,006) | 13,104,481 |
| Total fund balances (deficit) | 14,113,966 | 5,601,359 | 707,557 | 2,008,819 | 22,431,701 |
| Total liabilities, deferred inflows of resources and fund balances | $ 23,063,969 | $ 6,070,397 | $ 2,305,760 | $ 3,087,387 | $ 34,527,513 |

The accompanying notes are an integral part of these financial statements

**DECATUR COUNTY, GEORGIA**
**Reconciliation of the Governmental Funds Balance Sheet**
**to the Statements of Net Position**
**June 30, 2021**

| | | |
|---|---|---|
| Total Fund Balance, Governmental Funds | $ | 22,431,701 |
| Amounts reported for governmental activities in the Statement of Net Position are different because: | | |
| Capital assets used in governmental activities are not current financial resources and therefore are not reported in the fund financial statement, but are reported in the governmental activities of the Statement of Net Position. | | 41,036,149 |
| Certain other long-term assets are not available to pay current period expenditures and therefore are not reported in the fund financial statement, but are reported in the governmental activities of the Statement of Net Assets. | | 20,064 |
| The assets and liabilities of certain internal service funds are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Position. | | (939,912) |
| Some of the County's taxes 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 deferred revenue in the funds. | | 143,106 |
| Pension net position is not a current financial resource and is not recognized at the fund financial reporting level but is reported in the governmental activities of the Statement of Net Position. | | (3,058,081) |
| Some liabilities (such as Notes Payable, Capital Lease Contracts Payable, Long-term Compensated Absences, and Bonds Payable), are not due and payable in the current period and are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Position. | | (3,284,822) |
| Net Position of Governmental Activities in the Statement of Net Position | $ | 56,348,205 |

The accompanying notes are an integral part of these financial statements

# DECATUR COUNTY, GEORGIA
## Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
## For the Fiscal Year Ended June 30, 2021

| | General Fund | TSPLOST | SPLOST 6 | Other Governmental Funds | Total Governmental Funds |
|---|---|---|---|---|---|
| **REVENUES** | | | | | |
| Property taxes | $ 11,742,359 | $ - | $ - | $ 909,107 | $ 12,651,466 |
| Sales and miscellaneous taxes | 4,274,112 | 4,783,273 | 3,463,206 | 2,117,151 | 14,637,742 |
| Fees and fines | 780,439 | - | - | 63,828 | 844,267 |
| Licenses and permits | 514,518 | - | - | - | 514,518 |
| Intergovernmental | 426,529 | - | 956,625 | 1,845,742 | 3,228,896 |
| Charges for services | 607,546 | - | - | 1,015,923 | 1,623,469 |
| Investment earnings | 68,568 | 13,324 | 8,412 | 805 | 91,109 |
| Miscellaneous | 296,554 | - | - | 18,087 | 314,641 |
| Contributions and donations | 850 | - | - | - | 850 |
| Total Revenues | 18,711,475 | 4,796,597 | 4,428,243 | 5,970,643 | 33,906,958 |
| **EXPENDITURES** | | | | | |
| Current: | | | | | |
| General Government | 1,678,723 | - | - | 68,179 | 1,746,902 |
| Judicial | 1,558,573 | - | - | - | 1,558,573 |
| Public Safety | 8,659,496 | - | - | 2,099,780 | 10,759,276 |
| Public Works | 1,556,775 | - | 13,706 | - | 1,570,481 |
| Health and Welfare | 127,808 | - | - | - | 127,808 |
| Culture and Recreation | 9,000 | - | - | - | 9,000 |
| Housing and Development | 1,016,952 | - | - | 22,760 | 1,039,712 |
| Intergovernmental | - | 1,787,308 | 2,434,228 | 532,609 | 4,754,145 |
| Capital Outlay: | | | | | |
| General Government | 15,557 | - | - | - | 15,557 |
| Judicial | 25,001 | - | - | - | 25,001 |
| Public Safety | 60,055 | - | - | 392,157 | 452,212 |
| Public Works | 1,288,911 | 851,428 | 2,749,799 | - | 4,890,138 |
| Housing and Development | 33,070 | - | - | - | 33,070 |
| Debt Service: | | | | | |
| Principal | 116,059 | - | 275,540 | 529,144 | 920,743 |
| Interest and other charges | 10,643 | - | 33,981 | 999,993 | 1,044,617 |
| Total Expenditures | 16,156,623 | 2,638,736 | 5,507,254 | 4,644,622 | 28,947,235 |
| Excess (deficiency) of revenues over expenditures | 2,554,852 | 2,157,861 | (1,079,011) | 1,326,021 | 4,959,723 |
| **OTHER FINANCING SOURCES (USES)** | | | | | |
| Transfers in | - | - | - | 486,892 | 486,892 |
| Transfers out | (486,892) | - | - | - | (486,892) |
| Total other financing sources (uses) | (486,892) | - | - | 486,892 | - |
| **SPECIAL ITEM** | | | | | |
| Proceeds from sale of assets | 355,165 | - | - | 1,775 | 356,940 |
| Net change in fund balances | 2,423,125 | 2,157,861 | (1,079,011) | 1,814,688 | 5,316,663 |
| Fund balances (deficit) - beginning | 11,690,841 | 3,443,498 | 1,786,568 | 194,131 | 17,115,038 |
| Fund balances (deficit) - ending | $ 14,113,966 | $ 5,601,359 | $ 707,557 | $ 2,008,819 | $ 22,431,701 |

The accompanying notes are an integral part of these financial statements

**DECATUR 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 June 30, 2021**

| | | |
|---|---|---|
| Net change in fund balances - total governmental funds: | $ | 5,316,663 |
| Amounts reported for governmental activities in the Statement of Activities are different because: | | |
| Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as an expense. The outlay is allocated over the assets useful life. This is the amount by which capital outlay of $3,408,917 exceeded depreciation of $2,842,735 in the current period. | | 566,182 |
| Governmental funds do not present revenues that are not available to pay current obligations. In contrast, such revenues are reported in the Statement of Activities when earned. | | 96,837 |
| Governmental funds report capital lease proceeds as current financial resources. In contrast, the Statement of Activities treats such issuance of debt as a liability. Governmental funds report repayment of capital lease principal as an expenditure. In contrast, the Statement of Activities reports this as a reduction of liabilities on the Statement of Net Position. | | 920,743 |
| Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore are not reported as expenditures in governmental funds. | | |
| Prepaid Insurance | | 51,782 |
| Net Pension liability | | 943,368 |
| Deferred Outflows-Pension | | (653,324) |
| Deferred Inflows-Pension | | (331,851) |
| Change in net position of governmental activities | $ | 6,910,400 |

The accompanying notes are an integral part of these financial statements

**DECATUR COUNTY, GEORGIA**
**Statement of Net Position**
**Proprietary Funds**
**June 30, 2021**

| | Business-Type Activities-Enterprise Funds | | | | | |
|---|---|---|---|---|---|---|
| | Water and Sewer | Natural Gas | Landfill | Prison | Totals | Internal Service Funds |
| **Assets** | | | | | | |
| Current Assets: | | | | | | |
| Cash on hand and in banks | $ 87,352 | $ 390,503 | $ 2,331,155 | $ 458,295 | $ 3,267,305 | $ 22,860 |
| Accounts receivable | 44,317 | 170,215 | 404,701 | 35,009 | 654,242 | 24,817 |
| Due from other governments | - | - | - | 78,826 | 78,826 | - |
| Prepaid insurance | 1,318 | 40 | 3,180 | 15,685 | 20,223 | 45,993 |
| Due from other funds | 1,337,538 | 1,320,253 | 4,087,601 | - | 6,745,392 | 2,631,181 |
| Total current assets | 1,470,525 | 1,881,011 | 6,826,637 | 587,815 | 10,765,988 | 2,724,851 |
| Noncurrent assets: | | | | | | |
| Property, plant & equipment (net of accumulated depreciation) | 5,934,092 | 703,742 | 11,323,145 | 289,126 | 18,250,105 | 79,769 |
| Total noncurrent assets | 5,934,092 | 703,742 | 11,323,145 | 289,126 | 18,250,105 | 79,769 |
| Total Assets | 7,404,617 | 2,584,753 | 18,149,782 | 876,941 | 29,016,093 | 2,804,620 |
| **Deferred outflow of resources-pension** | | | | | | |
| Deferred outflow of resources-pension | 9,073 | 964 | 41,748 | 155,311 | 207,096 | - |
| Total Deferred outflows of resources | 9,073 | 964 | 41,748 | 155,311 | 207,096 | - |
| **Liabilities** | | | | | | |
| Current liabilities: | | | | | | |
| Accounts payable | 17,472 | 27,450 | 33,655 | 76,288 | 154,865 | 66,814 |
| Accrued expenses | 2,060 | 472 | 10,388 | 37,985 | 50,905 | 16,864 |
| Due to other funds | 20,996 | 143,601 | 1,131,012 | 305,974 | 1,601,583 | 3,598,199 |
| Accrued interest-G.E.F.A. | 10,305 | - | - | - | 10,305 | - |
| Note payable-G.E.F.A. | 139,300 | - | 229,464 | - | 368,764 | - |
| Capital leases | - | - | 106,768 | - | 106,768 | - |
| Total current liabilities | 190,133 | 171,523 | 1,511,287 | 420,247 | 2,293,190 | 3,681,877 |
| Noncurrent liabilities: | | | | | | |
| Net pension Obligation | 27,043 | 2,873 | 124,434 | 462,914 | 617,264 | - |
| Accrued closure/postclosure costs | - | - | 3,739,465 | - | 3,739,465 | - |
| Note payable-G.E.F.A. | 2,328,888 | - | 1,664,856 | - | 3,993,744 | - |
| Capital leases | - | - | 97,167 | - | 97,167 | - |
| Total noncurrent liabilities | 2,355,931 | 2,873 | 5,625,922 | 462,914 | 8,447,640 | - |
| Total Liabilities | 2,546,064 | 174,396 | 7,137,209 | 883,161 | 10,740,831 | 3,681,877 |
| **DEFERRED INFLOWS OF RESOURCES** | | | | | | |
| Deferred inflow of resources-pension | 15,895 | 1,689 | 73,140 | 272,093 | 362,817 | - |
| Total Deferred Inflows of Resources | 15,895 | 1,689 | 73,140 | 272,093 | 362,817 | - |
| **Net Position** | | | | | | |
| Net investment in capital assets | 3,465,904 | 703,742 | 9,224,890 | 289,126 | 13,683,662 | 79,769 |
| Restricted for debt service | - | - | - | - | - | - |
| Unrestricted | 1,385,827 | 1,705,890 | 1,756,291 | (412,128) | 4,435,880 | (957,026) |
| Total Net Position | $ 4,851,731 | $ 2,409,632 | $ 10,981,181 | $ (123,002) | 18,119,542 | $ (877,257) |
| Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds. | | | | | 62,667 | |
| Net position of business-type activities | | | | | $ 18,182,209 | |

The accompanying notes are an integral part of these financial statements

# DECATUR COUNTY, GEORGIA
## Statement of Revenues, Expenses and Changes in Fund Net Position
## Proprietary Funds
## For the Fiscal Year Ended June 30, 2021

| | Business-Type Activities - Enterprise Funds | | | | | |
|---|---|---|---|---|---|---|
| | Water and Sewer | Natural Gas | Landfill | Prison | Totals | Internal Service Funds |
| **Operating Revenues** | | | | | | |
| Charges for services | $ 233,681 | $ 640,626 | $ 2,850,305 | $ 2,373,119 | $ 6,097,731 | $ 3,966,523 |
| Total Operating Revenue | 233,681 | 640,626 | 2,850,305 | 2,373,119 | 6,097,731 | 3,966,523 |
| **Operating Expenses** | | | | | | |
| Personal services | 76,303 | 8,262 | 400,492 | 1,590,952 | 2,076,009 | 603,705 |
| Services and supplies | 190,651 | 369,097 | 685,144 | 832,688 | 2,077,580 | 3,351,771 |
| Allocated administration cost | 17,650 | 22,346 | 68,198 | 171,412 | 279,606 | - |
| Depreciation | 140,944 | 17,850 | 1,088,683 | 43,333 | 1,290,810 | 11,047 |
| Closure post - closure cost | - | - | 44,341 | - | 44,341 | - |
| Total Operating Expense | 425,548 | 417,555 | 2,286,858 | 2,638,385 | 5,768,346 | 3,966,523 |
| Operating Income (Loss) | (191,867) | 223,071 | 563,447 | (265,266) | 329,385 | - |
| **Nonoperating Revenues (Expenses)** | | | | | | |
| Other miscelaneous revenue | - | - | 10,294 | - | 10,294 | - |
| Interest expense | (61,011) | - | (39,398) | - | (100,409) | - |
| Total Nonoperating Revenues (Expenses) | (61,011) | - | (29,104) | - | (90,115) | - |
| **Net Income before Special Item** | (252,878) | 223,071 | 534,343 | (265,266) | 239,270 | - |
| **Special Item - Gain (Loss) on - disposal of assets** | - | - | 281,148 | - | 281,148 | - |
| **Net Income before Transfers** | (252,878) | 223,071 | 815,491 | (265,266) | 520,418 | - |
| **Transfers** | | | | | | |
| Transfers in | 300,000 | - | - | - | 300,000 | - |
| Transfers out | - | - | (300,000) | - | (300,000) | - |
| Net transfers in (out) | 300,000 | - | (300,000) | - | - | - |
| Change in net position | 47,122 | 223,071 | 515,491 | (265,266) | 520,418 | - |
| Net position-beginning of the year | 4,804,609 | 2,186,561 | 10,465,690 | 142,264 | | (877,257) |
| Net position - end of year | $ 4,851,731 | $ 2,409,632 | $ 10,981,181 | $ (123,002) | | $ (877,257) |
| Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds. | | | | | 1 | |
| Change in net position - business-type activities | | | | | $ 520,419 | |

The accompanying notes are an integral part of these financial statements

## DECATUR COUNTY, GEORGIA
## Statement of Cash Flows
## Proprietary Funds
## For the Fiscal Year Ended June 30, 2021

| | Business-Type Activities - Enterprise Funds | | | | | |
|---|---|---|---|---|---|---|
| | Water and Sewer | Natural Gas | Landfill | Prison | Totals | Internal Service Funds |
| **Cash Flows from Operating Activities** | | | | | | |
| Cash received from customers | $ 224,024 | $ 521,013 | $ 2,726,735 | $ 2,385,287 | $ 5,857,059 | $ 4,043,969 |
| Cash payments to suppliers for goods & services | (201,219) | (365,729) | (801,144) | (829,906) | (2,197,998) | (3,585,723) |
| Cash payments to employees for services | (87,950) | (8,262) | (400,492) | (1,590,952) | (2,087,656) | (600,801) |
| Net cash provided (used) by operating activities | (65,146) | 147,022 | 1,525,099 | (35,571) | 1,571,404 | (142,555) |
| **Cash flows from Noncapital Financing Activities** | | | | | | |
| Transfers in (out) | 300,000 | - | (300,000) | - | - | - |
| Net cash provided (used) by noncapital financing activities | 300,000 | - | (300,000) | - | - | - |
| **Cash Flows from Capital & Related Financing Activities** | | | | | | |
| Acquisition & construction of capital assets | (8,928) | - | (1,329,976) | - | (1,338,904) | - |
| Principal paid on revenue bonds & loans | (135,999) | - | (226,005) | - | (362,004) | - |
| Interest paid on revenue bonds & loans | (61,011) | - | (30,472) | - | (91,483) | - |
| Principal paid on capital leases | - | - | (217,587) | - | (217,587) | - |
| Proceeds from sales of timber & other assets | - | - | 121,975 | - | 121,975 | - |
| Interest paid on capital leases | - | - | (8,926) | - | (8,926) | - |
| Net cash provided (used) from Capital and related financing activities | (205,938) | - | (1,690,991) | - | (1,896,929) | - |
| Net increase (decrease) in cash & cash equivalents | 28,916 | 147,022 | (465,892) | (35,571) | (325,525) | (142,555) |
| Cash & cash equivalents - beginning of year | 58,436 | 243,481 | 2,797,047 | 493,866 | 3,592,830 | 165,415 |
| Cash & cash equivalents - end of year | $ 87,352 | $ 390,503 | $ 2,331,155 | $ 458,295 | $ 3,267,305 | $ 22,860 |
| **Displayed as:** | | | | | | |
| Cash on hand and in banks | $ 87,352 | $ 390,503 | $ 2,331,155 | $ 458,295 | $ 3,267,305 | $ 22,860 |
| Totals | $ 87,352 | $ 390,503 | $ 2,331,155 | $ 458,295 | $ 3,267,305 | $ 22,860 |

The accompanying notes are an integral part of these financial statements

**DECATUR COUNTY, GEORGIA**
**Statement of Cash Flows**
**Proprietary Funds**
**For the Fiscal Year Ended June 30, 2021**

| | Business-Type Activities - Enterprise Funds | | | | | |
|---|---|---|---|---|---|---|
| **Reconciliation of operating income to net cash provided by operating activities** | Water and Sewer | Natural Gas | Landfill | Prison | Totals | Internal Service Funds |
| Operating income (loss) | $ (191,867) | $ 223,071 | $ 563,447 | $ (265,266) | $ 329,385 | $ - |
| Adjustments to reconcile operating income to net cash provided by operating activities | | | | | | |
| Depreciation | 140,944 | 17,850 | 1,088,683 | 43,333 | 1,290,810 | 11,047 |
| Change in Assets & Liabilities: | | | | | | |
| (Increase) decrease in accounts receivable | (9,659) | (119,908) | (123,570) | 12,169 | (240,968) | 77,446 |
| (Increase) decrease in prepaid insurance | (1,031) | (31) | (2,487) | (12,266) | (15,815) | - |
| Increase (decrease) in accounts payable | (2,984) | 14,788 | (106,312) | 16,790 | (77,718) | (36,911) |
| Increase (decrease) in accrued expenses | (11,647) | 295 | 27,028 | 5,932 | 21,607 | 2,904 |
| (Increase) decrease in due from other funds | 11,098 | 10,957 | 78,310 | 163,738 | 264,103 | (197,041) |
| Net cash provided (used) by operating activities | $ (65,146) | $ 147,022 | $ 1,525,099 | $ (35,570) | $ 1,571,404 | $ (142,555) |

The accompanying notes are an integral part of these financial statements

**DECATUR COUNTY, GEORGIA**
**Statement of Net Position**
**Fiduciary Funds**
**June 30, 2021**

| | |
|---|---|
| **ASSETS** | |
| Cash | $ 894,308 |
| Due from others | 637,064 |
| Total Assets | $ 1,531,372 |
| **NET POSITION** | |
| Net position - held for others | $ 1,531,372 |
| Total Net Position | $ 1,531,372 |

The accompanying notes are an integral part of these financial statements

**DECATUR COUNTY, GEORGIA**
**Statement of Changes in Net Position**
**Fiduciary Funds**
**June 30, 2021**

| | |
|---|---|
| **ADDITIONS** | |
| Taxes | $ 69,857,719 |
| Fees | 2,408,984 |
| Total Additions | 72,266,703 |
| **DEDUCTIONS** | |
| Payment of taxes to other agencies | 69,548,263 |
| Payment of fees to other agencies | 2,388,400 |
| Total Deductions | 71,936,663 |
| Change in Net Position | 330,040 |
| Net Position Beginning of Year, Restated | 1,201,332 |
| Net Position End of Year | $ 1,531,372 |

The accompanying notes are an integral part of these financial statements

**DECATUR COUNTY, GEORGIA**
**Statement of Net Position**
**Component Units**
**June 30, 2021**

| | Hospital Authority of Bainbridge, Decatur County, GA March 31, 2021 | Decatur County Health Department June 30, 2021 | Development Authority of Bainbridge and Decatur Co. December 31, 2020 | Totals |
|---|---|---|---|---|
| **Assets** | | | | |
| **Current assets:** | | | | |
| Cash | $ 6,032,689 | $ 948,055 | $ 352,331 | $ 7,333,075 |
| Current investments restricted by bond indenture for debt service | 670,000 | - | - | 670,000 |
| Accounts receivable - less allowance for uncollectible | 6,760,327 | - | 5,660 | 6,765,987 |
| Other receivables | 3,694,214 | 4,998 | 30,096 | 3,729,308 |
| Due from DPH | - | 151,320 | - | 151,320 |
| Due from DCH | - | 84,596 | - | 84,596 |
| Estimated third party payer settlements | 436,371 | - | - | 436,371 |
| Inventories | 646,594 | - | - | 646,594 |
| Prepaid expenses | 379,720 | - | - | 379,720 |
| Total current assets | 18,619,915 | 1,188,969 | 388,087 | 20,196,971 |
| **Assets limited as to use:** | | | | |
| Internally designated for capital improvements | 8,595,654 | - | - | 8,595,654 |
| Restricted by insurance carrier for self-insurance | 746,692 | - | - | 746,692 |
| Restricted by bond indenture for capital improvements | 574,715 | - | - | 574,715 |
| Restricted by bond indenture for debt service | 1,118,114 | - | - | 1,118,114 |
| Total assets limited as to use | 11,035,175 | - | - | 11,035,175 |
| **Noncurrent assets:** | | | | |
| Land and construction in progress | 1,118,039 | - | 4,868,895 | 5,986,934 |
| Other capital assets, net of depreciation | 11,166,866 | 52,554 | 4,692,497 | 15,911,917 |
| Total noncurrent assets | 12,284,905 | 52,554 | 9,561,392 | 21,898,851 |
| Notes receivable | 229,001 | - | - | 229,001 |
| Other assets | - | - | - | - |
| Total assets | 42,168,996 | 1,241,523 | 9,949,479 | 53,359,998 |
| Deferred Outflows | - | 219,000 | - | 219,000 |
| Total assets & deferred outflows | $ 42,168,996 | $ 1,460,523 | $ 9,949,479 | $ 53,578,998 |
| **Current liabilities:** | | | | |
| Current installments of long-term debt | $ 670,000 | $ - | $ 977,815 | $ 1,647,815 |
| Current portion of capital lease obligation | 95,061 | - | - | 95,061 |
| Short-term debt | - | - | 2,411,083 | 2,411,083 |
| Paycheck Protection Program loan | 4,280,162 | - | - | 4,280,162 |
| Accounts payable, trade | 7,748,220 | 132,967 | 2,090 | 7,883,277 |
| Accrued liabilities | 2,100,213 | - | 7,010 | 2,107,223 |
| Due to DCH | - | 5,964 | - | 5,964 |
| Current portion of Medicare advance payments | 1,587,189 | - | - | 1,587,189 |
| CARES Act unearned revenue | 6,150,420 | - | - | 6,150,420 |
| Total current liabilities | 22,631,265 | 138,931 | 3,397,998 | 26,168,194 |
| Medicare advance payments, excluding current portion | 1,343,007 | - | - | 1,343,007 |
| Compensated absences | - | 89,529 | - | 89,529 |
| Net Pension Liability | - | 664,024 | - | 664,024 |
| Net OPEB Liability | - | 117,414 | - | 117,414 |
| Long-term debt, excluding current installments | 8,810,000 | - | 1,912,456 | 10,722,456 |
| Capital lease obligations, excluding current portion | - | - | - | - |
| | 10,153,007 | 870,967 | 1,912,456 | 12,936,430 |
| Total liabilities | 32,784,272 | 1,009,898 | 5,310,454 | 39,104,624 |
| Deferred Inflows | - | 213,644 | - | 213,644 |
| Total liabilities & deferred inflows | 32,784,272 | 1,223,542 | 5,310,454 | 39,318,268 |
| Net position: | | | | |
| Net investment in capital assets | 3,434,559 | 52,554 | 7,290,169 | 10,777,282 |
| Restricted: | | | | |
| Expendable for self-insurance | 746,692 | - | - | 746,692 |
| Expendable for bond indenture | 1,118,114 | - | - | 1,118,114 |
| Other Purposes | - | 433,563 | - | 433,563 |
| Family Planning | - | 25,000 | - | 25,000 |
| Donations | - | 10,658 | - | 10,658 |
| Rabies | - | 10,000 | - | 10,000 |
| Equipment | - | 23,747 | - | 23,747 |
| Capital Projects | - | - | 378,744 | 378,744 |
| Unrestricted | 4,085,359 | (318,541) | (3,029,888) | 736,930 |
| Total net position | 9,384,724 | 236,981 | 4,639,025 | 14,260,730 |
| Total liabilities, deferred inflows and net position | $ 42,168,996 | $ 1,460,523 | $ 9,949,479 | $ 53,578,998 |

The accompanying notes are an integral part of these financial statements

**Statement of Activities**
**Component Units**
**For the Fiscal Year Ended June 30, 2021**

| | | Program Revenues | | | Net (Expenses) Revenues and Changes in Net Position | | | |
|---|---|---|---|---|---|---|---|---|
| Activities: | Expenses | Fees, Fines, and Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Hospital Authority | Health Department | Development Authority of Bainbridge and Decatur Co. | Total |
| Component units: | | | | | | | | |
| Hospital Authority of Bainbridge, Decatur County, Georgia | $ 47,420,835 | $ 46,667,067 | $ - | $ 39,920 | $ (713,848) | $ - | $ - | $ (713,848) |
| Decatur County Health Department | 1,913,997 | 526,952 | 1,383,557 | - | - | (3,488) | - | (3,488) |
| Development Authority of Bainbridge and Decatur Co. | 473,404 | 66,698 | 165,000 | 747,477 | - | - | 505,771 | 505,771 |
| **Total component units** | $ 49,808,236 | $ 47,260,717 | $ 1,548,557 | $ 787,397 | (713,848) | (3,488) | 505,771 | (211,565) |
| General Revenues: | | | | | | | | |
| Property taxes | | | | | - | - | 366,905 | 366,905 |
| Sales taxes | | | | | 605,510 | - | - | 605,510 |
| Other | | | | | 5,973,582 | - | 65,367 | 6,038,949 |
| Gain (Loss) on disposal of capital assets | | | | | - | - | 20,313 | 20,313 |
| Total General Revenues | | | | | 6,579,092 | - | 452,585 | 7,031,677 |
| Change in net position | | | | | 5,865,244 | (3,488) | 958,356 | 6,820,112 |
| Net position - beginning | | | | | 3,519,480 | 240,469 | 3,680,669 | 7,440,618 |
| Net position - ending | | | | | $ 9,384,724 | $ 236,981 | $ 4,639,025 | $ 14,260,730 |

The accompanying notes are an integral part of these financial statements

# NOTES TO THE FINANCIAL STATEMENTS

The accounting methods and procedures adopted by Decatur County, Georgia conformed to generally accepted accounting principles as applied to governmental entities. The following Notes to the Financial Statements are an integral part of Decatur County, Georgia's Financial Statements.

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### A. Financial Reporting Entity

Decatur County, Georgia was incorporated undefr the provisions of the basic Charter Act of the Laws of 1823 of the State of Georgia. The Board of Commissioners is the legislative body for Decatur County. There are six elected County Commissioners. There are six elected Constitutional Officers which are: Tax Commissioner, Clerk of Court, Judge of Magistrate Court, Judge of Probate Court, Coroner and Sheriff. The Board of Commissioners' budget provides all funding used by the separate Constitutional Officers. The operations of the County as a whole, including Constitutional Officers, have been combined in these financial statements. As required by generally accepted accounting principles, as set forth in GASB Statement No. 14, "The financial reporting entity," the financial statements of the reporting entity include those of Decatur County, Georgia (the primary government) and its component units. The component units discussed below are included in the County's reporting entity because of the significance of their operational and financial relationship with the County.

#### COMPONENT UNITS

In conformity with generally accepted accounting principles, the Financial Statements of the following component units have been included in the Financial Reporting Entity.

#### Blended Component Unit

The Law Library is a legally separate entity governed by a Board of Trustees as established by State statutes. The County governing authority must furnish necessary space, lights, heat and water for the maintenance of the Law Library. All law books, reports, texts, and periodicals purchased by the Board of Trustees become property of the County. Because the Law Library provides services exclusively or almost exclusively to the primary government and it would be misleading to exclude it, the County has reported the Law Library as a blended component unit (a special revenue fund). Separate financial statements for the Law Library are not prepared.

#### Discretely Presented Component Units

The component unit column in the government-wide financial statements includes the financial data of the Decatur County Health Department, the Hospital Authority of Bainbridge, Decatur County, Georgia and the Development Authority of Bainbridge and Decatur County. These component units are reported in a separate column to emphasize that they are legally separate from the County.

The County Board of Health provides health services to the citizenry of Decatur County, Georgia. The County Board of Health is a legally separate entity. The Board of Commissioners of Decatur County appoints a voting majority of the Board of Health in accordance with Georgia Laws O.C.G.A. 31-3-2. 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.

The Hospital Authority of Bainbridge, Decatur County, Georgia is a legally separate entity. The Authority was created by the City of Bainbridge and Decatur County, Georgia governing bodies on June 2, 1951, in accordance with provisions of State statutes (Chapter 99-15 of the 1933 Code of Georgia and amendments thereto). The County appoints a voting majority of the members to the Board of the Hospital Authority. Complete Financial Statements for the Decatur County Board of Health and the Hospital Authority of Bainbridge, Decatur County, Georgia may be obtained at the offices of Decatur County, Georgia.

The Development Authority of Bainbridge and Decatur County, Georgia is a legally separate entity. The Authority was created for the purpose of promoting and expanding for the public good and welfare industry and trade within the County of Decatur and City of Bainbridge and reducing unemployment to the greatest extent possible. The County appoints a voting majority of the members to the Board of the Development Authority.

Complete Financial Statements for the Decatur County Board of Health, the Hospital Authority of Bainbridge, Decatur County, Georgia and Development Authority of Bainbridge and Decatur County may be obtained at the offices of Decatur County, Georgia.

Related Organizations

The following is a list of related organizations for which Decatur County appoints one or more of the Board of Directors:

- Southwest Georgia Regional Commission
- Tri Rivers Development Authority
- Library Board
- Board of Family and Children's Services
- Board of Tax Assessors
- Southwest Georgia Community Action Council
- Decatur/Grady 911 Advisory Board

These organizations are not financially accountable to Decatur County because the County does not impose its will or have a financial benefit or burden relationship with the organization.

The County also appropriates funds to aid in the operation of several independently run non-profit organizations. These operations are as follows:

Sheriff's Rescue Unit
Blackjack Volunteer Fire Department
Climax Volunteer Fire Department
Fowlstown Volunteer Fire Department
Mt. Pleasant Volunteer Fire Department
Mental Health Center
Recovery Volunteer Fire Department
Bainbridge-Decatur County Chamber of Commerce
Attapulgus Volunteer Fire Department
Brinson Volunteer Fire Department
Faceville Volunteer Fire Department
Kendrick Volunteer Fire Department
97 South Volunteer Fire Department
Family Connections
Stepping Stones, Inc.

Joint Ventures

Decatur 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 structure 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 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 at the courthouse annex.

On April 6, 1993 Decatur County, Georgia and Grady County, Georgia entered into an agreement to implement a 911 system. The revenue and expenditures of operating the joint venture are recorded in each county's accounting records based on the agreement. Separate financial statements are not issued for the E911 joint venture. Financial information can be obtained from Decatur County and Grady County, Georgia.

Decatur County, Georgia does not participate in any other joint venture arrangements.

**B. Basic Presentation**

*Government-wide Statements*: The Statement of Net Position and the Statement of Activities display information about the primary government (the County) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the County. Governmental activities generally are financed through taxes, intergovernmental revenues and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The Statement of Activities presents a comparison between direct expenses and program revenues for the different business-type activities of the County and for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the Statement of Activities. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

*Fund Financial Statements*: The fund financial statements provide information about the County's funds, including its fiduciary funds. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented. The emphasis of fund financial

statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities. Operating expenses for enterprise funds include cost of sales and services, administrative expenses and depreciation on capital assets. All expenses not meeting this definition are reported as non-operating expenses.

The County reports the following major governmental funds:

*General Fund* – This is the County's primary operating fund. It accounts for and reports all financial resources not accounted for and reported in another fund.

*SPLOST 6 Capital Projects Funds* – This capital project fund was established to account for all Special Purpose Local Option Sales Tax revenues as well as the specifically identified projects for which the SPLOST tax was established.

TSPLOST Capital Projects Funds – This capital project fund was established to account for all Transportation Special Purpose Local Option Sales Tax revenues as well as the specifically identified transportation projects for which the TSPLOST tax was established.

The County reports the following major enterprise funds:

*Landfill Fund* – This fund accounts for the operation and maintenance of the County's landfill.

*Prison Fund* – This fund accounts for the operation and maintenance of the County's prison.

*Water and Sewer Fund* – This fund accounts for the operation and maintenance of the County's water and sewer facilities.

*Natural Gas Fund* – This fund accounts for the operation and maintenance of the County's gas system.

The County reports the following fund types:

*Internal Service Funds* – These funds account for various services provided to other departments and funds of the County.

*Agency Funds* – These funds account for monies held by the County in a trustee capacity or as an agent on behalf of individuals, private organizations, other governments and/or other funds.

The following are the agency funds of the County at June 30, 2021: Tax Commissioner, Probate Court, Clerk of Superior Court, and Magistrate Court.

### C. Measurement Focus, Basis of Accounting

*Government-wide, Proprietary and Fiduciary Fund Financial Statements* – The government-wide, proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus. The government-wide, proprietary and fiduciary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

*Governmental Fund Financial Statements* – Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The County considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Property taxes, sales taxes, franchise taxes, licenses and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Under the terms of grant agreements, the County funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants and general revenues. Thus, when program expenses are incurred, there is both restricted and unrestricted net position available to finance the program. It is the County's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants and then by general revenues.

Governments also have the *option* of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

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

### D. Encumbrances

There were no material purchase orders, contracts or other commitments at year-end which should have been encumbered.

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## E. Cash and Investments

### Cash and cash equivalents

The County's cash and cash equivalents are considered to be cash on hand, demand deposits and money market accounts, which are available on demand or have a maturity of three months or less. In addition, because the Georgia Fund 1 pooled cash is sufficiently liquid to permit withdrawal of cash at any time without prior notice or penalty, equity in the pool is also deemed to be a cash equivalent.

All of these accounts are considered cash equivalents for the purpose of the Statement of Cash Flows.

### Investments

Investments are recorded at cost plus accrued interest, which approximates market value. See Note 2 for further information regarding investments.

## F. Receivables and Payables

As of June 30, 2021, the County does not have an allowance for uncollectable accounts.

## G. Capital Assets

Capital assets, which include land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure and all other tangible or intangible assets that are used in operations and that have initial useful lives extending beyond one year are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Infrastructure assets are long-lived capital assets that normally are stationary in nature and normally can be preserved for a significantly greater number of years than most capital assets. Examples of infrastructure assets include roads, bridges, tunnels, drainage systems, water and sewer systems, dams and lighting systems. Buildings, except these that are an ancillary part of a network of infrastructure assets, will not be considered infrastructure assets. Capital assets are recorded at cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at their estimated fair 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 are not capitalized.

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

| Class of Asset | Capitalization Threshold | 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 |

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities, net of related interest earned, is included as part of the capitalized value of the assets constructed. There were not any constructed projects with capitalized interest in the business-type activities for the year ended June 30, 2021.

Capital assets are depreciated over their estimated useful lives unless they are inexhaustible. Inexhaustible assets such as land improvements are not depreciated.

Depreciation is reported in the government-wide statement of activities; the proprietary fund statement of revenues, expenses and changes in fund net position; and the statement of changes in fiduciary net position.

Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

| Assets Class | Estimated Useful Lives |
|---|---|
| Buildings/Building Improvements | 20-50 years |
| Facilities and Other Improvements | 10-50 years |
| Infrastructure | 20 years |
| Equipment | 3-12 years |
| Furniture & Fixtures | 7 years |
| Vehicles | 6-12 years |

## H. Inventories and Prepaid Items

Primary Government

All inventories are valued at cost using the first-in/first-out (FIFO) method. The cost of governmental fund-type inventories are recorded as expenditures when purchased (the purchase method) at the individual fund level. Inventories are recorded using the consumption method for proprietary fund-type inventories at the fund level. For governmental and business-type activities in the government-wide financial statements inventories are reported using the consumption method.

Certain payments to vendors reflect cost applicable to future accounting periods and are reported as prepaid items in both government-wide and fund financial statements.

## I. 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;

At least three months prior to year-end the County Administrator and Department Heads begin work on the proposed operating budget for the coming fiscal year;

Approximately thirty days prior to year-end, the proposed operating budget is submitted to the County Commissioners. The budget was adopted on June 12, 2020, and was amended as needed. The budget includes proposed expenditures and the means of financing them;

Public Hearings are conducted to obtain taxpayer comments;

The budget is legally enacted through passage of a resolution;

Department Heads are restricted to budgeted amounts by line item;

The County adopts a General Fund budget that provides for most of the appropriations of the governmental activities of the County. The County adopts budgets for special revenue and debt service funds as required by Georgia law. These budgets are adopted on a basis consistent with generally accepted accounting principles. Budgets are prepared for the enterprise funds as a management control device. Budgets for capital projects are prepared for the project life rather than for the current fiscal year. Project appropriations for these budgets do not lapse at the end of each fiscal year but rather at the conclusion of the project.

All appropriations (except Capital Project Funds' appropriations) lapse at year-end. There were no material purchase orders, contracts or other commitments which were encumbered, because the County does not use encumbrance accounting.

Capital Projects Funds use project budgeting.

Fiduciary type funds are agency funds and budgets are not prepared for these funds.

The legal level of budgetary control is at the department level.

## J. Compensated Absences

Annual Leave

Standard - It is the policy of the County that all full-time, regular employees be provided time for rest and relaxation. For this reason, employees are encouraged to take their full allotment of annual leave each year as provided under this policy. Leave is accounted for on a calendar year basis.

Eligibility – All full-time, regular employees earn annual leave on a bi-weekly basis, in proportion to the length of continuous employment. After completion of one-month of employment, annual leave is accrued as follows:

Paid Time Off System

The Paid Time Off System sets up two Paid Time Off accounts for each employee as of January 1. The first is a Paid Time Off "bank" with a specific number of days that the employee can take off during the year for any reason (i.e., vacation, personal, sick, care of a sick child, etc.). The second "bank" is a Sick Day Bank to be used in the event of an extended illness or other disabling condition. Regular part-time employees are eligible for Paid Time Off days and Sick Day Bank accumulations proportionate to the hours that they work.

Benefits-eligible staff are eligible for a set number of Paid Time Off days each year as of January 1, according to years of service. Calculations and eligibility for the current calendar year are determined as follows:

For those newly employed in January: 11 days
For those newly employed in February: 10 days
For those newly employed in March: 9 days
For those newly employed in April: 8 days
For those newly employed in May: 7 days
For those newly employed in June: 6 days
For those newly employed in July: 5 days
For those newly employed in August: 4 days
For those newly employed in September: 3 days
For those newly employed in October: 2 days
For those newly employed in November: 1 day
For those newly employed in December: none
For employees hired the previous calendar year, the following PTO schedule applies:
For those employed prior to January 1 with less than 3 years service: 15 days
For those employed prior to January 1 with at least 3 years service, but less than 10 years service: 20 days
For those employed prior to January 1 with at least 10 years service, but less than 20 years service: 25 days
For those employed prior to January 1 with 20 or more years of service: 30 days

Paid Time Off General Rules

1. Every effort is made to approve PTO requests. Work requirements and supervisor approval may deny or change the request.
2. All PTO schedules must be approved in advance by the employee's immediate supervisor, except in cases of unforeseen illness or emergency. In cases of unforeseen illness or emergency an employee is given 3 PTO days with no requirement for a doctor's excuse or documentation of emergency. All other PTO days related to unforeseen illness or emergency require an excuse from a physician or documentation of incident.
3. No pay is given in lieu of accrued PTO days except upon retirement or voluntary termination with proper notice.
4. PTO days earned during the year (January 1 – December 31) shall be taken during that calendar year.
5. Unused PTO days are transferred over and become part of an employee's Sick Day Bank on January 1.
6. Holidays observed by Decatur County, which occur during the employee's PTO leave, are not counted as part of their PTO allotment.
7. Absences that exceed an employee's yearly allotment of PTO days are unpaid. Only in cases of a bona fide emergency should the need to take unpaid time off occur.
8. Employees using excessive amounts of unscheduled time off are counseled and may be subject to corrective action.
9. Family & Medical Leave absences would run concurrently with PTO leave, if applicable.
10. PTO days may be scheduled in whole or half days, but not less than half days.
11. PTO, in most cases, does not accrue during periods when the employee is in "out of pay" status for more than two weeks.
12. In the event that a conflict exists between employees who request the same leave request, approval will be based on Decatur County's needs and/or the first request received and/or seniority.
13. PTO may be denied based upon the needs of Decatur County.
14. PTO availability does not guarantee employment with Decatur County.

Paid Time Off Termination Benefits

When employment voluntarily terminates with proper notice, regular employees are reimbursed for unused accrued PTO days. The percentage of unused PTO days for which employees are paid is based on the month in which the employee terminates at a rate of 1/12 for each month worked, minus the days already taken. Staff not giving proper notice are not eligible for earned PTO not taken. The month during which an employee terminates is counted as a full month. If an employee has taken more than the allotted percentage of PTO days that portion of ineligible PTO days are deducted from the final paycheck. No pay is given for accumulated Sick Day balances. During the Introductory Period, PTO termination benefits are not applicable and no pay is given.

Sick Leave

Standard – Sick Leave is given to employees only for valid reasons. It is designed to meet necessary emergency conditions of illness. Each department head has the authority to approve or disapprove sick leave applications.

Eligibility

Sick Day Bank – A Sick Day Bank is provided by the County in order that income may be continued in the event of the employee's own short-term illness caused by a non-job related illness, accident or other incapacity (including pregnancy) that continues for more than five consecutive working days. Certain sick leave may also qualify under the Family & Medical Leave Act (FMLA). In such cases, sick leave and FMLA leave would run concurrently.

Sick Day Bank Eligibility/Accrual

After an employee has been absent from work because of a disabling condition for more than five consecutive days, he/she is eligible to draw from Sick Day Bank upon presentation of a physician's statement verifying the existence and approximate duration of the disabling condition. 100% of an employee's income will continue provided the employee has accumulated sufficient sick leave to cover their illness. Extended use of Sick Day Bank is contingent upon receiving certification by a physician that the employee remains disabled.

Once an employee qualifies for days in his/her Sick Day Bank, the initial five-day absence and all subsequent, consecutive absences (no break in time can occur) related to that same disabling condition will be charged against the accumulated Sick Day Bank, not the PTO Bank.

- All full-time employees will be credited one day per month (equal to twelve sick days per year) into their Sick Day Bank.
- The Sick Day Bank may accumulate up to a maximum of 130 working days.
- No pay is given in lieu of sick leave.
- Regular part time employees accumulate a Sick Day Bank proportionate to their hours worked.
- Sick leave may not be used if the employee becomes ill or injured while on Paid Time Off. Advanced use of sick leave is not permissible.
- Sick leave does not accrue during periods when the employee is in "out of pay" status for more than two weeks.
- Employees continuing to work while sick may be ordered home at the discretion of the Department Head.
- Upon termination, employees are not paid for unused Sick leave.
- When rehired with the County, there is no past service sick leave bank accrual provided. Sick leave availability does not guarantee employment with Decatur County.

The General Fund has been used to liquidate compensated absences, unless associated with a specific proprietary or special revenue fund, in prior years.

**K. Restricted Assets**

Certain proceeds of enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the Statement of Net Position because their use is limited by applicable bond covenants. The "revenue bond debt service" account is used to segregate resources accumulated for debt service payments over the next twelve months. The "revenue bond retirement" account is used to report resources set aside to make up potential future deficiencies in the revenue bond current debt service account. The "revenue bond contingency (renewal and extension)" account is used to report resources set aside to meet renewals and replacements.

## L. Fund Equity

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

*Fund Balance* – Generally, fund balance represents the difference between the current assets and current liabilities. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific 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 County Commission through the adoption of a resolution. The County Commission 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 County Commissioners have 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. Negative unassigned fund balance may be reported in all funds.

*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 liabilities. 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 is incurred for purposes for which both restricted and unrestricted net position is available.

### M. Deferred Inflows and Outflows of Resources

During the year ended June 30, 2014 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. Other than the items related to the changes in the net pension liability as discussed below, the County did not have any items that qualified 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 $143,108 is listed as unavailable and is deferred to be recognized as an inflow of resources in the period that the amounts become available.

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

### N. Pensions

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

## NOTE 2 - DEPOSITS AND INVESTMENTS

Primary Government

All bank balances of deposits as of the balance sheet date are entirely insured or collateralized with securities held by the County or by its agent on the County's behalf.

State statutes authorize the County to invest in obligations of the State of Georgia 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 United States; obligations of any corporation of the U.S. Government; prime bankers' acceptances; the local government investment pool established by Georgia law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia; and additionally, certificates of deposits, now accounts and money market accounts of banks which have deposits insured by the Federal Deposit Insurance Corporation; provided, however, that portion of such investment shall be secured by direct obligations of the State of Georgia or the United States which are of a par value equal to 110 percent of funds on deposit at the institution.

The County's investment policy is to invest only in the type of investments that are legally authorized by state statues. As of June 30, 2021, all funds invested by the County were in the local government investment pool and identified in the financial statements as pooled cash. The County participates in the State of Georgia Local Government Investment pool - "Georgia Fund 1". The Georgia Fund 1 state investment pool is not registered with the Securities and Exchange Commission ("SEC"), but does operate in a manner consistent with the SEC's Rule 2a-7 of the Investment Company Act of 1940. Accordingly, the County's investments in the Georgia Fund 1 have been determined based on the pool's share price.

"Georgia Fund 1", created by OCGA 36-83-8, is a stable net asset value investment pool, which follows Standard and Poor's criteria for AAAm rated money market funds. However, Georgia Fund 1 operates in manner consistent with Rule 2a-7 of the Investment Company Act of 1940 and is considered to be a 2a-7 like pool. The pool is not registered with the SEC as an investment company. The pool's primary objectives are safety of capital, investment income, liquidity, and diversification while maintaining principal ($1.00 per share value). Net asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participant's shares sold and redeemed based on $1.00 per share.

Investments (Pooled Cash) are recorded at cost plus accrued interest, which approximates market value.

The County had $6,418,390 invested in the State of Georgia Local Government Investment Pool (Georgia Fund 1) as of June 30, 2021. Georgia Fund 1 is managed under the policies included in Georgia Law (O.C.G.A. 36-83-4).

The entire portfolio, including the County's pro-rata portion, consists of collateralized certificates of deposit and government or governmental agency securities owned outright and under agreement to resell. The title to all investments, including collateral pledged to secure certificates of deposit, is held in the custody of the Director, Fiscal Division, Office of State Treasurer, State of Georgia in accordance with Georgia law. Since these investments are not evidenced by securities that exist in physical or book entry form; they are not classified by

category or credit risk. Additionally, no indication of the level of risk has been provided because these investments are in pools managed by other governments or by other agents.

## NOTE 3 - PROPERTY TAX CALENDAR

For fiscal year ending June 30, 2021, property taxes were levied on August 10, 2020, and were due and payable at that time. All unpaid taxes levied on August 10, 2020, became delinquent on December 20, 2020, and attached as an enforceable lien on property as of that date.

Property tax revenues are recognized in the fiscal period for which they are levied and when they become available.

Property tax revenues are considered available when collected within the current period or expected to be collected soon enough thereafter to pay liabilities of the current period. Such time thereafter does not exceed 60 days.

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## NOTE 4 - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2021 was as follows:

| Governmental Activities: | Beginning Balances | Increases | Decreases | Ending Balances |
|---|---|---|---|---|
| **Capital assets not being depreciated:** | | | | |
| Land | $ 7,094,053 | $ 5,000 | $ - | $ 7,099,053 |
| Land under roads | 1,254,366 | - | - | 1,254,366 |
| Construction in progress | 2,821,148 | 1,126,104 | 2,362,613 | 1,584,639 |
| Total capital assets not being depreciated | 11,169,567 | 1,131,104 | 2,362,613 | 9,938,058 |
| **Capital assets being depreciated:** | | | | |
| Automobiles | 4,272,087 | 342,473 | - | 4,614,560 |
| Buildings | 23,792,607 | 1,250,847 | - | 25,043,454 |
| Infrastructure | 34,075,959 | 1,759,080 | - | 35,835,039 |
| Camera/security equipment | 106,288 | - | - | 106,288 |
| Computers | 277,433 | - | - | 277,433 |
| Capital asset software | 52,341 | 47,869 | - | 100,210 |
| Cooler | 8,820 | - | - | 8,820 |
| Fire equipment | 3,695,936 | - | - | 3,695,936 |
| Food service equipment | 127,101 | - | - | 127,101 |
| Fixtures | 45,007 | 19,364 | - | 64,371 |
| Heavy equipment | 5,352,532 | 1,220,792 | - | 6,573,324 |
| Laundry equipment | 46,063 | - | - | 46,063 |
| Machinery | 1,340,707 | - | - | 1,340,707 |
| Radios | 3,606,473 | - | - | 3,606,473 |
| Miscellaneous equipment | 138,274 | - | - | 138,274 |
| Office equipment | 616,240 | - | - | 616,240 |
| Total capital assets being depreciated | 77,553,868 | 4,640,425 | - | 82,194,293 |
| Less accumulated depreciation for: | | | | |
| Automobiles | 3,514,239 | 216,303 | - | 3,730,542 |
| Buildings | 12,143,437 | 562,217 | - | 12,705,654 |
| Infrastructure | 22,182,232 | 1,005,689 | - | 23,187,921 |
| Camera/security equipment | 96,745 | 3,752 | - | 100,497 |
| Computers | 212,485 | 9,542 | - | 222,027 |
| Capital asset software | 52,341 | 1,977 | - | 54,318 |
| Cooler | 8,820 | - | - | 8,820 |
| Fire equipment | 2,940,269 | 97,995 | - | 3,038,264 |
| Food service equipment | 127,101 | - | - | 127,101 |
| Fixtures | 45,007 | 1,449 | - | 46,456 |
| Heavy equipment | 3,207,783 | 485,142 | - | 3,692,925 |
| Laundry equipment | 37,883 | 3,760 | - | 41,643 |
| Machinery | 1,087,115 | 40,737 | - | 1,127,852 |
| Radios | 1,809,781 | 412,066 | - | 2,221,847 |
| Miscellaneous equipment | 94,255 | 8,193 | - | 102,448 |
| Office equipment | 603,159 | 4,958 | - | 608,117 |
| Total Accumulated Depreciation | 48,162,652 | 2,853,780 | - | 51,016,432 |
| Governmental activities capital assets, net | $ 40,560,783 | $ 2,917,749 | $ 2,362,613 | $ 41,115,919 |

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| Business-type Activities: | Beginning Balances | Increases | Decreases | Ending Balances |
|---|---|---|---|---|
| **Capital assets not being depreciated:** | | | | |
| Land | $ 1,861,277 | $ - | $ - | $ 1,861,277 |
| Construction in progress | - | - | - | - |
| Total capital assets not being depreciated | 1,861,277 | - | - | 1,861,277 |
| **Capital assets being depreciated:** | | | | |
| Buildings | 1,094,802 | - | - | 1,094,802 |
| Structures & Improvements | 21,973,643 | 8,928 | - | 21,982,571 |
| Machinery & Equipment | 6,072,084 | 1,657,980 | 328,000 | 7,402,064 |
| Automobile Equipment | 324,988 | - | - | 324,988 |
| Office Furniture & Fixtures | 3,159 | - | - | 3,159 |
| Total capital assets being depreciated | 29,468,676 | 1,666,908 | 328,000 | 30,807,584 |
| Less accumulated depreciation for: | | | | |
| Buildings | 775,574 | 27,938 | - | 803,512 |
| Structures & Improvements | 8,424,748 | 778,594 | - | 9,203,342 |
| Machinery & Equipment | 3,854,245 | 461,244 | 169,467 | 4,146,022 |
| Automobile Equipment | 239,687 | 23,034 | - | 262,721 |
| Office Furniture & Fixtures | 3,159 | - | - | 3,159 |
| Total Accumulated Depreciation | 13,297,413 | 1,290,810 | 169,467 | 14,418,756 |
| Business-type activities capital assets being depreciated, net | 16,171,263 | 376,098 | 158,533 | 16,388,828 |
| Business-type activities capital assets, net | $ 18,032,540 | $ 376,098 | $ 158,533 | $ 18,250,105 |

Depreciation expense was charged to the governmental functions as follows:

| | |
|---|---|
| General government | $ 178,634 |
| Public Safety | 1,032,532 |
| Public Works | 1,396,715 |
| Health & Welfare | 20,190 |
| Housing & Development | 115,913 |
| Recreation | 98,749 |
| Internal Service Funds | 11,047 |
| Total governmental depreciation recognized in functions | $ 2,853,780 |

## NOTE 5 – LONG-TERM OBLIGATIONS

### GEFA Note

In 2009, the County entered into a loan agreement with the Georgia Environmental Facilities Authority in the amount of $3,000,000 to be used to contribute to the Silver Lake Property. The interest rate on this note is .52% to be repaid in 240 monthly payments of $14,127. This loan is to be repaid using SPLOST V & VI proceeds. The balance of this note as of June 30, 2021 was $1,178,676.

On May 1, 2016, GEFA loan 2013-L17WJ was converted from construction status to a fixed amortization loan with an annual interest rate of 2.4%. The monthly payments of $16,418 are due on the first of the month beginning June 1, 2016. The principal amount of the loan is $3,126,884 and was used to fund the waste water treatment plant construction. The balance of this note as of June 30, 2021 was $2,468,188.

On April 1, 2019, GEFA loan 2014-L13SW was converted from construction status to a fixed amortization loan with an annual interest rate of 1.52%. The monthly payments of $21,389 are due on the first of the month beginning May 1, 2019. The principal amount of the loan is $2,379,695 and was used to construct cell 5 at the landfill. The balance of this note as of June 30, 2021 was $1,894,320.

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## Long-term Obligation Activity

Changes in long-term obligations for the year ended June 30, 2021 are as follows:

| | Beginning of Year | Increases | Decreases | End of Year | Due Within One Year |
|---|---|---|---|---|---|
| **Governmental activities:** | | | | | |
| Capital Lease Obligations | $ 2,863,956 | $ - | $ 757,809 | $ 2,106,147 | $ 751,508 |
| GEFA Note Payable | 1,341,608 | - | 162,932 | 1,178,676 | 163,782 |
| Sub-total Governmental activities | $ 4,205,564 | $ - | $ 920,741 | $ 3,284,823 | $ 915,290 |
| **Business-type activities:** | | | | | |
| **Water and Sewer Fund:** | | | | | |
| GEFA Note Payable | $ 2,604,187 | $ - | $ 135,999 | $ 2,468,188 | $ 139,300 |
| Sub-total Water and Sewer Fund | 2,604,187 | - | 135,999 | 2,468,188 | 139,300 |
| **Landfill Fund** | | | | | |
| Accrued closure/postclosure cost-Old Landfill | 825,456 | 9,906 | - | 835,362 | - |
| Accrued closure/postclosure cost-New Landfill | 2,869,667 | 34,436 | - | 2,904,103 | - |
| Capital Lease Obligations | 421,522 | - | 217,587 | 203,935 | 106,768 |
| GEFA Note Payable - Cell 5 | 2,120,325 | - | 226,005 | 1,894,320 | 229,464 |
| Sub-total Landfill Fund | 6,236,970 | 44,342 | 443,592 | 5,837,720 | 336,232 |
| Sub-total Business-type activities | $ 8,841,157 | $ 44,342 | $ 579,591 | $ 8,305,908 | $ 475,532 |
| Total all long-term debt | $ 13,046,721 | $ 44,342 | $ 1,500,332 | $ 11,590,731 | $ 1,390,822 |

The assets acquired through capital leases are as follows:

| Asset: | Governmental Activities | Landfill Fund |
|---|---|---|
| Machinery and equipment | $ 2,849,102 | $ 3,448,781 |
| Less: Accumulated depreciation | (1,935,538) | (2,547,223) |
| Total | $ 913,564 | $ 901,558 |
| 2019 depreciation | $ 133,431 | $ 199,514 |

*This space intentionally left blank.*

Debt service requirements on long-term debt at June 30, 2021 are as follows:

**Governmental Activities - Capital Leases**

| Year Ending June 30 | Principal | Interest | Totals |
|---|---|---|---|
| 2022 | $ 751,508 | $ 62,108 | $ 813,616 |
| 2023 | 757,505 | 39,435 | 796,940 |
| 2024 | 597,134 | 17,503 | 614,637 |
| **Totals** | $ 2,106,147 | $ 119,046 | $ 2,225,193 |

**Business-Type Activities - Capital Leases**

| Year Ending June 30 | Principal | Interest | Totals |
|---|---|---|---|
| 2022 | $ 106,768 | $ 4,377 | $ 111,145 |
| 2023 | 81,275 | 1,428 | 82,703 |
| 2024 | 15,892 | 108 | 16,000 |
| **Totals** | $ 203,935 | $ 5,913 | $ 209,848 |

**Governmental Funds - GEFA Note - Silver Lake Project**

| Year Ending June 30 | Principal | Interest | Totals |
|---|---|---|---|
| 2022 | $ 163,782 | $ 5,739 | $ 169,521 |
| 2023 | 164,636 | 4,885 | 169,521 |
| 2024 | 165,494 | 4,027 | 169,521 |
| 2025-2028 | 684,767 | 7,443 | 692,210 |
| **Totals** | $ 1,178,679 | $ 22,094 | $ 1,200,773 |

**Landfill - GEFA - Cell 5 Loan**

| Year Ending June 30 | Principal | Interest | Totals |
|---|---|---|---|
| 2022 | $ 229,464 | $ 27,200 | $ 265,664 |
| 2023 | 232,977 | 23,688 | 265,664 |
| 2024 | 236,542 | 20,122 | 265,664 |
| 2025-2029 | 1,195,337 | 45,260 | 1,240,597 |
| Totals | $ 1,894,320 | $ 116,270 | $ 2,037,589 |

**Water & Sewer - GEFA - WWTP**

| Year Ending June 30 | Principal | Interest | Totals |
|---|---|---|---|
| 2022 | $ 139,300 | $ 57,711 | $ 197,011 |
| 2023 | 142,681 | 54,331 | 197,012 |
| 2024 | 146,142 | 50,868 | 197,010 |
| 2025-2029 | 785,657 | 199,396 | 985,053 |
| 2030-2034 | 885,719 | 99,333 | 985,052 |
| 2035-2036 | 368,689 | 8,913 | 377,602 |
| Totals | $ 2,468,188 | $ 470,552 | $ 2,938,740 |

The following is a summary of capitalized lease obligations:

Governmental Activities:

| Purpose | Original Amount | Payment Amounts | Interest Rate | Payments | Minimum Lease Payments | Net Present Value |
|---|---|---|---|---|---|---|
| BancorpSouth Lease-Purchase Contract on JD 770G Motor Grader SN: 1DW770GPLHF684262 | $ 137,978 | $ 2,454 | 2.59% | 60 | $ 41,722 | $ 40,922 |
| BancorpSouth Lease-Purchase Contract on JD 310 SL Backhoe Loader SN: 1T0310SLLJF324619 | 82,525 | 1,468 | 2.59% | 60 | 27,890 | 27,297 |
| Motorola Solutions Inc. Lease-Purchase Contract on 700 MHZ Radio System | 3,817,877 | 610,374 | 2.95% | 7 | 1,831,121 | 1,728,170 |
| BancorpSouth Lease-Purchase Contract on JD 770GP SN: IDW770GPCJF690063 | 234,475 | 4,264 | 3.49% | 60 | 106,612 | 102,684 |
| Motorola Solutions Inc. Lease-Purchase Contract on radio equipment for Reno Tower | 492,500 | 108,925 | 3.45% | 5 | 217,851 | 207,074 |
| Total Governmental Activities | $ 4,765,355 | | | | $ 2,225,196 | $ 2,106,147 |

Business-type activities:

| Purpose | Original Amount | Payment Amounts | Interest Rate | Payments | Minimum Lease Payments | Net Present Value |
|---|---|---|---|---|---|---|
| Landfill: | | | | | | |
| Caterpillar Financial Service Corp. Lease-Purchase Contract on D6T Cat Track Type Tractor SN: NDY00325 | $ 351,600 | $ 6,329 | 3.07% | 60 | $ 120,246 | $ 117,242 |
| John Deere Financial Lease-Purchase Contract on JD 750K LGP Tractor SN: 1T0750KXLJF338755 | 351,600 | 3,200 | 2.75% | 60 | 89,602 | 86,693 |
| Sub-Total Landfill | 703,200 | | | | 209,848 | 203,935 |
| Totals Business-Type Activities | $ 703,200 | | | | $ 209,848 | $ 203,935 |

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## NOTE 6 - INTERFUND BALANCES AND ACTIVITIES

### Balances Due to/From Other Funds

| Major Funds | Interfund Receivable (Due From) | Interfund Payable (Due To) |
|---|---|---|
| Governmental Funds | | |
| General Fund (Due to/from SPLOST # 6) | $ 407,704 | $ - |
| General Fund (Due to/from TSPLOST) | 246,877 | - |
| General Fund (Due to/from E-911 Radio System SRF) | 45,597 | - |
| General Fund (Due to/from Insurance ISF) | 675,246 | - |
| General Fund (Due to/from ISF) | 2,922,953 | 913,022 |
| General Fund (Due to/from Mandatory Drug SRF) | - | 65,699 |
| General Fund (Due to/from Confiscated Assets SRF) | - | 111,059 |
| General Fund (Due to/from Victim's Assistance SRF) | - | 4,895 |
| General Fund (Due to/from Decatur Prision SRF) | 32 | - |
| General Fund (Due to/from W&S Ent. Fund) | - | 1,327,638 |
| General Fund (Due to/from Nat. Gas Ent. Fund) | - | 1,308,714 |
| General Fund (Due to/from Landfill Ent. Fund) | - | 4,087,601 |
| General Fund (Due to/from E-911 SRF) | 483,107 | - |
| General Fund (Due to/from Decatur Jail SRF) | 2,763 | - |
| General Fund (Due to/from Jail Inmate SRF) | 55,492 | - |
| SPLOST CPF # 6 (Due to/from General Fund) | - | 407,704 |
| TSPLOST CPF (Due to/from General Fund) | - | 246,877 |
| | 4,839,771 | 8,473,209 |
| Proprietary Funds | | |
| Natural Gas Fund (Due to/from General Fund) | 1,308,714 | - |
| Natural Gas Fund (Due to/from ISF) | - | 143,601 |
| Natural Gas Fund (Due from A-1 Truss SRF) | 11,539 | - |
| Prison Fund (Due to/from ISF) | - | 305,974 |
| Landfill Fund Fund (Due to/from General Fund) | 4,087,601 | - |
| Landfill Fund Fund (Due to/from ISF) | - | 1,131,012 |
| Water & Sewer Fund (Due to/from General Fund) | 1,327,638 | - |
| Water & Sewer Fund (Due tofrom ISF) | - | 20,996 |
| Water & Sewer Fund (Due from A-1 Truss SRF) | 9,900 | - |
| | 6,745,392 | 1,601,583 |
| Non-Major Funds | | |
| E-911 SRF (Due to/from General Fund) | - | 483,107 |
| E-911 SRF (Due to/from ISF) | - | 100,451 |
| Confiscated Assets SRF (Due to/from General Fund) | 111,059 | - |
| Decatur County Prison SRF (Due to/from General Fund) | - | 32 |
| Decatur Count Jail SRF (Due to/from General Fund) | - | 2,763 |
| Victim's Assistance SRF (Due to/from General Fund) | 4,895 | - |
| E-911 Radio System SRF (Due to/from General Fund) | - | 45,597 |
| E-911 Radio System SRF (Due to/from ISF) | - | 16,127 |
| Mandatory Drug Fund SRF (Due to/from General Fund) | 65,699 | - |
| Jail Fund Inmate SRF (Due to/from General Fund) | - | 55,492 |
| A-1 Truss SRF (Due to/from Other Funds) | - | 21,439 |
| Internal Service Fund (Due to/from E-911 SRF) | 100,451 | - |
| Internal Service Fund (Due to/from E-911 Radio System SRF) | 16,127 | - |
| Internal Service Fund (Due to/from Natural Gas Fund) | 143,601 | - |
| Internal Service Fund (Due to/from Prison Ent. Fund) | 305,974 | - |
| Internal Service Fund (Due to/from Water & Sewer Fund) | 20,996 | - |
| Internal Service Fund (Due to/from Landfill Fund) | 1,131,012 | - |
| Internal Service Fund (Due to/from General Fund) | 913,022 | 2,922,953 |
| Insurance Internal Service Fund (Due to General Fund) | - | 675,246 |
| | 2,812,836 | 4,323,207 |
| **Totals** | $ 14,397,999 | $ 14,397,999 |

### Entity-wide Inter-fund Balance Reconciliation

| | |
|---|---|
| Governmental Funds | |
| Receivables | $ 7,652,607 |
| Payables | (12,796,416) |
| Netting of Internal Service Fund | (62,655) |
| Internal Balances - Governmental Activities | $ (5,206,464) |
| | |
| Business-Type Funds | |
| Business-Type Funds Receivables | $ 6,745,392 |
| Business-Type Funds Payables | (1,601,583) |
| Netting of Internal Service Fund | 62,655 |
| Internal Balances - Business-Type Activities | $ 5,206,464 |

Due to/from balances are the result of short term borrowing between the funds. Restricted funds are all for qualified expenditures. It is the County's intent to repay these interfund balances during the next fiscal year.

The General Fund purchased qualified SPLOST capital assets that will be repaid to the general fund in the coming fiscal year.

### Transfers to/from Other Agencies

Transfers to/from funds at June 30, 2021 consisted of the following:

| | Transfer To | | |
|---|---|---|---|
| **Transfer Out** | **E-911 SRF** | **Water and Sewer Fund** | **Total** |
| General Fund | $ 486,892 | $ - | $ 486,892 |
| Landfill Fund | - | 300,000 | 300,000 |
| **Totals** | $ 486,892 | $ 300,000 | $ 786,892 |

| | |
|---|---|
| Governmental Activities: | |
| Total Transfer Out | $ (486,892) |
| Less: Transfer to Non-major Governmental | 486,892 |
| Net Transfers In (Out) | $ - |
| | |
| Business-Type Activities: | |
| Total Transfer Out | $ (300,000) |
| Less: Transfer to Business Type Activities | 300,000 |
| Net Transfers In (Out) | $ - |

Transfers of $486,892 were made from the general fund to the E-911 fund. $51,463 to cover the cost of administrative cost associated with that fund. These cost cannot be paid with E-911 restricted resources. The $435,429 was to cover additional fund shortfalls.

Transfers of $300,000 where made from the Landfill Fund to the Prison Fund to cover cash shortfalls.

## NOTE 7 – DEFINED BENEFIT PENSION PLAN

### GASB 68 Implementation

Effective July 1, 2014, the County implemented the provisions of GASB 68, as required by the Governmental Accounting Standard Board. In conjunction with the implementation of Government Accounting Standards Board (GASB) No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27, as well as Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date - and amendment of GASB Statement No. 68,* the County is required to change its accounting treatment of pensions. The new standard establishes standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures.

### Plan Description

Effective October 1, 1994, the County participates in the Association County Commissioners of Georgia (ACCG) Defined Benefit Plan (Plan), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agency for participating counties in Georgia.

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

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**Statement of Fiduciary Net Position for the Year Ended December 31, 2020**

| | | |
|---|---|---|
| Market Value of Assets | | |
| Cash & Cash Equivalent. | $ | 472,540 |
| Bonds | | - |
| Fixed Interest Insurance Account | | 67,788 |
| Marketable Securities | | 12,573,908 |
| Total | $ | 13,114,236 |
| Receivable | | |
| Employer Contributions | $ | 858,112 |
| Employee Contributions | | - |
| Due From Insurance Pool | | - |
| Accrued Interest Income | | 15,065 |
| Total | $ | 873,177 |
| Liabilities | | |
| Administrative Expenses | $ | 33,660 |
| Accrued Investment Fee | | 12,916 |
| Accrued Auditing Fees | | - |
| Payable to Insurance Pool | | - |
| Total | $ | 46,576 |
| Fiduciary Net Position | $ | 13,940,837 |

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## Statement of Change in Fiduciary Net Position for the Year Ended December 31, 2019

| | |
|---|---|
| Additions | |
| Asset transfer | $ - |
| Employer contributions | 858,112 |
| Employee contributions | - |
| Net investment income | 1,751,395 |
| Employee contribution - buyback - | - |
| Total additions | $ 2,609,507 |
| Deductions | |
| Investment expense | $ 52,129 |
| Administrative expenses | 47,942 |
| Benefit payments | 649,396 |
| Post-retirement death benefit expense | 85,000 |
| Pre-retirement death benefit expense | - |
| Transfer to successor plans | - |
| Refund of employee contributions | - |
| Total deductions | $ 834,467 |
| Net increase (decrease) in fiduciary net position | $ 1,775,040 |
| Net position held in trust for pension benefits | |
| Beginning of year | $ 12,165,797 |
| End of year | $ 13,940,837 |
| Money weighted rates of return | 14.02% |

**Net Position Restricted for Pension**

| | |
|---|---|
| Fiduciary net position | $ 13,940,837 |
| Deferred outflow of resources | 1,026,409 |
| Deferred inflow of resources | (1,798,191) |
| Net position restricted for pensions | $ 14,712,619 |

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### Summary of Significant Accounting Policies

The Plan's financial statements are prepared on an accrual basis, modified to include unrealized gains or losses on marketable securities owned by the Plan.

Plan member contributions are recognized in the period in which contributions are due. County contributions are recognized when due and the County has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable.

Investments in securities are valued at current market prices. The trust fund is invested, approximately, in 70% equities and 30% fixed income securities on a cost basis.

### Contributions

The County is required to contribute at an actuarially determined rate. Section 47-20 of the Georgia Code set forth the minimum funding standards for state and local governmental pension plans. Administrative expenses are based on total covered compensation of active plan participants and are added to the state-required annual fund requirement.

The Georgia Constitution enables the governing authority of the County, the Board of Commissioners, to establish, and amend from time-to-time the contribution rates for the County and its plan participants.

### Board of Trustees

The Trustees for the Association County Commissioners of Georgia (ACCG) Pension Plan and Trust oversees the administration, investment and funding of the Association County Commissioners of Georgia Retirement Program for member employers.

The County contributes to the Association County Commissioners of Georgia ("ACCG") Defined Benefit Plan, an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating counties in Georgia.

The specific benefit provisions of the County's plan were established by an adoption agreement executed by the County Board of Commissioners. The Plan provides for benefits upon retirement, death, disablement, and termination of employment, if certain eligibility conditions are met. An outline of plan provisions is attached to this report.

The County contribution(s) to the Plan is/are determined using the actuarial basis described in the annual funding valuation report. The annual County contribution meets or exceeds the minimum funding requirements of Georgia Statute 47-20.

*This space intentionally left blank.*

Participant counts as of January 1, 2020 (the most recent actuarial valuation date) and covered compensation (based on covered earnings for the preceding year) are shown below:

| | |
|---|---|
| Retirees, beneficiaries and disables receiving benefits | 77 |
| Terminated plan members entitled to but not yet receiving benefits | 152 |
| Active plan members | 155 |
| Total number of plan participants | 384 |
| Part-time active employees not participating in the Plan | 9 |
| Covered compensation for active participants | $ 6,591,214 |
| Average remaining future service for active participants | 8.55 |

### Contributions

The annual County contribution to the Plan is determined using the actuarial basis described in the annual valuation report. The annual County contribution meets or exceeds the minimum funding requirements of Georgia Statute 47-20. As of June 30, 2021, the County contributed $858,112 to the plan.

### Net Pension Liability

The County's net pension liability was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2020. The amount recognized by the County as the net pension liability was $3,059,285.

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***Actuarial assumptions.*** The actuarial assumptions used for the January 1, 2020 valuation was applied to all periods included in the measurement were as follows:

| | |
|---|---|
| Investment return | 7.00% per year |
| Future salary increases | 4.50% per year with an age based scale as follows: |

| Age | Salary Increase |
|---|---|
| Under 30 | 4.5 rate plus 1.0% |
| 30-39 | 4.5 rate plus .5% |
| 40-49 | 4.5 rate less .5% |
| 50+ | 4.5 rate less 1.0% |

Based on results of the February 2019 experience study.

| | |
|---|---|
| Mortality: | Pub-2010 GE (50%) & PS (50%) Amt-Weighted with Scale AA to 2020 |

***Actuarial Cost Method.*** Entry Age Normal: A method under which the actuarial present value of the projected benefits of each individual included in an actuarial valuation is allocated on a level basis over the service of the individual between entry age and assumed exit age(s).

Investment Return Assumption:

| | |
|---|---|
| Estimated 65th percentile return based on UBS Capital Market Assumptions: | 6.10% |
| Five year performance in excess of benchmarks: | 0.09% |
| Assumed annual investment return | 7.00% |

- Projected assets are sufficient to pay all projected benefits promised to current plan participants.
- In projecting plan assets, the assumed contribution was based on the average contribution made to the plan over the prior five years.
- Effective December 31, 2018, the expected long-term rate of return used to discount all projected benefit payments was revised from 7.25% to 7.00%.

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

| | Target Allocation | Range |
|---|---|---|
| Fixed Income: | 30% | 25% - 35% |
| Equities: | 70% | 65% - 75% |
| Large Cap | 30% | 25% - 35% |
| Mid Cap | 5% | 2.5% - 10% |
| Small Cap | 5% | 2.5% - 10% |
| REIT | 5% | 2.5% - 10% |
| International | 15% | 10% - 20% |
| Multi Cap | 5% | 2.5% - 10% |
| Global Allocation | 5% | 2.5% - 10% |

Changes in assumptions since prior valuation

There have been no substantive changes since the last actuarial valuation.

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### Changes in the Net Pension Liability

| | Total Pension Liability (a) | Fiduciary Net Position (b) | Net Pension Liability (a)-(b) |
|---|---|---|---|
| Balance at December 31, 2019 | $ 16,446,946 | $ 12,165,797 | $ 4,281,149 |
| Changes for the year: | | | |
| Service Cost | 306,433 | - | 306,433 |
| Interest | 1,128,557 | - | 1,128,557 |
| Liability experience (gain)/loss | (261,695) | - | (261,695) |
| Assumption Change | 29,277 | - | 29,277 |
| Employer Contributions | - | 858,112 | (858,112) |
| Employee Contributions | - | - | - |
| Net Investment Income | - | 1,751,395 | (1,751,395) |
| Benefit Payments | (649,396) | (649,396) | - |
| Administrative Expense | - | (47,942) | 47,942 |
| Other Changes | - | (137,129) | 137,129 |
| Net Changes | 553,176 | 1,775,040 | (1,221,864) |
| Balance at December 31, 2020 | $ 17,000,122 | $ 13,940,837 | $ 3,059,285 |

Other Changes include Post-Retirement Death Benefit Expense of $85,000 and Investment Expense of $52,129.

*Sensitivity of the net pension liability to changes in the discount rate.* The following presents the net pension liability of the County, calculated using the discount rate of 7.00%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

| | 6.00% | 7.00% | 8.00% |
|---|---|---|---|
| Total Pension Liability | $ 19,280,058 | $ 17,000,122 | $ 15,107,647 |
| Fiduciary Net Position | 13,940,837 | 13,940,837 | 13,940,837 |
| Net Pension Liability | $ 5,339,221 | $ 3,059,285 | $ 1,166,810 |

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## Pension Expense and Deferred Outflows of Resources and Deferred Inflow of Resources Related to Pensions

For the year ended December 31, 2020, the County recognized pension expense of $874,810. At June 30, 2021, the County reported deferred outflows of resources and deferred inflow of resources related to pensions from the following sources:

| | Net Deferred Outflows | Net Deferred Inflows |
|---|---|---|
| Asset (Gain)/Loss | $ 496,206 | $ (1,611,266) |
| Liabilty (Gain)/Loss | 115,925 | (186,925) |
| (Gain)/Loss due to Assumption Change | 414,278 | - |
| Total | $ 1,026,409 | $ (1,798,191) |

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

| | | |
|---|---|---|
| Year ended June 30, | 2022 | $ (866,047) |
| | 2023 | (386,215) |
| | 2024 | 622,084 |
| | 2025 | (141,604) |
| | 2026 | - |

## Allocation Method

The net pension liability, contributions and pension expense recognized was allocated between governmental activities and enterprise funds. The allocation method is based upon retirement contributions made during the year from each fund divided by total contributions. The percentage for governmental activities and enterprise funds was applied to the net pension liability and deferred outflows as of June 30, 2021.

A copy of additional financial information from the Plan financial reports can be obtained from GEB Corp, 191 Peachtree Street NE, Suite 700, Atlanta, Georgia 30303.

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### Pensions with Special Funding Situations

The following pension plans are all cost-sharing, multiple employer defined benefit plans. These plans are considered to be special funding situations. Below is a list of the plans presented:

| Name of Pension Plan | Plan Website |
|---|---|
| Employees Retirement System – (ERS) | ers.ga.gov |
| Georgia Judicial Retirement System – (GJRS) | ers.ga.gov |
| Sheriffs' Retirement Fund of Georgia – (SRFG) | georgiasheriffs.org |
| Judges of the Probate Courts Retirement Fund of Georgia – (JPCRF) | pjrf.georgia.gov |
| Peace Officers' Annuity and Benefit Fund of Georgia – (POAB) | poab.georgia.gov |
| Superior Court Clerks' Retirement Fund of Georgia – (SCCRF) | scc.georgia.gov |
| Georgia Firefighters' Pension Fund – (GFPF) | gfpf.org |

The employer contributions are funded by the State on behalf of the local county employer. Since the County does not contribute directly to the plans, there is no net pension liability or deferred inflows or outflows to report in the financial statements of the County. The following table summarizes the proportional share of the collective net pension liability for each of the plans.

| | ERS | GJRS | SRFG | JPCRF | POAB | SCCRF | GFPT | Total |
|---|---|---|---|---|---|---|---|---|
| County's proportionate share of the collective net pension liability | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| State's proportionate share of the collective net pension liability (asset) associated with the County | 119,620 | 50,490 | 495,121 | 150,914 | 39,030 | 114,153 | 177,036 | 1,146,364 |
| Total Net Pension Liability (Asset) | $ 119,620 | $ 50,490 | $ 495,121 | $ 150,914 | $ 39,030 | $ 114,153 | $ 177,036 | $ 1,146,364 |
| Pension revenue and expense for State support | $ 9,656 | $ 27,873 | $ 90,077 | $ 8,100 | $ 34,001 | $ 11,243 | $ 42,297 | $ 223,247 |

Pension plan descriptions, assumptions, and related disclosures may be found in separately issued reports as of June 30, 2021 for each of these plans, and are available at the websites listed above.

## 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; and natural disasters for which the County carries property and auto insurance. The County is covered by general liability insurance through the ACCG Interlocal Risk Management Agency. Chapter 85 of Title 36 of the Official Code of Georgia Annotated authorizes Georgia counties to form interlocal risk management agencies. The ACCG Interlocal Risk Management Agency (IRMA) is a county interlocal risk management agency to function as an unincorporated nonprofit instrumentality of its member counties - IRMA establishes 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 county government. IRMA is to defend and protect in accordance with the member government contract and related coverage descriptions any member of IRMA against liability or loss.

Decatur County must participate at all times in at least one fund which is established by IRMA. Other responsibilities of the County are as follows:

- To pay all contributions, assessments or other sums due to IRMA at such times and in such amounts as shall be established by IRMA.
- To select a person to serve as a member representative.
- To allow IRMA 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 IRMA.
- To allow attorneys, appointed by IRMA, 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 IRMA.
- To assist and cooperate in the defense and settlement of claims against the County.
- To furnish full cooperation to IRMA's attorneys, claims adjusters, service company and any agent, employee, officer or independent contractor of IRMA relating to the purposes of IRMA.
- To follow all loss reduction and prevention procedures established by IRMA.
- To furnish to IRMA 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 IRMA or any Fund established by IRMA being required to pay claim for loss or injuries to County property or injuries to persons or

are done to assess the rates for the premiums for the health and dental coverage. The activities of this partially self-funded plan are reported in the Insurance Internal Service Fund.

## NOTE 9 - CONTINGENT LIABILITIES

The County participates in Federal and State-assisted grant programs. These programs are subject to program compliance audits by the grantor or its representative. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

## NOTE 10 - CONDENSED FINANCIAL STATEMENTS - ENTERPRISE FUNDS

### Condensed Statement of Net Position

| Description | Water & Sewer Fund | Natural Gas | Landfill Fund | Prison | Totals |
|---|---|---|---|---|---|
| Assets | | | | | |
| Current | $ 1,450,234 | $ 1,880,892 | $ 6,818,651 | $ 587,815 | $ 10,737,592 |
| Capital | 5,934,092 | 703,742 | 11,323,145 | 289,126 | 18,250,105 |
| Total Assets | 7,384,326 | 2,584,634 | 18,141,796 | 876,941 | 28,987,697 |
| Deferred outflow | 9,073 | 964 | 41,748 | 155,311 | 207,096 |
| Total Assets and Deferred outflow | $ 7,393,399 | $ 2,585,598 | $ 18,183,544 | $ 1,032,252 | $ 29,194,793 |
| Liabilities | | | | | |
| Current | $ 169,138 | $ 171,372 | $ 1,501,173 | $ 410,388 | $ 2,252,071 |
| Long-term | 2,355,931 | 2,873 | 5,625,922 | 462,914 | 8,447,640 |
| Total Liabilities | 2,525,069 | 174,245 | 7,127,095 | 873,302 | 10,699,711 |
| Deferred inflow | 15,895 | 1,689 | 73,140 | 272,093 | 362,817 |
| Net Position | | | | | |
| Net Investment in Capital Assets | 3,465,904 | 703,742 | 9,224,890 | 289,126 | 13,683,662 |
| Restricted for Debt Service | - | - | - | - | - |
| Unrestricted | 1,386,531 | 1,705,922 | 1,758,419 | (402,269) | 4,448,603 |
| Total Net Position | $ 4,852,435 | $ 2,409,664 | $ 10,983,309 | $ (113,143) | $ 18,132,265 |

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## Condensed Statement of Revenues, Expenses and Change in Net Position

| Description | Water & Sewer Fund | Natural Gas | Landfill Fund | Prison | Totals |
|---|---|---|---|---|---|
| Operating revenues | | | | | |
| Charges for Services | $ 233,681 | $ 640,626 | $ 2,850,305 | $ 2,373,119 | $ 6,097,731 |
| Total operating revenues | 233,681 | 640,626 | 2,850,305 | 2,373,119 | 6,097,731 |
| Operating expenses (Excluding Depreciation) | 283,900 | 399,673 | 1,196,047 | 2,585,193 | 4,464,813 |
| Depreciation | 140,944 | 17,850 | 1,088,683 | 43,333 | 1,290,810 |
| Total operating expenses | 424,844 | 417,523 | 2,284,730 | 2,628,526 | 5,755,623 |
| Operating income (loss) | (191,163) | 223,103 | 565,575 | (255,407) | 342,108 |
| Nonoperating revenues (expenses) | | | | | |
| Other miscelaneous revenue | - | - | 10,294 | - | 10,294 |
| Interest expense | (61,011) | - | (39,398) | - | (100,409) |
| Total Nonoperating income (expenses) | (61,011) | - | (29,104) | - | (90,115) |
| Special Item- Gain on Timber disposal of assets | - | - | 281,148 | - | 281,148 |
| Transfers in (out) | 300,000 | - | (300,000) | - | - |
| Changes in net position | 47,826 | 223,103 | 517,619 | (255,407) | 533,141 |
| Beginning net position as restated | 4,804,609 | 2,186,561 | 10,465,690 | 142,264 | 17,599,124 |
| Ending net position | $ 4,852,435 | $ 2,409,664 | $ 10,983,309 | $ (113,143) | $ 18,132,265 |

## Condensed Statement of Cash Flows

| Description | Water & Sewer Fund | Natural Gas | Landfill Fund | Prison | Totals |
|---|---|---|---|---|---|
| Net cash provided (used) by operating activiites | $ (65,146) | $ 147,022 | $ 1,525,099 | $ (35,571) | $ 1,571,404 |
| Net cash provided (used) by noncapital financing activites | 300,000 | - | (300,000) | - | - |
| Net cash provided (used) by capital and related financing activties | (205,938) | - | (1,690,991) | - | (1,896,929) |
| Net increase (decrease) in cash & cash equivalents | 28,916 | 147,022 | (465,892) | (35,571) | (325,525) |
| Beginning cash & cash equivalents | 58,436 | 243,481 | 2,797,047 | 493,866 | 3,592,830 |
| Ending cash & cash equivalents | $ 87,352 | $ 390,503 | $ 2,331,155 | $ 458,295 | $ 3,267,305 |

## NOTE 11 - CLOSURE AND POSTCLOSURE COST

Landfill SR309 – Permit 043-006D(SL)

State and Federal laws and regulations require the County to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste. Landfill operating costs were included in the General Fund in years prior to June 30, 1999. On July 1, 1999 the County began recording the activity of the landfill in an enterprise fund. The liability for the estimated closure and post closure care costs was included in the general long-term debt account group in prior years totaling $2,241,968. The liability was recognized in the Landfill Enterprise Fund on July 1, 1999 and removed from the general long-term debt account group. These estimated costs based on a calculation using the utilized capacity percentage of the landfill for the year ending June 30, 2006 was $21,015, which increased the liability to $4,307,227. The total landfill capacity was used and the landfill was closed in July, 2006. The estimated liability for post closure care costs of the landfill was $835,362 as of June 30, 2021. Actual costs may be higher due to inflation, changes in technology or changes in regulations.

Landfill US Hwy 27 – Permit 043-011D(MSWL)

State and Federal laws and regulations require the County to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste. During the 2013 fiscal year, the Department of Natural Resources restated the estimated total cost of closure/post closure cost down to be $2,806,464. Additional cost is being recognized as capacity is being used and adjusted for inflation and is being reported as a long-term liability. The total landfill capacity used as of June 30, 2021 is 7.5%. The County estimates the remaining useful life of the landfill as 40 years. The estimated liability for post closure care costs of the landfill was $2,904,103 as of June 30, 2021 (includes construction and demolition). Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

## NOTE 12 - CONSTRUCTION COMMITMENTS

On February 25, 2014, a referendum was held to determine whether to continue to impose a 1% Special Purpose Local Option Sales Tax in Decatur County, Georgia for road, street and bridge purposes and capital outlay projects. The tax period for this referendum is April 1, 2015 to March 31, 2021. With the passage of this referendum on February 25, 2014, the County is obligated to expend up to $15,907,950 for projects as detailed in the Schedule of Special Purpose Local Option Sales Tax as listed in the Table of Contents.

On November 7, 2017, a referendum was held to determine whether to impose a 1% Transportation Special Purpose Local Option Sales Tax in Decatur County, Georgia for transportation projects. The tax period for this referendum is April 1, 2018 to March 31, 2023. With the passage of this referendum on November 7, 2017, the County is estimated to raise and expend approximately $24,000,000 for projects as detailed in the Schedule of Transportation Special Purpose Local Option Sales Tax as listed in the Table of Contents.

On May 19, 2020, a referendum was held to determine whether to continue to impose a 1% Special Purpose Local Option Sales Tax in Decatur County, Georgia for road, street and bridge purposes and capital outlay projects. The tax period for this referendum is April 1, 2021 to March 31, 2027. With the passage of this referendum on May 19, 2020, the County is obligated to expend up to $14,294,100 for projects as detailed in the Schedule of Special Purpose Local Option Sales Tax as listed in the Table of Contents.

## NOTE 13 – RESTRICTED NET POSITION

Net position restricted for other projects and other purposes is as follows:

| | Other Projects | Total |
|---|---|---|
| TSPLOST | $ 5,601,359 | $ 5,601,359 |
| SPLOST VI | 707,557 | 707,557 |
| SPLOST VII | 1,415,038 | 1,415,038 |
| CDBG Bethel Heights Fund | 33,477 | 33,477 |
| Bond Debt Service Fund | 7,608 | 7,608 |
| Law Library | 47,531 | 47,531 |
| Confiscated Assets | 195,568 | 195,568 |
| E-911 Radio System Fund | 502,155 | 502,155 |
| Crime Victims Assistance | 4,905 | 4,905 |
| Mandatory Drug Fund | 99,409 | 99,409 |
| Decatur County Prison Account | 62,288 | 62,288 |
| Decatur Jail Inmate Fund | 211,836 | 211,836 |
| Mulitple Grants Fund | 15,000 | 15,000 |
| | $ 8,903,731 | $ 8,903,731 |

## NOTE 14 – SPECIAL ITEM – SALES OF CAPITAL ASSETS

During the fiscal year ended June 30, 2021 the County sold certain small capital assets and timber, which were 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. These transactions consisted of the disposition of several small pieces of surplus equipment and timber.

## NOTE 15 - DEFICIT FUND BALANCE

For the fiscal year ended June 30, 2021 there were numerous funds that had a deficit fund balance. The E-911 Special Revenue Fund had a deficit fund balance of $513,613. The Decatur County Jail Special Revenue Fund had a deficit fund balance of $2,763. The A-1 Truss Special Revenue Fund had a deficit fund balance of $63,051. The Administrative Cost Internal Service Fund had a deficit balance of $236,071 and the Health Insurance Internal Service Fund had a deficit balance of $641,186. The Prison DCCI Fund had a deficit fund balance of $402,269. It is the County's intent to alleviate these deficits with future revenues and/or transfers from other funds.

## NOTE 16 - TAX ABATEMENTS

Decatur County enters into property tax abatement agreements with local businesses for the purpose of attracting or retaining businesses within their jurisdictions. The abatements may be granted to any business located within or promising to relocate to Decatur County.

For the fiscal year ended June 30, 2021, Decatur County abated property taxes due to the County that were levied on October 20, 2020 and due on December 20, 2020 totaling $291,722. The following is the individual tax abatement agreement:

- A 100 percent property tax abatement to Global Air, Inc. (Bainbridge Manufacturing) manufacturing plant relocating and increasing employment. The abatement amounted to $30,351.
- A 100 percent property tax abatement to Taurus manufacturing plant relocating and increasing employment. The abatement amounted to $261,371.

## NOTE 17 – CONDUIT DEBT

### Series 2018 Bonds

On June 1, 2018, Tax Exempt Revenue Bonds were issued in the name of the City of Bainbridge Public Facilities Authority in the amount of $20,470,000. The proceeds from these bonds will be used to pay the costs of acquiring, constructing and equipping an economic development project. The County entered into a contract dated June 1, 2018 where it agreed to Levy and collect a tax unlimited as to rate or amount on all property subject to taxation for maintenance and operations purposes in the County as necessary to make the payments required by the contract. The County's obligation to make payments to the issuer sufficient in time and amount to enable the issuer to pay the principal and interest on the series 2018 Bonds is absolute and unconditional, and will not expire so long as any of the Series 2018 Bonds remain outstanding and unpaid. The County has agreed to make payments directly to the Trustee designated in the bond indenture (Regions Bank, Atlanta, Georgia). The amount of the outstanding debt at June 30, 2021 was $20,470,000. As of June 30, 2021, the County had levied and collected $909,107 and paid out $949,838 under the contract. The County was holding $7,608 in the bank as of June 30, 2021.

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## NOTE 18 - DISCRETELY PRESENTED COMPONENT UNIT – HOSPITAL AUTHORITY OF BAINBRIDGE, DECATUR COUNTY

### A. Bank Deposits

At March 31, 2021 and 2020, the Authority had bank balances as follows:

| | 2021 | 2020 |
|---|---|---|
| Insured (FDIC) or collateralized with securities held by the Authority. | $ 1,000,000 | $ 841,967 |
| Collateralized by securities held by the pledging financial institution's trust department in the Authority's name. | 14,512,236 | 924,748 |
| Uncollateralized. | - | - |
| Total (bank balance) | $ 15,512,236 | $ 1,766,715 |
| Carrying value (book value) | $ 15,372,071 | $ 1,674,618 |

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the Authority will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Authority does not have an investment policy for custodial credit risk. At March 31, 2021 and 2020, the Authority owned approximately $2,365,000 and $2,204,000, respectively, in securities that were unsecured and held by the Authority's brokerage firm in the Authority's name.

### B. Capital Assets

A summary of property and equipment at March 31, 2021 follows:

| | 2020 Balance | Increase | Decrease | 2021 Balance |
|---|---|---|---|---|
| Land | $ 729,484 | $ - | $ - | $ 729,484 |
| Buildings & Improvements | 25,718,624 | 56,545 | - | 25,775,169 |
| Equipment | 19,486,416 | 1,293,267 | (429,637) | 20,350,046 |
| Construction in progress | 9,135 | 989,579 | (610,159) | 388,555 |
| Total property and equipment | 45,943,659 | 2,339,391 | (1,039,796) | 47,243,254 |
| Less accumulated depreciation: | | | | |
| Buildings and improvements | 17,333,420 | 522,357 | - | 17,855,777 |
| Equipment | 16,659,555 | 851,166 | (408,149) | 17,102,572 |
| Total accumulated depreciation | 33,992,975 | 1,373,523 | (408,149) | 34,958,349 |
| Net property and equipment | $ 11,950,684 | $ 965,868 | $ (631,647) | $ 12,284,905 |

## C. Long-Term Debt

A summary of changes in long-term debt at March 31, 2021 follows:

| | 2020 Balance | Additions | Deletions | 2021 Balance | Amount Due in One Year |
|---|---|---|---|---|---|
| Revenue certificates | $ 10,130,000 | $ - | $ (650,000) | $ 9,480,000 | $ 670,000 |
| Capital leases | 315,379 | - | (220,318) | 95,061 | 95,061 |
| PPP Loan | - | 4,280,162.00 | - | 4,280,162 | 4,280,162 |
| Total long term debt | $ 10,445,379 | $ 4,280,162.0 | $ (870,318) | $ 13,855,223 | $ 5,045,223 |

A summary of long-term debt, including capital lease obligations, at March 31, 2021 and 2020, follows:

| | 2021 | 2020 |
|---|---|---|
| Revenue Certificates - Series 2017A, payable in annual installments ranging from $520,000 beginning September 1, 2021 to $925,000 on September 1, 2032, with 2.99% interest paid semi-annually. | $ 9,330,000 | $ 9,330,000 |
| Revenue Certificates - Series 2017B, payable in annual installments ranging from $610,000 beginning September 1, 2018 to $150,000 on September 1, 2021, with 2.99% interest paid semi-annually. | 150,000 | 800,000 |
| 1.0% note payable, due April 2022 under the Paycheck Protection Program | 4,280,162 | |
| Total long-term debt | 13,760,162 | 10,130,000 |
| Less current installments of long-term debt | 4,950,162 | 650,000 |
| Long-term debt, excluding current installments | $ 8,810,000 | $ 9,480,000 |

| | 2021 | 2020 |
|---|---|---|
| Capital lease obligations, at varying rates of interest, collateralized by leased equipment and software. | $ 95,061 | $ 315,379 |
| Less current portion of capital lease obligation | 95,061 | 220,318 |
| Capital lease obligations, excluding current portion | $ - | $ 95,061 |

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Scheduled principal and interest repayments on long-term debt and payments on capital lease obligations are as follows:

| | Long-term Debt | | Capital Lease Obligations | |
|---|---|---|---|---|
| Year Ended March 31 | Principal | Interest | Principal | Interest |
| 2022 | $ 670,000 | $ 273,436 | $ 95,061 | $ 1,063 |
| 2023 | 690,000 | 253,104 | - | - |
| 2024 | 710,000 | 232,174 | - | |
| 2025 | 730,000 | 210,646 | - | - |
| 2026 | 750,000 | 188,520 | | |
| 2027-2031 | 4,105,000 | 586,862 | - | - |
| 2032-2033 | 1,825,000 | 54,939 | - | - |
| Totals | $ 9,480,000 | $ 1,799,681 | $ 95,061 | $ 1,063 |

### D. Short-Term Debt

A summary of short-term debt at March 31, 2021 follows:

| | 2020 Balance | Additions | Reductions | 2021 Balance |
|---|---|---|---|---|
| First National Bank | $ - | $ 541,048 | $ (541,048) | $ - |
| Total short-term debt | $ - | $ 541,048 | $ (541,048) | $ - |

- First National Bank notes payable, multiple notes initiated with principal amounts ranging from $155,000 to $581,000 and interest rates ranging from 2.40% to 2.45% to meet obligations related to the intergovernmental transfer funds for ICTF and UPL funds during the fiscal years 2021 and 2020. All notes initiated during the fiscal year 2021 were paid in full during the fiscal year.

### E. Pension

The Memorial Hospital and Manor Retirement Savings Plan (Plan) is a 403(b) plan and was established by the Authority and administered by VALIC to provide benefits at retirement to substantially all employees of the Authority. Plan provisions and contribution requirements are established and may be amended by the Authority's Board of Directors.

Employees contribute a portion of their pre-tax wages and the Authority funds a matching contribution at its discretion. Employees are vested immediately in their contributions. Vesting in the Authority's contribution portion of their accounts is based on years of continuous service. Forfeited nonvested accounts are held and applied to reduce future employer contributions.

For the years ended March 31, 2021 and 2020, the Authority contributed approximately $120,000 and $108,000 in discretionary funds, respectively. The Authority had no liability outstanding related to the Plan at March 31, 2021 and 2020.

### F. Contingencies

Various claims and assertions are made against the Hospital Authority during the ordinary course of business. It is the opinion of management and management's legal counsel that any losses that may result from such claims and assertions would not materially affect the operations or financial position of the Hospital Authority as of and for the years ended March 31, 2021 and 2020. In addition, the state of Georgia legislature passed tort reform which could limit the amount of certain settlements.

### G. Self-Insurance

The Authority has a self-insurance program for employee health insurance under which a third party administrator processes and pays claims. The Authority reimburses the third party administrator monthly for claims incurred and paid. The Authority has purchased stop-loss insurance coverage for claims in excess of $125,000 for each individual employee. During 2017, the Authority also entered the Decatur County Healthcare Cooperative Series of Sentinel Indemnity, LLC, a captive insurance plan, along with Decatur County, Georgia and the City of Bainbridge. The captive agreement provides additional stop-loss coverage for claims in excess of $225,000 for each individual employee. The investment in the captive plan is included in other assets on the balance sheet. Under these self-insurance programs, the Authority incurred expenses of approximately $3,693,000 and $5,105,000 including administrative fees, during the years ended March 31, 2021 and 2020, respectively.

The Authority has a partial self-insurance program for medical malpractice liability claims. The Authority is self-insured up to $1,000,000 per claim and has purchased liability coverage above $1,000,000 per claim and $3,000,000 in the aggregate. The Authority uses a third-party administrator to review and analyze incidents that may result in a claim against the Authority. The Authority has designated assets to be used for liabilities resulting from claims for which the Authority may ultimately be responsible.

### H. Related Organization

The Memorial Foundation, Inc. was created to support and promote the health care programs, operations, and activities of the Authority. The Foundation's funds are distributed to the Authority in amounts and in periods determined by the Foundation's Board of Trustees, who may also restrict the use of funds for capital needs.

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A summary of the Foundation's assets and net position, results of operations and changes in net position (not included in the Authority statements) follows:

| | 2020 | 2019 |
|---|---|---|
| Assets | $ 1,227,649 | $ 1,363,250 |
| Liabilities | - | - |
| Net Position | 1,363,250 | 1,377,126 |
| Liabilities and net position | $ 1,363,250 | $ 1,377,126 |
| Revenues | $ 21,545 | $ 48,801 |
| Investing gains (losses) | 12,596 | 40,033 |
| Change in net unrealized gains and losses on marketable securities | (154,076) | (3,155) |
| Operating expenses | (8,891) | (4,555) |
| Contributions to Memorial Hospital and | (6,775) | (95,000) |
| Excess of revenues over expenses | (135,601) | (13,876) |
| Net position, beginning of year | 1,363,250 | 1,377,126 |
| Net position, end of year | $ 1,227,649 | $ 1,363,250 |

## I. Health Care Reform

In recent years, there has been increasing pressure on Congress and some state legislatures to control and reduce the cost of healthcare on the national or at the state level. Legislation has been passed that includes cost controls on healthcare providers, insurance market reforms, delivery system reforms and various individual and business mandates among other provisions. The costs of these provisions will be funded in part by reductions in payments by government programs, including Medicare and Medicaid. There can be no assurance that these changes will not adversely affect the Authority.

## J. Regulatory Compliance

The healthcare industry has recently been subjected to increased scrutiny from governmental agencies at both the federal and state level with respect to compliance with regulations. Areas of noncompliance identified at the federal level include Medicare and Medicaid, Internal Revenue Service and other regulations governing the healthcare industry. In addition, the Reform Legislation includes provisions aimed at reducing fraud, waste and abuse in the healthcare industry. These provisions allocate significant additional resources to federal enforcement agencies and expand the use of private contractors to recover potentially inappropriate Medicare and Medicaid payments. The Authority has implemented a compliance plan focusing on such issues. There can be no assurance that the Authority will not be subjected to future investigations with accompanying monetary damages.

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## NOTE 19 - DISCRETELY PRESENTED COMPONENT UNIT – DECATUR COUNTY HEALTH DEPARTMENT

### A. Bank Deposits

Total deposits and investments as of June 30, 2021 are summarized as follows:

As reported in the Statement of Net Position:

| | |
|---|---|
| Cash and cash equivalents | $ 948,055 |
| Cash deposited with financial institutions | $ 965,786 |

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, 2021, the Health Department did not have any balances exposed to custodial credit risk as uninsured and uncollateralized as defined by GASB pronouncements.

### B. Capital Assets

Capital asset activity for the fiscal year ended June 30, 2021 was as follows:

| | Balance June 30, 2019 | Increase | Decrease | Balance June 30, 2020 |
|---|---|---|---|---|
| Capital assets being depreciated: | | | | |
| Building | $ 26,692 | $ - | $ - | $ 26,692 |
| Equipment | 111,685 | 6,022 | - | 117,707 |
| Vehicles | 147,120 | - | - | 147,120 |
| Total capital assets being depreciated | 285,497 | 6,022 | - | 291,519 |
| Less accumulated depreciation for: | | | | |
| Buildings | (17,859) | (1,649) | - | (19,508) |
| Equipment | (96,527) | (6,210) | - | (102,737) |
| Vehicles | (70,315) | (18,937) | - | (89,252) |
| Total accumulated depreciation | (184,701) | (26,796) | - | (211,497) |
| Governmental Activities Capital Assets, Net | $ 100,796 | $ (20,774) | $ - | $ 80,022 |

## C. Compensated Absences

Non-current liabilities on the Statement of Net Position are made up of compensated absences payable at June 30, 2021. All of the compensated absences are related to governmental activities. Changes in compensated absences for 2021are as follows:

| Balance June 30, 2020 | Additions | Deletions | Balance June 30, 2021 |
|---|---|---|---|
| $ 78,229 | $ 11,300 | $ - | $ 89,529 |

## D. Retirement Plan

Plan Description

The Employees' Retirement System (ERS) is a cost-sharing multiple-employer defined 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 the 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.

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 provisions 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 and 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 attainment 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 distribution 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, 2021was 24.66% of annual covered payroll for old and New Plan members and 21.64% for GSEPS members. The Agency's contribution to ERS total $104,631 for the year ended June 30, 2021. 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.

The retirement contributions, under the Georgia State Employee Retirement System Plan, for the year ended June 30, 2021 were $104,631, based on salaries of $458,444. Contributions in the Georgia ERS Plan are fully vested to employees after ten (I 0) years of continuous service.

The following schedules reflect GASB Statement No. 68 reporting information:

| | |
|---|---|
| Contributions made during the measurement period (FY ended June 30, 2020): | $ 97,951 |
| Pension Liabilities, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions | |
| Employer's proportionate share of net pension liability | $ 664,024 |
| Employer's proportion of net pension liability | 0.015754% |
| Increase/(Decrease) from proportion measured as of June 30, 2020 | 0.001022% |
| Employer's recognized pension expense | $ 90,336 |

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

At June 30, 2021, the Agency reported a liability for its proportionate share of the net liability. The net pension liability was measured as of June 30, 2020. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2019. An expected total pension liability as of June 30, 2020 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, 2020. At June 30, 2020, the Employer's proportion was 0.015754%, which was an increase of 0.001022% from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the Agency recognized pension expense of $104,631. At June 30, 2021, 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 | $ 8,089 | $ - |
| Changes of assumptions | - | - |
| Net difference between projected and actual earnings on pension plan investments | 9,379 | - |
| Changes in proportion and differences between employer contributions and proportionate share of contributions | 24,804 | 9,574 |
| Employer contributions subsequent to the measurement date | 104,631 | - |
| Total | $ 146,903 | $ 9,574 |

Agency contributions subsequent to the measurement date of $104,631 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, 2022. 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:

| | |
|---|---|
| 2022 | $ 314 |
| 2023 | 13,295 |
| 2024 | 10,885 |
| 2025 | 8,204 |
| 2026 | - |
| 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 | 2.75% |
| Salary Increases | 3.25-7.00%, including inflation |
| Investment rate of return | 7.30%, net of pension plan investment expense, including inflation |

Post-retirement mortality rates were based on the RP-2000 Combined Mortality Table with future mortality improvement projected to 2025 with the Society of Actuaries' projection scale BB and set forward two (2) years for both males and females for service retirements and dependent beneficiaries. The RP-2000 Disability Mortality Table with future mortality improvement projected to 2025 with Society of Actuaries' projection scale BB and set back seven (7) years for males and set forward three (3) years for females was used for death after disability retirement.

There is a margin for future mortality improvement in the tables used by the System. Based on the results of the most recent experience study adopted by the Board on December 17, 2015, the numbers of expected future deaths are 9-12% less than the actual number of deaths that occurred during the study period for service retirements and beneficiaries and for disability retirements. 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, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2009-June 30, 2014, with the exception of the assumed investment rate of return.

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.

Discount Rate

The discount rate used to measure the collective total pension liability was 7.30%. 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:

| | 1% Decrease (6.3%) | Current Discount Rate (7.3%) | 1% Increase (8.3%) |
|---|---|---|---|
| Employer's proportionate share of the net liability | $ 934,166 | $ 664,024 | $ 433,490 |

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.

## E. OPEB LIABILITIES, OPEB EXPENSES, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB

### GROUP TERM LIFE INSURANCE

Plan Description

SEAD-OPEB was created in 2007 by the Georgia General Assembly to amend Title 47 of the O.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 costsharing 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 eamable compensation. There were no employer contributions required for the fiscal year ended June 30, 2021.

Contributions made during the measurement period (fiscal year ended June 30, 2020): $ 0

Other Post-Employment Benefits (OPEB) Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs:

| | |
|---|---|
| Employer's proportionate share of net OPEB liability (Asset) | $ (46,534) |
| Employer's proportion of net OPEB liability | 0.016384% |
| Increase/(Decrease) from proportion measured as of June 30, 2019 | 0.000313% |
| Employer's recognized OPEB expense | $ 684 |

At June 30, 2021, the Employer reported an asset of $46,534 for its proportionate share of the OPEB liability (asset). The net OPEB liability (asset) was measured as of June 30, 2020. The total OPEB liability (asset) used to calculate the net OPEB liability (asset) was based on an actuarial valuation as of June 30, 2019. An expected total OPEB liability (asset) as of June 30, 2020 was determined using standard roll-forward techniques. The Employer's proportion of the net OPEB liability (asset) was based on actual member salaries reported to the SEAD-OPEB

plan during the fiscal year ended June 30, 2020. At June 30. 2020, the Employer's proportion as 0.016384%, which was an increase of 0.000313% from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the Employer's recognized OPEB expense of $684. At June 30, 2020, the Employer reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

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| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Differences between expected and actual experience | $ 12 | $ 433 |
| Changes of assumptions | - | - |
| Net difference between projected and actual earnings on OPEB plan investments | 825 | - |
| Changes in proportion and differences between employer contributions and proportionate share of contributions | 1,790 | 466 |
| Employer contributions subsequent to the measurement date | - | - |
| Total | $ 2,627 | $ 899 |

Decatur County Board of Health 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, 2022. 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: | |
|---|---|
| 2022 | $ (158) |
| 2023 | 152 |
| 2024 | 971 |
| 2025 | 763 |
| 2026 | - |
| Thereafter | - |

The total OPEB liability as of June 30, 2020, was determined by an actuarial valuation as of June 30, 2019 using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|---|---|
| Inflation | 2.75% |
| Salary Increase | Includes inflation |
| ERS | 3.25-7.00% |
| GJRS | 4.50% |
| LRS | N/A |
| Investment rate of return | 7.30% net of OPEB plan investment expense, including inflation |
| Healthcare cost trend rate | N/A |

Postretirement rates were based on the RP-2000 Combined Mortality Table with future mortality improvement projected to 2025 with the Society of Actuaries' projection scale BB and set forward 2 years for both males and females for service retirements and for dependent beneficiaries. There is a margin for future mortality improvement in the tables used by the plan.

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period for the period July 1, 2009-June 30, 2014, with the exception of the long-term assumed rate of return.

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

Discount Rate

The discount rate used to measure the total OPEB liability was 7.30%. 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 liability.

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

The following presents the Decatur County Health Department's proportionate share of the net OPEB liability calculated using the discount rate of 7.30%, as well as what the Decatur County Health Department's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percent-point lower (6.30%) or 1-percent-point higher (8.30%) than the current rate:

| | 1 % Decrease (6.30%) | Current Discount Rate (7.30%) | 1 % Increase (8.30%) |
|---|---|---|---|
| Employer's proportionate share of the net OPEB liability | $ (25,812) | $ (46,534) | $ (63,616) |

O

PEB 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 publically 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 $23,213 for the year ended June 30, 2021. Active employees are not required to contribute to the State OPEB Fund.

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Contributions made during the measurement period (fiscal year ended June 30, 2020): $ 21,923

Other Post-Employment Benefits (OPEB) Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs:

| | |
|---|---|
| Employer's proportionate share of collective net OPEB liability | $ 163,948 |
| Employer's proportion of collective net OPEB liability | 0.014568% |
| Increase/(Decrease) from proportion measured as of June 30, 2019 | 0.001290% |
| Employer's recognized OPEB expense | $ (93,615) |

At June 30, 2021, the Employer Agency reported a liability of $163,948 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2020. The total OPEB liability used to calculate the net OPEB liability was based on an actuarial valuation as of June 30, 2019. An expected total OPEB liability as of June 30, 2020 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, 2020. At June 30, 2020, the Employer Agency's proportion was 0.014568%, which was an increase of 0.001290% from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the Employer Agency's recognized OPEB expense of $93,615. At June 30, 2021, the Employer Agency 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 | $ - | $ 61,989 |
| Changes of assumptions | 2,969 | 100,857 |
| Net difference between projected and actual earnings on OPEB plan investments | 16,096 | - |
| Changes in proportion and differences between employer contributions and proportionate share of contributions | 27,192 | 40,325 |
| Employer contributions subsequent to the measurement date | 23,213 | - |
| Total | $ 69,470 | $ 203,171 |

Employer Agency contributions subsequent to the measurement date of $23,213 are reported as deferred outflows of resources and will recognized as a reduction of the net OPEB liability in the year ended June 30, 2022. 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: | |
|---|---|
| 2022 | $ (96,152) |
| 2023 | (54,762) |
| 2024 | (8,784) |
| 2025 | 2,784 |
| 2026 | - |
| Thereafter | - |

Actuarial Assumptions

The total OPEB liability as of June 30, 2020, was determined by an actuarial valuation as of June 30, 2019 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, 2020:

| | |
|---|---|
| Inflation | 2.50% |
| Salary Increases | 3.25-7.00%, including inflation |
| Long-term rate of return | 7.30%, compounded annually, net of investment expense, and including inflation |
| Healthcare cost trend rate | |
| Pre-Medicare Eligible | 7.00% |
| Medicare Eligible | 5.25% |
| 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 RP-2000 Combined Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale BB 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-2000 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, 2019 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, 2014, and adopted by the pension Board on December 17, 2015. The next experience study for ERS will be for the period ending June 30, 2019.

Discount Rate

In order to measure the total OPEB liability, as of June 30, 2020, for the State OPEB Fund, a single equivalent interest rate of 7.06% was used, as compared with last year's discount rate of 7.0%, 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 (2.21% 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 2118.

Sensitivity of the Decatur County Health Department's share of the collective net OPEB liability to changes in the discount rate:

| | 1 % Decrease (6.06%) | Current Discount Rate (7.06%) | 1 % Increase (8.06%) |
|---|---|---|---|
| Employer's proportionate share of the net OPEB liability | $ 205,494 | $ 163,948 | $ 128,526 |

Sensitivity of the Decatur County Health Department's share of the collective 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 OPEB liability | $ 123,203 | $ 163,948 | $ 212,229 |

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.

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/comprehensiveannual-financial-reports.

SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through December 27, 2021, the date on which the financial statements were available to be issued.

## NOTE 20 - DISCRETELY PRESENTED COMPONENT UNIT – DEVELOPMENT AUTHORITY OF BAINBRIDGE AND DECATUR COUNTY

### SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### A. The Reporting Entity

The Development Authority of Bainbridge and Decatur County is a public body corporate and politic and an instrumentality of the State of Georgia created under and pursuant to an amendment to the Constitution of the State of Georgia duly ratified and proclaimed as amended. The Authority was created for the purpose of promoting and expanding for the public good and welfare industry and trade within the County of Decatur and City of Bainbridge and reducing unemployment to the greatest extent possible.

The financial statements of the Authority consist only of the funds of the Authority. The Authority has no oversight responsibility for any other governmental entity since no other entities are considered to be controlled by or dependent on the Authority.

As of July 9, 1992, the Decatur County - Bainbridge Industrial Development Authority deeded its properties to the Development Authority of Bainbridge and Decatur County. Both deeds were properly executed and filed with the land records of Decatur County, Georgia. All personal property belonging to the Decatur County - Bainbridge Industrial Development Authority, as listed in the Bill of Sale, were also sold to the Development Authority of Bainbridge and Decatur County as of July 9, 1992. As of and after this date, the Decatur County - Bainbridge Industrial Development Authority of Bainbridge and Decatur County ceased all operations on behalf of Decatur County and Bainbridge, Georgia. Henceforth, all activity and operations transpire through the new entity, the Development Authority of Bainbridge and Decatur County.

### B. Basis of Presentation - Fund Accounting

*Government-wide Statements*: The Statement of Net Position and the Statement of Activities display information about the primary government (the Authority). These statements include the financial activities of the overall government. Eliminations have been made to minimize the double counting of internal activities. Governmental activities generally are financed through intergovernmental revenues and other non-exchange transactions.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Authority's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations have not been made in the funds. Program revenues include (a) fees, fines and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

*Fund Financial Statements:* The fund financial statements provide information about the Authority's funds. Separate statements for each fund category – only governmental – are presented. The emphasis of fund financial statements is on major funds, each displayed in a

separate column. All remaining governmental funds are aggregated and reported as non-major funds.

The Authority reports the following major governmental funds:

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

*Smith Co Capital Project Fund* – This is a capital project fund established to account for the outlays as specified by the agreement of the project.

*Taurus Capital Project Fund* – This is a capital project fund established to account for the outlays as specified by the agreement of the project.

*Rail Tie Capital Project Fund* – This is a capital project fund established to account for the outlays as specified by the agreement of the project.

*A-1 Trusses Capital Project Fund* – This is a capital project fund established to account for the outlays as specified by the agreement of the project.

*Harrell Ag Capital Project Fund* – This is a capital project fund established to account for the outlays as specified by the agreement of the project.

*Down Range Capital Project Fund* – This is a capital project fund established to account for the outlays as specified by the agreement of the project.

*Choice 2 Capital Project Fund* – This is a capital project fund established to account for the outlays as specified by the agreement of the project.

*Pure Cycle Capital Project Fund* – This is a capital project fund established to account for the outlays as specified by the agreement of the project.

The Authority reports the following non-major governmental funds:

*Choice Terminal Capital Project Fund* – This is a capital project fund established to account for the outlays as specified by the agreement of the project.

*Spec One Capital Project Fund* – This is a capital project fund established to account for the outlays as specified by the agreement of the project.

### C. Basis of Accounting - Measurement Focus

*Government-wide Financial Statements* – The government-wide financial statements are reported using the economic resources measurement focus. The government-wide financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the Authority gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements and donations. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

### D. Capital Assets

Capital assets, which include land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure and all other tangible or intangible assets that are used in operations and that have initial useful lives extending beyond one year are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Infrastructure assets are long-lived capital assets that normally are stationary in nature and normally can be preserved for a significantly greater number of years than most capital assets. Examples of infrastructure assets include roads, bridges, tunnels, drainage systems, water and sewer systems, dams and lighting systems. Buildings, except those that are an ancillary part of a network of infrastructure assets, will not be considered infrastructure assets. Capital assets are recorded at cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at their estimated fair 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 are not capitalized.

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

Capital assets are depreciated over their estimated useful lives unless they are inexhaustible. Inexhaustible assets such as land improvements are not depreciated.

Depreciation is reported in the government-wide Statement of Activities.

Depreciation has been provided over the estimated useful lives using the straight-line method.

The estimated useful lives are as follows:

| Assets Class | Estimated Useful Lives |
|---|---|
| Buildings/Building Improvements | 20-50 years |
| Facilities and Other Improvements | 10-60 years |
| Infrastructure | 20 years |
| Equipment | 3-20 years |
| Furniture & Fixtures | 7 years |
| Vehicles | 6-12 years |

## E. Deposits and Investments

All bank balances of deposits as of the balance sheet date are entirely insured or collateralized with securities held by the Authority or by its agent on the Authority's behalf.

**Custodial Credit Risk - Deposits.** This is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. All of the Authority'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 Authority as required under state law. Therefore, the Authority has no custodial credit risk for its deposits.
The Authority does not have any investments.

## F. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2020 was as follows:

| Governmental Activities: | Beginning Balances | Increases | Decreases | Tranfers | Ending Balances |
|---|---|---|---|---|---|
| **Capital assets not being depreciated:** | | | | | |
| Land | $ 997,552 | $ - | $ - | $ - | $ 997,552 |
| Construction in progress | 2,153,283 | 3,019,255 | - | (1,301,195) | 3,871,343 |
| Total capital assets not being depreciated | 3,150,835 | 3,019,255 | - | (1,301,195) | 4,868,895 |
| **Capital assets being depreciated:** | | | | | |
| Buildings | 2,905,133 | 111,969 | - | 1,301,195 | 4,318,297 |
| Improvements | 1,403,353 | - | - | - | 1,403,353 |
| Machinery & equipment | 3,296 | - | - | - | 3,296 |
| Total capital assets being depreciated | 4,311,782 | 111,969 | - | 1,301,195 | 5,724,946 |
| Less accumulated depreciation for: | | | | | |
| Buildings | (344,513) | (73,147) | - | - | (417,660) |
| Improvements | (546,106) | (65,387) | - | - | (611,493) |
| Machinery & equipment | (3,296) | - | - | - | (3,296) |
| Total Accumulated Depreciation | (893,915) | (138,534) | - | - | (1,032,449) |
| Governmental activities capital assets, net | $ 6,568,702 | $ 2,992,690 | $ - | $ - | $ 9,561,392 |

Depreciation expense was charged to the governmental functions as follows:

| | |
|---|---|
| General government | $ 138,534 |
| Total governmental depreciation expense: | $ 138,534 |

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## G. LONG-TERM OBLIGATIONS

### Series 2013 Bonds

On September 30, 2013, the Authority issued $1,200,000 of Revenue Bonds for the purpose of purchasing the Traco property for the Bainbridge Manufacturing Project. The Authority had to pay issuance cost of $60,212 which has been fully expensed in accordance with GASB 65. The 2013 Series Bond issue has a premium associated with the issuance of the Series. The premium will be amortized over the life of the bond issue. The unamortized balance of this premium at fiscal yearend was $95,756.

Bonds will bear interest as set forth below:

| Year | Principal Amount | Interest Rate |
|---|---|---|
| 2021 | $ 77,908 | 4.45% |
| 2022 | 81,413 | 4.45% |
| 2023 | 85,076 | 4.45% |
| 2024 | 88,904 | 4.45% |
| 2025 | 92,905 | 4.45% |
| 2026 | 97,086 | 4.45% |
| | 523,292 | |
| Add: Unamortized Premium | 95,756 | |
| | $ 619,048 | |

### Notes Payable

On May 13, 2016, the Authority entered into a loan agreement to construct a spec building at an interest rate of 2.5%. The original amount of this loan was $708,342 with 39 quarterly payments to be made at $20,105 and one additional quarterly payment for the balance with interest. The balance of this note as of December 31, 2020 was $146,142.

| Year | Principal Amount | Interest Rate |
|---|---|---|
| 2021 | $ 77,890 | 2.50% |
| 2022 | 68,252 | 2.50% |
| | $ 146,142 | |

*This space intentionally left blank.*

On October 27, 2017, the Authority entered into a loan agreement with First Port City Bank for the Smith Co Building at an interest rate of 2.44%. The original amount of this loan was $300,000 with 120 monthly payments to be made at $2,825. The balance of this note as of December 31, 2020 was $212,673.

| Year | Principal Amount | Interest Rate |
|---|---|---|
| 2021 | $ 29,028 | 2.44% |
| 2022 | 29,745 | 2.44% |
| 2023 | 30,478 | 2.44% |
| 2024 | 31,230 | 2.44% |
| 2025 | 32,001 | 2.44% |
| 2026 | 32,791 | 2.44% |
| 2027 | 27,400 | 2.44% |
| | $ 212,673 | |

On May 4, 2018, the Authority entered into a loan agreement with First Port City Bank for the repair of the rail spur at an interest rate of 1.98%. The original amount of this loan was $168,659 with 36 monthly payments to be made at $4,832. The balance of this note as of December 31, 2020 was $24,042.

| Year | Principal Amount | Interest Rate |
|---|---|---|
| 2020 | $ 24,042 | 1.98% |
| | $ 24,042 | |

On June 14, 2018, the Authority entered into a loan agreement to with First National Bank for the Choice Terminal project at an interest rate of 2.55%. The original amount of this loan was $300,000 with 120 monthly payments to be made at $2,840. The balance of this note as of December 31, 2020 was $232,130.

| Year | Principal Amount | Interest Rate |
|---|---|---|
| 2021 | $ 28,493 | 2.55% |
| 2022 | 29,228 | 2.55% |
| 2023 | 29,982 | 2.55% |
| 2024 | 30,756 | 2.55% |
| 2025 | 31,549 | 2.55% |
| 2026 | 32,363 | 2.55% |
| 2027 | 33,198 | 2.55% |
| 2028 | 16,561 | 2.55% |
| | $ 232,130 | |

On October 25, 2018, the Authority entered into a loan agreement with First National Bank for the purchase of land at an interest rate of 1.98%. The original amount of this loan was $850,000 with 8 quarterly payments for accrued interest and the entire principal and any unpaid interest due at January 25, 2021. The balance of this note as of December 31, 2020 was $598,003.

| Year | Principal Amount | Interest Rate |
|---|---|---|
| 2021 | $ 598,003 | 1.98% |
| | $ 598,003 | |

Land Contract

On October 25, 2018, the Authority agreed to pay an additional $126,906 towards the purchase of land for the Shooting Range Facility with 0% interest. This payment is to be paid within 3 years of the purchase of the land or October 25, 2021. The balance owed as of December 31, 2020 was $126,906.

On October 10, 2019, the Authority entered into a loan agreement with First Port City Bank for the Taurus Project at an interest rate of 3.50%. The original amount of this loan was $175,000 with 120 monthly payments of $1,734. The balance of this note as of December 31, 2020 was $157,633.

| Year | Principal Amount | Interest Rate |
|---|---|---|
| 2021 | $ 15,545 | 3.50% |
| 2022 | 16,097 | 3.50% |
| 2023 | 16,670 | 3.50% |
| 2024 | 17,263 | 3.50% |
| 2025 | 17,877 | 3.50% |
| 2026 | 18,512 | 3.50% |
| 2027 | 19,171 | 3.50% |
| 2028 | 19,853 | 3.50% |
| 2029 | 16,645 | 3.50% |
| | $ 157,633 | |

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On October 10, 2019, the Authority entered into a financing agreement with First Port City Bank to borrow $300,000 on a line of credit to pay for the Choice 2 Project. On January 3, 2020, the Authority renewed the loan agreement as a long-term note at an interest rate of 3.25% with quarterly interest only payments and a maturity date of January 3, 2023 in which principal is to be paid in full. The balance of this note as of December 31, 2020 was $273,694.

| Year | Principal Amount | Interest Rate |
|---|---|---|
| 2021 | $ - | 3.25% |
| 2022 | - | 3.25% |
| 2023 | 273,694 | 3.25% |
| | $ 273,694 | |

**One Georgia Loan**

The Authority received a loan from One Georgia Authority on June 21, 2016 for $500,000 and withdrew all funds during 2017. The loan is set to go in repayment once the building is occupied, but not later than five years from the date of the final disbursement at an interest rate of 0%. The loan is currently not in repayment.

Changes in long-term liabilities:

| | Beginning Balance | Increases | Decreases | Ending Balance | Due within One Year |
|---|---|---|---|---|---|
| **Governmental activities:** | | | | | |
| Note Payable | $ 1,700,367 | $ 300,000 | $ (229,144) | $ 1,771,223 | $ 899,907 |
| One GA (Not in Repayment) | 500,000 | - | - | 500,000 | - |
| Revenue Bonds Payable | 597,845 | - | (74,553) | 523,292 | 77,908 |
| Add deferred amounts | | | | | |
| Unamortized premium | 111,715 | - | (15,959) | 95,756 | - |
| Total all long-term debt | $ 2,909,927 | $ 300,000 | $ (319,656) | $ 2,890,271 | $ 977,815 |

## H. SHORT-TERM OBLIGATIONS

On October 10, 2019, the Authority entered into a financing agreement with First Port City Bank to borrow $300,000 on a line of credit to pay for the Choice 2 Project. The interest rate on this note is 3.49%, which was to be paid back principal and interest by December 28, 2019, however this note was not repaid at this time and was renewed on January 3, 2020. On January 3, 2020, the loan was renewed as a long-term note leaving the short-term obligation at $0.

On October 29, 2020, the Authority entered into a financing agreement with First National Bank to borrow up to $4,000,000 on a line of credit to pay for the Pure Cycle Project. The interest rate on this note is 1.830%, which was to be paid back principal and interest by February 26, 2021. The balance of this note as of December 31, 2020 was $2,411,083.

| | Beginning Balance | Increases | Decreases | Ending Balance |
|---|---|---|---|---|
| First Port City Bank | $ 300,000 | $ 2,411,083 | $ (300,000) | $ 2,411,083 |

## I. CONTINGENT LIABILITIES

In an effort to accomplish its corporate purposes, the Authority will issue its limited obligation note to acquire funds to purchase and improve real property and equipment. A local industry will then acquire the property from the Authority under a lease-purchase agreement. The terms and payments of this lease agreement will correspond with terms and payments of the note issued by the Authority to acquire the same property. This lease-purchase agreement is then assigned by the Authority to the lender holding its limited obligation note. Also, the industry that entered into the lease-purchase agreement with the Authority unconditionally guarantees to the lender that it will make the required payments on the note. The Authority is not aware of any material contingent liabilities.

Amounts received from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor agencies cannot be determined at this time although the authority expects such amounts, if any, to be immaterial.

## J. RISK MANAGEMENT

The Authority is exposed to various risks of loss relating to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Authority carries commercial insurance.

## K. LITIGATION AND UNASSERTED CLAIMS

There is no pending or threatened litigation against the Authority, and additionally, there are no unasserted claims or assessments.

## NOTE 21- CUMULATIVE EFFECT OF CHANGE IN ACCOUNTING PRINCIPLE AND RESTATEMENT

In conformity with GAAP, as set forth in Statement No. 84 of the Governmental Accounting Standard, "Fiduciary Activities," 2020 net position has been restated for the effects of recording liabilities and net position in the custodial funds, known as agency funds under prior standards. The restatement affected the beginning net position in the custodial funds as follows:

| | Magistrate Court | Clerk of the Court | Tax Commissioner | Probate Court | Total |
|---|---|---|---|---|---|
| Net position, June 30, 2020, as previously reported | $ - | $ - | $ - | $ - | $ - |
| Implementation of GASB 84 | 42,651 | 187,339 | 971,276 | 66 | 1,201,332 |
| Net position, June 30, 2020, as restated | $ 42,651 | $ 187,339 | $ 971,276 | $ 66 | $ 1,201,332 |

## NOTE 22- 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.

## NOTE 23- SUBSEQUENT EVENTS

The Decatur County, Georgia's date for evaluating the existence of subsequent events that would affect the financial statements for the year ended June 30, 2021, was March 22, 2021 which was the date the financial statements were issued.

# REQUIRED SUPPLEMENTARY INFORMATION

**Decatur County, Georgia**
**Budgetary Comparison Schedule - General Fund (Budgetary Basis)**
**For the Fiscal Year Ended June 30, 2021**

| REVENUES | Original Budget | Final Budget | Actual Amounts | Variance with Final Budget- Positive (Negative) |
|---|---|---|---|---|
| Property taxes | $ 10,668,000 | $ 10,794,500 | $ 11,742,359 | $ 947,859 |
| Sales and miscellaneous taxes | 3,371,000 | 3,371,000 | 4,274,112 | 903,112 |
| Fees and fines | 644,200 | 644,200 | 780,439 | 136,239 |
| Licenses and permits | 50,000 | 50,000 | 514,518 | 464,518 |
| Intergovernmental | 107,972 | 107,972 | 426,529 | 318,557 |
| Charges for services | 501,524 | 501,524 | 607,546 | 106,022 |
| Investment earnings | 60,000 | 60,000 | 68,568 | 8,568 |
| Miscellaneous | 72,000 | 72,000 | 296,554 | 224,554 |
| Contributions and donations | 1,850 | 1,850 | 850 | (1,000) |
| TOTAL REVENUES | 15,476,546 | 15,603,046 | 18,711,475 | 3,108,429 |
| EXPENDITURES | | | | |
| General Government | | | | |
| Legislative | 188,591 | 188,591 | 121,770 | 66,821 |
| Elections | 304,080 | 341,080 | 340,879 | 201 |
| Tax Commissioner | 539,686 | 539,686 | 539,540 | 146 |
| Tax Assessor | 545,669 | 545,669 | 499,737 | 45,932 |
| General Govt. Buildings and Grounds | 201,433 | 201,433 | 159,265 | 42,168 |
| General Government | 1,779,459 | 1,816,459 | 1,661,191 | 155,268 |
| Judicial | | | | |
| Superior Court | 115,504 | 115,504 | 86,177 | 29,327 |
| Clerk of Courts | 666,972 | 666,972 | 572,372 | 94,600 |
| District Attorney | 69,610 | 69,610 | 69,610 | - |
| State Court | 161,984 | 161,984 | 153,586 | 8,398 |
| Magistrate Court | 237,972 | 237,972 | 210,900 | 27,072 |
| Probate Court | 205,396 | 215,396 | 215,105 | 291 |
| Juvenile Court | 52,500 | 52,500 | 44,463 | 8,037 |
| Public Defender | 204,401 | 204,401 | 203,464 | 937 |
| Judicial | 1,714,339 | 1,724,339 | 1,555,677 | 168,662 |
| Public Safety | | | | |
| Sheriff | 3,652,551 | 3,652,551 | 3,413,092 | 239,459 |
| Jail | 3,830,400 | 3,830,400 | 3,227,141 | 603,259 |
| Fire | 1,570,351 | 1,570,351 | 1,396,192 | 174,159 |
| Public Safety / Communications | 265,935 | 265,935 | 121,055 | 144,880 |
| Coroner/Medical Examiner | 52,136 | 52,136 | 42,836 | 9,300 |
| EMS | 331,616 | 331,616 | 298,202 | 33,414 |
| Emergency Management | 18,240 | 32,240 | 31,856 | 384 |
| Public Safety | 9,721,229 | 9,735,229 | 8,530,374 | 1,204,855 |
| Public Works | | | | |
| Highways and Streets | 4,098,132 | 4,098,132 | 2,914,999 | 1,183,133 |
| KAB | 30,000 | 30,000 | - | 30,000 |
| Public Works | 4,128,132 | 4,128,132 | 2,914,999 | 1,213,133 |

**Decatur County, Georgia**
**Budgetary Comparison Schedule - General Fund (Budgetary Basis)**
**For the Fiscal Year Ended June 30, 2021**

| | Original Budget | Final Budget | Actual Amounts | Variance with Final Budget- Positive (Negative) |
|---|---|---|---|---|
| Health and Welfare | | | | |
| Health | 116,000 | 118,000 | 117,808 | 192 |
| Welfare | 12,500 | 12,500 | 10,000 | 2,500 |
| Health and Welfare | 128,500 | 130,500 | 127,808 | 2,692 |
| Parks and Recreation | | | | |
| Recreation | 12,000 | 12,000 | 9,000 | 3,000 |
| Parks and Recreation | 12,000 | 12,000 | 9,000 | 3,000 |
| Housing and Development | | | | |
| Conservation | 191,947 | 191,947 | 127,478 | 64,469 |
| Planning and Zoning | 200,000 | 200,000 | 195,101 | 4,899 |
| Industrial Park | 788,324 | 788,324 | 717,611 | 70,713 |
| Housing and Development | 1,180,271 | 1,180,271 | 1,040,190 | 140,081 |
| Total Expenditures - All Departments | 18,663,930 | 18,726,930 | 15,839,239 | 2,887,691 |
| Net Excess before Operating Transfers | (3,187,384) | (3,123,884) | 2,872,236 | 5,996,120 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In (Out) | (3,177,384) | (3,177,384) | (486,892) | 2,690,492 |
| Total Other Financing Sources (uses) | (3,177,384) | (3,177,384) | (486,892) | 2,690,492 |
| SPECIAL ITEMS | | | | |
| Proceeds from sale of capital assets | 10,000 | 10,000 | 355,165 | 345,165 |
| Total Special Items | 10,000 | 10,000 | 355,165 | 345,165 |
| Net Excess (deficit) | $ (6,354,768) | $ (6,291,268) | 2,740,509 | $ 9,031,777 |
| Adjustments for Basis Differences -Budgetary Basis | | | | |
| Accrual adjustments | | | (317,384) | |
| Net Excess (Deficit) GAAP Basis | | | 2,423,125 | |
| Fund Balance (deficit)-beginning | | | 11,690,841 | |
| Fund balance (deficit)-ending | | | $ 14,113,966 | |

**Decatur County, Georgia**
**Budgetary Comparison**
**For the Fiscal Year Ended June 30, 2021**

## Note A 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;

At least three months prior to year end the County Administrator and Department Heads begin work on the proposed operating budget for the coming fiscal year;

Approximately thirty days prior to year end, the proposed operating budget is submitted to the County Commissioners. The budget was adopted on June 12, 2020. The budget includes proposed expenditures and the means of financing them;

Public Hearings are conducted to obtain taxpayer comments;

The budget is legally enacted through passage of a resolution;

Department Heads are restricted to budgeted amounts by line item;

The County adopts a General Fund budget that provides for most of the appropriations of the governmental activities of the County. The County adopts budgets for Special Revenue and Debt Service funds as required by Georgia law. These budgets are adopted on the cash basis of accounting. Budgets are prepared for the enterprise funds as a management control device. Budgets for capital projects are prepared for the project life rather than for the current fiscal year. Project appropriations for these budgets do not lapse at the end of each fiscal year but rather at the conclusion of the project.

All appropriations (except Capital Project Funds' appropriations) lapse at year end. There were no material purchase orders, contracts, or other commitments which were encumbered, because the County does not use encumbrance accounting.

Capital Projects Funds use project budgeting.

Fiduciary type funds are agency funds and budgets are not prepared for these funds.

The legal level of budgetary control is at the department level.

## Decatur County, Georgia
## Required Supplementary Information - Pension Plan
## June 30, 2021

**SCHEDULE OF CHANGES IN THE COUNTY'S NET PENSION LIABILITY AND RELATED RATIOS**

| | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|---|---|---|---|---|---|---|---|
| Total Pension Liability as of beginning of year | $ 16,446,946 | $ 14,885,671 | $ 13,391,848 | $ 13,084,908 | $ 12,015,073 | $ 10,577,825 | $ 10,067,176 |
| Service cost | 306,433 | 279,501 | 248,314 | 242,416 | 230,363 | 223,127 | 234,352 |
| Interest | 1,151,286 | 1,041,997 | 970,909 | 948,656 | 901,130 | 775,396 | 737,734 |
| Plan Change | - | - | - | - | - | - | - |
| Assumption change | 29,277 | 639,488 | 835,100 | 28,828 | 398,203 | 410,020 | - |
| Benefit payments (adjusted for interest) | (672,125) | (654,852) | (606,555) | (568,433) | (542,963) | (478,436) | (461,437) |
| Experience (gain)/(loss) | (261,695) | 255,141 | 46,055 | (344,527) | 83,102 | 507,141 | - |
| Total Pension Liability as of end of year | $ 17,000,122 | $ 16,446,946 | $ 14,885,671 | $ 13,391,848 | $ 13,084,908 | $ 12,015,073 | $ 10,577,825 |
| | | | | | | | |
| Fiduciary Net Position as of beginning of year | $ 12,165,797 | $ 10,078,134 | $ 10,501,183 | $ 9,086,247 | $ 8,439,268 | $ 8,300,194 | $ 7,686,249 |
| Employer contributions | 858,112 | 872,625 | 705,469 | 712,913 | 724,338 | 678,364 | 662,784 |
| Employee contributions (including buyback) | - | - | - | - | - | - | - |
| Net investment income | 1,751,395 | 2,012,433 | (456,211) | 1,388,023 | 583,548 | 51,996 | 539,701 |
| Benefit payments | (649,396) | (632,707) | (570,337) | (548,548) | (523,338) | (478,436) | (461,437) |
| Employee contribution refunds | - | - | (15,000) | - | - | - | - |
| Administrative expense | (47,942) | (46,829) | (35,166) | (32,185) | (36,396) | (34,795) | (35,638) |
| Other | (137,129) | (117,859) | (51,804) | (105,267) | (101,173) | (78,055) | (91,465) |
| Fiduciary Net Position as of end of year | $ 13,940,837 | $ 12,165,797 | $ 10,078,134 | $ 10,501,183 | $ 9,086,247 | $ 8,439,268 | $ 8,300,194 |
| | | | | | | | |
| Net pension liability as of beginning of year | $ 4,281,149 | $ 4,807,537 | $ 2,890,665 | $ 3,998,661 | $ 3,575,805 | $ 2,277,631 | $ 2,380,927 |
| | | | | | | | |
| Net pension liability as of end of year | $ 3,059,285 | $ 4,281,149 | $ 4,807,537 | $ 2,890,665 | $ 3,998,661 | $ 3,575,805 | $ 2,277,631 |
| | | | | | | | |
| Fiduciary Net Position as a percentage of Total Pension Liability | 82.0% | 74.0% | 67.7% | 78.4% | 69.4% | 70.2% | 78.5% |
| | | | | | | | |
| Covered-employee payroll | $ 6,591,214 | $ 6,481,033 | $ 6,349,888 | $ 6,158,427 | $ 6,292,491 | $ 6,587,784 | $ 7,030,577 |
| | | | | | | | |
| Net pension liability as a percentage of covered-employee payroll | 46.4% | 66.1% | 75.7% | 46.9% | 63.5% | 54.3% | 32.4% |

**Note:** This schedule will present 10 year of information once the data is available.

## Decatur County, Georgia
## Required Supplementary Information - Pension Plan
## June 30, 2021

**SCHEDULE OF COUNTY CONTRIBUTIONS**

| | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 |
|---|---|---|---|---|---|---|---|---|---|---|
| Actuarially determined contribution | $ 800,871 | $ 798,861 | $ 651,000 | $ 712,845 | $ 703,821 | $ 662,789 | $ 645,686 | $ 687,389 | $ 674,672 | $ 688,834 |
| Contribution in relation to the actuarially determined contribution | 858,112 | 872,625 | 705,469 | 712,845 | 724,338 | 678,364 | 662,784 | 689,137 | 676,385 | 690,498 |
| Contribution deficiency (excess) | $ (57,241) | $ (73,764) | $ (54,469) | $ - | $ (20,517) | $ (15,575) | $ (17,098) | $ (1,748) | $ (1,713) | $ (1,664) |
| Covered-employee payroll | $ 6,591,214 | $ 6,481,033 | $ 6,349,888 | $ 6,158,427 | $ 6,292,491 | $ 6,587,784 | $ 7,030,577 | $ 6,887,197 | $ 7,562,164 | $ 7,979,630 |
| Contributions as a percentage of covered-employee payroll | 13.0% | 13.5% | 11.1% | 11.6% | 11.5% | 10.3% | 9.4% | 10.0% | 8.9% | 8.7% |

**Notes to Schedule:**

| | |
|---|---|
| Valuation date | January 1, 2021 |
| Methods and assumptions used to determine contribution rates: | |
| Actuarial cost method | Entry Age Normal |
| Amortization method | Level Percent of Pay (closed) |
| Remaining amortization period | The amortization period for this plan is closed. |
| Asset valuation method | Market Value |
| Salary increases | 3.5% - 5.5 % based on age |
| Investment rate of return | 7.00% |
| Retirement: | Probability of Retirement |
| age 55 to 64 | 20% |
| ages 65 to 69 | 30% |
| age 70 | 100% |
| Mortality | Pub-2010 50% General Employees and 50% Public Safety Employees with Scale AA projection to 2020 |

# Decatur County, Georgia
# Required Supplementary Information - Pension Plan
# June 30, 2021

**SCHEDULE OF INVESTMENT RETURNS**

| | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|---|---|---|---|---|---|---|---|
| Annual Money-Weighted Rate of Return, Net of Investment Expenses | 14.02% | 21.34% | (5.04%) | 16.67% | 7.12% | 8.30% | 8.26% |

**Notes to Schedule:**

Ultimately, this schedule should present return information for the last ten years. However, until ten years of information can be compiled, return information should be presented for as many years as is available.

# SUPPLEMENTAL INFORMATION

# COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

# GOVERNMENTAL FUNDS

# DECATUR COUNTY, GEORGIA

## For the Fiscal Year Ended June 30, 2021

### *NON-MAJOR GOVERNMENTAL FUNDS*

### CAPITAL PROJECTS FUNDS

**Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust fund.**

### SPECIAL REVENUE FUNDS

**To account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.**

### DEBT SERVICE FUNDS

**Debt Service Funds are used to account for the accumulation of resources that are restricted and assigned for the payment of principal and interest on long-term debt.**

**DECATUR COUNTY, GEORGIA**
**Non-Major Governmental Funds**
**Combining Balance Sheet**
**June 30, 2021**

| | Non-Major Capital Projects Funds | Non-Major Special Revenue Funds | Non-Major Debt Service Funds | Totals |
|---|---|---|---|---|
| **Assets** | | | | |
| Cash in bank | $ 745,033 | $ 1,082,233 | $ 7,608 | $ 1,834,874 |
| Accounts receivable | - | 103,558 | - | 103,558 |
| Taxes receivable, net | 967,302 | - | - | 967,302 |
| Due from other funds | - | 181,653 | - | 181,653 |
| Total Assets | $ 1,712,335 | $ 1,367,444 | $ 7,608 | $ 3,087,387 |
| **Liabilities & Fund Balances** | | | | |
| Liabilities | | | | |
| Accounts payable | $ 263,810 | $ 66,857 | $ - | $ 330,667 |
| Accrued salaries | - | 22,893 | - | 22,893 |
| Due to other agencies | - | 725,008 | - | 725,008 |
| Total Liabilities | 263,810 | 814,758 | - | 1,078,568 |
| Fund Balances | | | | |
| Restricted for: | | | | |
| Debt Services | - | - | 7,608 | 7,608 |
| Legal Reference Materials | - | 47,531 | - | 47,531 |
| Public Safety | - | 1,076,161 | - | 1,076,161 |
| Other Projects | 1,448,525 | - | - | 1,448,525 |
| Economic Development | - | 15,000 | - | 15,000 |
| Unassigned | - | (586,006) | - | (586,006) |
| Total Fund Balances | 1,448,525 | 552,686 | 7,608 | 2,008,819 |
| Total Liabilities & Fund Balance | $ 1,712,335 | $ 1,367,444 | $ 7,608 | $ 3,087,387 |

**DECATUR COUNTY, GEORGIA**
**Non-Major Governmental Funds**
**Combining Statement of Revenues, Expenditures and Changes in Fund Balance**
**For the Fiscal Year Ended June 30, 2021**

| | Non-Major Capital Projects Funds | Non-Major Special Revenue Funds | Non-Major Debt Service Funds | Totals |
|---|---|---|---|---|
| **Revenues** | | | | |
| General Property Taxes | $ - | $ - | $ 909,107 | $ 909,107 |
| Sales Taxes | 1,947,630 | - | 169,521 | 2,117,151 |
| Charges for Services | - | 1,015,923 | - | 1,015,923 |
| Fines and forfeitures | - | 63,828 | - | 63,828 |
| Intergovernmental | 180,153 | 1,665,589 | - | 1,845,742 |
| Other - Miscellaneous | - | 18,087 | - | 18,087 |
| Interest | 17 | 788 | - | 805 |
| | | | - | |
| Total Revenues | 2,127,800 | 2,764,215 | 1,078,628 | 5,970,643 |
| **Expenditures** | | | | |
| Current | | | | |
| General Government | - | 68,179 | - | 68,179 |
| Public Safety | - | 2,099,780 | - | 2,099,780 |
| Housing and Development | - | 22,760 | - | 22,760 |
| Debt Service | | | | |
| Principal | - | 366,211 | 162,933 | 529,144 |
| Interest | - | 43,567 | 956,426 | 999,993 |
| Intergovernmental | 532,609 | - | - | 532,609 |
| Capital Outlay | | | | |
| Public Safety | 146,666 | 245,491 | - | 392,157 |
| Total Expenditures | 679,275 | 2,845,988 | 1,119,359 | 4,644,622 |
| Excess (deficiency) of revenues over expenditures | 1,448,525 | (81,773) | (40,731) | 1,326,021 |
| **Other Financing Sources** | | | | |
| Proceeds from sale of capital assets | - | 1,775 | - | 1,775 |
| Transfers in | - | 486,892 | - | 486,892 |
| Total other financing sources | - | 488,667 | - | 488,667 |
| Net Change in Fund Balance | 1,448,525 | 406,894 | (40,731) | 1,814,688 |
| Fund Balance-beginning of period | - | 145,792 | 48,339 | 194,131 |
| Fund Balance-end of period | $ 1,448,525 | $ 552,686 | $ 7,608 | $ 2,008,819 |

## DECATUR COUNTY, GEORGIA
## Non-Major Capital Project Funds
## Combining Balance Sheet
## June 30, 2021

| | SPLOST 7 | CDBG Bethel Heights Subd | Totals |
|---|---|---|---|
| **Assets** | | | |
| Cash in banks | $ 711,546 | $ 33,487 | $ 745,033 |
| Taxes receivable, net | 967,302 | - | 967,302 |
| Total Assets | $ 1,678,848 | $ 33,487 | $ 1,712,335 |
| **Liabilities & Fund Balances** | | | |
| Liabilities | | | |
| Accounts payable | $ 263,810 | $ - | $ 263,810 |
| Due to other agencies | - | - | - |
| Total Liabilities | 263,810 | - | 263,810 |
| Fund Balances | | | |
| Restricted for: | | | |
| Other Projects | 1,415,038 | 33,487 | 1,448,525 |
| Total Fund Balances | 1,415,038 | 33,487 | 1,448,525 |
| Total Liabilities & Fund Balance | $ 1,678,848 | $ 33,487 | $ 1,712,335 |

**DECATUR COUNTY, GEORGIA**
**Non-Major Capital Projects Funds**
**Combining Statement of Revenues, Expenditures and Changes In Fund Balance**
**For the Fiscal Year Ended June 30, 2021**

| | SPLOST 7 | CDBG Bethel Heights Subd | Totals |
|---|---|---|---|
| **Revenues** | | | |
| Sales tax | $ 1,947,630 | $ - | $ 1,947,630 |
| Intergovernmental | - | 180,153 | 180,153 |
| Interest | 17 | - | 17 |
| Total Revenues | 1,947,647 | 180,153 | 2,127,800 |
| **Expenditures** | | | |
| Intergovernmental | 532,609 | - | 532,609 |
| Capital Outlay: | | | |
| Public Safety | - | 146,666 | 146,666 |
| Total Expenditures | 532,609 | 146,666 | 679,275 |
| Excess (deficiency) of revenues over expenditures | 1,415,038 | 33,487 | 1,448,525 |
| Net Change in Fund Balance | 1,415,038 | 33,487 | 1,448,525 |
| Fund Balance-beginning of period | - | - | - |
| Fund Balance-end of period | $ 1,415,038 | $ 33,487 | $ 1,448,525 |

**DECATUR COUNTY, GEORGIA**
**Non-Major Special Revenue Funds**
**Combining Balance Sheet**
**June 30, 2021**

| | Law Library | Confiscated Assets | E-911 | E-911 Radio System | CDBG EIP | Victim's Assistance | Mandatory Drug Fund | Decatur County Prison Account | Decatur County Jail Fund | Decatur Jail Inmate Fund | A-1 Truss Fund | Multiple Grants Fund | Totals |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Assets** | | | | | | | | | | | | | |
| Cash in banks | $ 47,531 | $ 84,509 | $ - | $ 552,675 | $ - | $ 10 | $ 33,710 | $ 79,602 | $ - | $ 268,109 | $ - | $ 16,087 | $ 1,082,233 |
| Accounts receivable | - | - | 92,106 | 11,452 | - | - | - | - | - | - | - | - | 103,558 |
| Due from other funds | - | 111,059 | - | - | - | 4,895 | 65,699 | - | - | - | - | - | 181,653 |
| Total Assets | $ 47,531 | $ 195,568 | $ 92,106 | $ 564,127 | $ - | $ 4,905 | $ 99,409 | $ 79,602 | $ - | $ 268,109 | $ - | $ 16,087 | $ 1,367,444 |
| **Liabilities & Fund Balances** | | | | | | | | | | | | | |
| Liabilities | | | | | | | | | | | | | |
| Accounts payable | $ - | $ - | $ 6,095 | $ - | $ - | $ - | $ - | $ 17,282 | $ - | $ 781 | $ 41,612 | $ 1,087 | $ 66,857 |
| Due to other agencies | - | - | 583,558 | 61,724 | - | - | - | 32 | 2,763 | 55,492 | 21,439 | - | 725,008 |
| Accrued salaries | - | - | 22,645 | 248 | - | - | - | - | - | - | - | - | 22,893 |
| Total Liabilities | - | - | 612,298 | 61,972 | - | - | - | 17,314 | 2,763 | 56,273 | 63,051 | 1,087 | 814,758 |
| Fund Balances | | | | | | | | | | | | | |
| Restricted for: | | | | | | | | | | | | | |
| Legal Reference Materials | 47,531 | - | - | - | - | - | - | - | - | - | - | - | 47,531 |
| Public Safety | - | 195,568 | - | 502,155 | - | 4,905 | 99,409 | 62,288 | - | 211,836 | - | - | 1,076,161 |
| Other Projects | - | - | - | - | - | - | - | - | - | - | - | 15,000 | 15,000 |
| Unassigned | - | - | (520,192) | - | - | - | - | - | (2,763) | - | (63,051) | - | (586,006) |
| Total Fund Balances | 47,531 | 195,568 | (520,192) | 502,155 | - | 4,905 | 99,409 | 62,288 | (2,763) | 211,836 | (63,051) | 15,000 | 552,686 |
| Total Liabilities & Fund Balance | $ 47,531 | $ 195,568 | $ 92,106 | $ 564,127 | $ - | $ 4,905 | $ 99,409 | $ 79,602 | $ - | $ 268,109 | $ - | $ 16,087 | $ 1,367,444 |

**DECATUR COUNTY, GEORGIA**
**Non-Major Special Revenue Funds**
**Combining Statement of Revenues, Expenditures and Changes In Fund Balance**
**For the Fiscal Year Ended June 30, 2021**

| | Law Library | Confiscated Assets | E-911 | E-911 Radio System | CDBG EIP | Victim's Assistance | Mandatory Drug Fund | Decatur County Prison Account | Decatur County Jail Fund | Decatur Jail Inmate Fund | A-1 Truss Fund | Multiple Grants Fund | Totals |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Revenues** | | | | | | | | | | | | | |
| Charges for Services | $ - | $ - | $ 468,303 | $ - | $ - | $ 27,004 | $ - | $ 292,267 | $ 51,414 | $ 176,935 | $ - | $ - | $ 1,015,923 |
| Fines and Forfeitures | 14,469 | 31,332 | - | - | - | - | 18,027 | - | - | - | - | - | 63,828 |
| Intergovernmental | - | - | 724,342 | 918,737 | 22,510 | - | - | - | - | - | - | - | 1,665,589 |
| Miscellaneous | - | - | - | - | - | - | - | - | - | - | - | 18,087 | 18,087 |
| Interest | - | 164 | - | 211 | 250 | - | 19 | - | - | 144 | - | - | 788 |
| Total Revenues | 14,469 | 31,496 | 1,192,645 | 918,948 | 22,760 | 27,004 | 18,046 | 292,267 | 51,414 | 177,079 | - | 18,087 | 2,764,215 |
| **Expenditures** | | | | | | | | | | | | | |
| General Government | 2,041 | - | - | - | - | - | - | - | - | - | 63,051 | 3,087 | 68,179 |
| Public Safety | - | 7,729 | 1,273,658 | 302,571 | - | 27,004 | 9,215 | 310,856 | 70,021 | 98,726 | - | - | 2,099,780 |
| Housing and Development | - | - | - | - | 22,760 | - | - | - | - | - | - | - | 22,760 |
| Public Safety-Capital Outlay | - | - | 245,491 | - | - | - | - | - | - | - | - | - | 245,491 |
| Public Safety-Principal | - | - | 98,387 | 267,824 | - | - | - | - | - | - | - | - | 366,211 |
| Public Safety-Interest | - | - | 10,538 | 33,029 | - | - | - | - | - | - | - | - | 43,567 |
| Total Expenditures | 2,041 | 7,729 | 1,628,074 | 603,424 | 22,760 | 27,004 | 9,215 | 310,856 | 70,021 | 98,726 | 63,051 | 3,087 | 2,845,988 |
| Excess (deficiency) of Revenues over Expenditures | 12,428 | 23,767 | (435,429) | 315,524 | - | - | 8,831 | (18,589) | (18,607) | 78,353 | (63,051) | 15,000 | (81,773) |
| **Other Financing Sources** | | | | | | | | | | | | | |
| Proceeds from Sale of Capital Assets | - | 1,775 | - | - | - | - | - | - | - | - | - | - | 1,775 |
| Transfers in | - | - | 486,892 | - | - | - | - | - | - | - | - | - | 486,892 |
| Total Other Financing Sources | - | 1,775 | 486,892 | - | - | - | - | - | - | - | - | - | 488,667 |
| Net Change in Fund Balance | 12,428 | 25,542 | 51,463 | 315,524 | - | - | 8,831 | (18,589) | (18,607) | 78,353 | (63,051) | 15,000 | 406,894 |
| Fund Balance-beginning of period | 35,103 | 170,026 | (571,655) | 186,631 | - | 4,905 | 90,578 | 80,877 | 15,844 | 133,483 | - | - | 145,792 |
| Fund Balance-end of period | $ 47,531 | $ 195,568 | $ (520,192) | $ 502,155 | $ - | $ 4,905 | $ 99,409 | $ 62,288 | $ (2,763) | $ 211,836 | $ (63,051) | $ 15,000 | $ 552,686 |

**DECATUR COUNTY, GEORGIA**
**Law Library - Special Revenue Fund**
**Budget Comparison Schedule (Budgetary Basis)**
**For the Fiscal Year Ended June 30, 2021**

| | Original Budget | Final Budget | Actual | Positive (Negative) |
|---|---|---|---|---|
| **Revenues** | | | | |
| Fees From Courts | $ 16,000 | $ 16,000 | $ 14,469 | $ (1,531) |
| Total Revenues | 16,000 | 16,000 | 14,469 | (1,531) |
| **Expenditures** | | | | |
| Books & Publications | 16,000 | 16,000 | 2,041 | 13,959 |
| Total Expenditures | 16,000 | 16,000 | 2,041 | 13,959 |
| Excess (Deficiency) of Revenues Over Expenditures | - | - | 12,428 | 12,428 |
| Fund Balance-beginning of period | 35,103 | 35,103 | 35,103 | - |
| Fund Balance-end of period | $ 35,103 | $ 35,103 | $ 47,531 | $ 12,428 |

## DECATUR COUNTY, GEORGIA
## Confiscated Assets - Special Revenue Fund
## Budget Comparison Schedule (Budgetary Basis)
## For the Fiscal Year Ended June 30, 2021

| | Original Budget | Final Budget | Actual | Positive (Negative) |
|---|---|---|---|---|
| **Revenues** | | | | |
| Confiscated Assets | $ - | $ - | $ 31,332 | $ 31,332 |
| Interest | - | - | 164 | 164 |
| Total Revenues | - | - | 31,496 | 31,496 |
| **Expenditures** | | | | |
| Public Safety | 8,500 | 8,500 | 7,729 | 771 |
| Total Public Safety Expenditures | 8,500 | 8,500 | 7,729 | 771 |
| Excess (Deficiency) of Revenues Over Expenditures | (8,500) | (8,500) | 23,767 | 32,267 |
| **Other Financing Sources** | | | | |
| Proceeds from sale of capital assets | - | - | 1,775 | 1,775 |
| Operating Transfers In | 8,500 | 8,500 | - | (8,500) |
| Total Other Financing Sources | 8,500 | 8,500 | 1,775 | (6,725) |
| Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Uses | - | - | 25,542 | 25,542 |
| Fund Balance-beginning of period | 170,026 | 170,026 | 170,026 | - |
| Fund Balance-end of period | $ 170,026 | $ 170,026 | $ 195,568 | $ 25,542 |

## DECATUR COUNTY, GEORGIA
## E-911 - Special Revenue Fund
## Budget Comparison Schedule (Budgetary Basis)
## For the Fiscal Year Ended June 30, 2021

| | Original Budget | Final Budget | Actual | Positive (Negative) |
|---|---|---|---|---|
| **Revenues** | | | | |
| Local Government Units (Grady County) | $ 774,638 | $ 774,638 | $ 724,342 | $ (50,296) |
| E-911 Charges | 471,919 | 476,919 | 468,303 | (8,616) |
| Total Revenues | 1,246,557 | 1,251,557 | 1,192,645 | (58,912) |
| **Expenditures** | | | | |
| Operating Expenditures | 1,420,012 | 1,420,012 | 1,273,658 | 146,354 |
| Capital Outlay | 241,000 | 246,000 | 245,491 | 509 |
| Principal | 98,387 | 98,387 | 98,387 | - |
| Interest | 10,538 | 10,538 | 10,538 | - |
| Total Expenditures | 1,769,937 | 1,774,937 | 1,628,074 | 146,863 |
| Excess (Deficiency) of Revenues Over Expenditures | (523,380) | (523,380) | (435,429) | 87,951 |
| **Other Financing Sources** | | | | |
| Operating Transfers In | 523,380 | 523,380 | 486,892 | (36,488) |
| Total Other Financing Sources | 523,380 | 523,380 | 486,892 | (36,488) |
| Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Uses | - | - | 51,463 | 51,463 |
| Fund Balance - beginning of period | (571,655) | (571,655) | (571,655) | - |
| Fund Balance - end of period | $ (571,655) | $ (571,655) | $ (520,192) | $ 51,463 |

## DECATUR COUNTY, GEORGIA
## E-911 Radio System - Special Revenue Fund
## Budget Comparison Schedule (Budgetary GAAP)
## For the Fiscal Year Ended June 30, 2021

| | Original Budget | Final Budget | Actual | Positive (Negative) |
|---|---|---|---|---|
| **Revenues** | | | | |
| Intergovernmental revenues | $ 614,466 | $ 614,466 | $ 918,737 | $ 304,271 |
| Interest income | - | - | 211 | 211 |
| Total Revenues | 614,466 | 614,466 | 918,948 | 304,482 |
| **Expenditures** | | | | |
| Public Safety | 313,613 | 313,613 | 291,521 | 22,092 |
| Principal | 267,824 | 267,824 | 267,824 | - |
| Interest | 33,029 | 33,029 | 33,029 | - |
| Total Expenditures | 614,466 | 614,466 | 603,424 | 11,042 |
| Excess (Deficiency) of Revenues Over Expenditures | - | - | 315,524 | 11,042 |
| Fund Balance - beginning of period | 186,631 | 186,631 | 186,631 | - |
| Fund Balance - end of period | $ 186,631 | $ 186,631 | $ 502,155 | $ 315,524 |

## DECATUR COUNTY, GEORGIA
## CDBG EIP - Special Revenue Fund
## Budget Comparison Schedule (Budgetary Basis)
## For the Fiscal Year Ended June 30, 2021

| | Original Budget | Final Budget | Actual | Positive (Negative) |
|---|---|---|---|---|
| **Revenues** | | | | |
| EIP Principal Payment | $ 19,339 | $ 22,839 | $ 22,510 | $ (329) |
| Interest income | 270 | 270 | 250 | (20) |
| Total Revenues | 19,609 | 23,109 | 22,760 | (349) |
| **Expenditures** | | | | |
| Operating Expenditures | 19,609 | 23,109 | 22,760 | 349 |
| Total Expenditures | 19,609 | 23,109 | 22,760 | 349 |
| Excess (Deficiency) of Revenues Over Expenditures | - | - | - | - |
| Fund Balance - beginning of period | - | - | - | - |
| Fund Balance - end of period | $ - | $ - | $ - | $ - |

## DECATUR COUNTY, GEORGIA
## Victim's Assistance - Special Revenue Fund
## Budget Comparison Schedule (Budgetary Basis)
## For the Fiscal Year Ended June 30, 2021

| | Original Budget | Final Budget | Actual | Positive (Negative) |
|---|---|---|---|---|
| **Revenues** | | | | |
| Charges for services | $ 31,000 | $ 31,000 | $ 27,004 | $ (3,996) |
| Total Revenues | 31,000 | 31,000 | 27,004 | (3,996) |
| **Expenditures** | | | | |
| Victim services payments | 31,000 | 31,000 | 27,004 | 3,996 |
| Total Expenditures | 31,000 | 31,000 | 27,004 | 3,996 |
| Excess (Deficiency) of Revenues Over Expenditures | - | - | - | - |
| Fund Balance - beginning of period | 4,905 | 4,905 | 4,905 | - |
| Fund Balance - end of period | $ 4,905 | $ 4,905 | $ 4,905 | $ - |

## DECATUR COUNTY, GEORGIA
## Mandatory Drug Fund - Special Revenue Fund
## Budget Comparison Schedule (Budgetary Basis)
## For the Fiscal Year Ended June 30, 2021

| | Original Budget | Final Budget | Actual | Positive (Negative) |
|---|---|---|---|---|
| **Revenues** | | | | |
| Fines and forfeitures | $ 31,000 | $ 31,000 | $ 18,027 | $ (12,973) |
| Interest income | 150 | 150 | 19 | (131) |
| Total Revenues | 31,150 | 31,150 | 18,046 | (13,104) |
| **Expenditures** | | | | |
| Public Safety | 15,000 | 15,000 | 9,215 | 5,785 |
| Total Expenditures | 15,000 | 15,000 | 9,215 | 5,785 |
| Excess (Deficiency) of Revenues Over Expenditures | 16,150 | 16,150 | 8,831 | 7,319 |
| **Other Financing Sources** | | | | |
| Operating Transfers (Out) | (16,150) | (16,150) | - | 16,150 |
| Total Other Financing Sources | (16,150) | (16,150) | - | 16,150 |
| Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses | - | - | 8,831 | (8,831) |
| Fund Balance - beginning of period | 90,578 | 90,578 | 90,578 | - |
| Fund Balance - end of period | $ 90,578 | $ 90,578 | $ 99,409 | $ 8,831 |

## DECATUR COUNTY, GEORGIA
## Decatur County Prison Account - Special Revenue Fund
## Budget Comparison Schedule (Budgetary Basis)
## For the Fiscal Year Ended June 30, 2021

| | Original Budget | Final Budget | Actual | Positive (Negative) |
|---|---|---|---|---|
| **Revenues** | | | | |
| Charges for services | $ 231,842 | $ 249,342 | $ 292,267 | $ 42,925 |
| Total Revenues | 231,842 | 249,342 | 292,267 | 42,925 |
| **Expenditures** | | | | |
| Public Safety | 293,842 | 311,342 | 310,856 | 486 |
| Total Expenditures | 293,842 | 311,342 | 310,856 | 486 |
| Excess (Deficiency) of Revenues Over Expenditures | (62,000) | (62,000) | (18,589) | 43,411 |
| Fund Balance - beginning of period | 80,877 | 80,877 | 80,877 | - |
| Fund Balance - end of period | $ 18,877 | $ 18,877 | $ 62,288 | $ 43,411 |

## DECATUR COUNTY, GEORGIA
## Decatur County Jail Fund - Special Revenue Fund
## Budget Comparison Schedule (Budgetary Basis)
## For the Fiscal Year Ended June 30, 2021

| | Original Budget | Final Budget | Actual | Positive (Negative) |
|---|---|---|---|---|
| **Revenues** | | | | |
| Fines and Fees | $ 60,000 | $ 70,500 | $ 51,414 | $ (19,086) |
| Total Revenues | 60,000 | 70,500 | 51,414 | (19,086) |
| **Expenditures** | | | | |
| Public Works | 60,000 | 70,500 | 70,021 | 479 |
| Total Expenditures | 60,000 | 70,500 | 70,021 | 479 |
| Excess (Deficiency) of Revenues Over Expenditures | - | - | (18,607) | (18,607) |
| Fund Balance - beginning of period | 15,844 | 15,844 | 15,844 | - |
| Fund Balance - end of period | $ 15,844 | $ 15,844 | $ (2,763) | $ (18,607) |

## DECATUR COUNTY, GEORGIA
## Decatur Jail Inmate Fund - Special Revenue Fund
## Budget Comparison Schedule (Budgetary GAAP)
## For the Fiscal Year Ended June 30, 2021

| | Original Budget | Final Budget | Actual | Positive (Negative) |
|---|---|---|---|---|
| **Revenues** | | | | |
| Fines and Fees | $ 50,000 | $ 50,000 | $ 176,935 | $ 126,935 |
| Interest Income | 100 | 100 | 144 | 44 |
| Total Revenues | 50,100 | 50,100 | 177,079 | 126,979 |
| **Expenditures** | | | | |
| Public Safety | 162,993 | 162,993 | 98,726 | 64,267 |
| Total Expenditures | 162,993 | 162,993 | 98,726 | 64,267 |
| Excess (Deficiency) of Revenues Over Expenditures | (112,893) | (112,893) | 78,353 | 191,246 |
| **Other Financing Sources** | | | | |
| Operating Transfers In | 112,893 | 112,893 | - | (112,893) |
| Total Other Financing Sources | 112,893 | 112,893 | - | (112,893) |
| Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Uses | - | - | 78,353 | 78,353 |
| Fund Balance-beginning of period | 133,483 | 133,483 | 133,483 | - |
| Fund Balance - end of period | $ 133,483 | $ 133,483 | $ 211,836 | $ 78,353 |

**DECATUR COUNTY, GEORGIA**
**A-1 Truss - Special Revenue Fund**
**Budget Comparison Schedule (Budgetary Basis)**
**For the Fiscal Year Ended June 30, 2021**

| | Original Budget | Final Budget | Actual | Positive (Negative) |
|---|---|---|---|---|
| **Revenues** | | | | |
| Intergovernmental revenues | $ - | $ 63,500 | $ - | $ (63,500) |
| Total Revenues | - | 63,500 | - | (63,500) |
| **Expenditures** | | | | |
| Operating Expenditures | - | 63,500 | 63,051 | 449 |
| Total Expenditures | - | 63,500 | 63,051 | 449 |
| Excess (Deficiency) of Revenues Over Expenditures | - | - | (63,051) | (63,051) |
| Fund Balance - beginning of period | - | - | - | - |
| Fund Balance - end of period | $ - | $ - | $ (63,051) | $ (63,051) |

**DECATUR COUNTY, GEORGIA**
**Multiple Grants Fund - Special Revenue Fund**
**Budget Comparison Schedule (Budgetary GAAP)**
**For the Fiscal Year Ended June 30, 2021**

| | Original Budget | Final Budget | Actual | Positive (Negative) |
|---|---|---|---|---|
| **Revenues** | | | | |
| Miscellaneous | $ - | $ 3,500 | $ 18,087 | $ 14,587 |
| Total Revenues | - | 3,500 | 18,087 | 14,587 |
| **Expenditures** | | | | |
| Operating Expenditures | - | 3,500 | 3,087 | 413 |
| Total Expenditures | - | 3,500 | 3,087 | 413 |
| Excess (Deficiency) of Revenues Over Expenditures | - | - | 15,000 | 15,000 |
| Fund Balance - beginning of period | - | - | - | - |
| Fund Balance - end of period | $ - | $ - | $ 15,000 | $ 15,000 |

## DECATUR COUNTY, GEORGIA
## Non-Major Debt Service Fund
## Combining Balance Sheet
## June 30, 2021

| | SPLOST Debt Service Fund | Bond Debt Service Fund | Totals |
|---|---|---|---|
| **Assets** | | | |
| Cash in banks | $ - | $ 7,608 | $ 7,608 |
| Total Assets | $ - | $ 7,608 | $ 7,608 |
| **Liabilities & Fund Balances** | | | |
| Liabilities | | | |
| Due to other agencies | $ - | $ - | $ - |
| Total Liabilities | - | - | - |
| Fund Balances | | | |
| Restricted for: | | | |
| Debt Service | - | 7,608 | 7,608 |
| Total Fund Balances | - | 7,608 | 7,608 |
| Total Liabilities & Fund Balance | $ - | $ 7,608 | $ 7,608 |

## DECATUR COUNTY, GEORGIA
## Non-Major Debt Service Fund
## Combining Statement of Revenues, Expenditures and Changes In Fund Balance
## For the Fiscal Year Ended June 30, 2021

| | SPLOST Debt Service Fund | Bond Debt Service Fund | Totals |
|---|---|---|---|
| **Revenues** | | | |
| General Property Taxes | $ - | $ 909,107 | $ 909,107 |
| Sales Taxes | 169,521 | - | 169,521 |
| Total Revenues | 169,521 | 909,107 | 1,078,628 |
| **Expenditures** | | | |
| Principal | 162,933 | - | 162,933 |
| Interest | 6,588 | 949,838 | 956,426 |
| Total Expenditures | 169,521 | 949,838 | 1,119,359 |
| Excess (deficiency) of revenues over expenditures | - | (40,731) | (40,731) |
| Fund Balance-beginning of period | - | 48,339 | 48,339 |
| Fund Balance-end of period | $ - | $ 7,608 | $ 7,608 |

**DECATUR COUNTY, GEORGIA**
**SPLOST Debt Service Fund**
**Budget Comparison Schedule (Budgetary Basis)**
**For the Fiscal Year Ended June 30, 2021**

| | Original Budget | Final Budget | Actual | Positive (Negative) |
|---|---|---|---|---|
| **Revenues** | | | | |
| Taxes | $ 169,521 | $ 169,521 | $ 169,521 | $ - |
| Total Revenues | 169,521 | 169,521 | 169,521 | - |
| **Expenditures** | | | | |
| Debt Service: | | | | |
| Principal | 162,933 | 162,933 | 162,933 | - |
| Interest | 6,588 | 6,588 | 6,588 | - |
| Total Expenditures | 169,521 | 169,521 | 169,521 | - |
| Excess (deficiency) of revenues over expenditures | - | - | - | - |
| Fund Balance Beginning of Year | - | - | - | - |
| Fund Balance End of Year | $ - | $ - | $ - | $ - |

**DECATUR COUNTY, GEORGIA**
**Bond Debt Service Fund**
**Budget Comparison Schedule (Budgetary Basis)**
**For the Fiscal Year Ended June 30, 2021**

| | Original Budget | Final Budget | Actual | Positive (Negative) |
|---|---|---|---|---|
| **Revenues** | | | | |
| Taxes | $ 800,000 | $ 950,000 | $ 909,107 | $ (40,893) |
| Total Revenues | 800,000 | 950,000 | 909,107 | (40,893) |
| **Expenditures** | | | | |
| Debt Service | 800,000 | 950,000 | 949,838 | 162 |
| Total Expenditures | 800,000 | 950,000 | 949,838 | 162 |
| Excess (deficiency) of revenues over expenditures | - | - | (40,731) | 40,731 |
| Fund Balance Beginning of Year | - | - | 48,339 | - |
| Fund Balance End of Year | $ - | $ - | $ 7,608 | $ 40,731 |

# DECATUR COUNTY, GEORGIA
# FOR THE FISCAL YEAR ENDED June 30, 2021

## FIDUCIARY FUNDS

**DECATUR COUNTY, GEORGIA**
**Fiduciary Funds**
**Combining Statement of Fiduciary Net Position**
**For the Fiscal Year Ended June 30, 2021**

| | CUSTODIAL FUNDS | | | | |
|---|---|---|---|---|---|
| | MAGISTRATE COURT | CLERK OF THE COURT | TAX COMMISSIONER | PROBATE COURT | TOTAL |
| ASSETS | | | | | |
| Cash | $ 13,561 | $ 210,918 | $ 669,825 | $ 4 | $ 894,308 |
| Due from others | - | - | 637,064 | - | 637,064 |
| TOTAL ASSETS | $ 13,561 | $ 210,918 | $ 1,306,889 | $ 4 | $ 1,531,372 |
| NET POSITION | | | | | |
| Net position-held for others | $ 13,561 | $ 210,918 | $ 1,306,889 | $ 4 | $ 1,531,372 |
| TOTAL NET POSITION | $ 13,561 | $ 210,918 | $ 1,306,889 | $ 4 | $ 1,531,372 |

DECATUR COUNTY, GEORGIA
Fiduciary Funds
Combining Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended June 30, 2021

| | CUSTODIAL FUNDS | | | | |
|---|---|---|---|---|---|
| | MAGISTRATE COURT | CLERK OF THE COURT | TAX COMMISSIONER | PROBATE COURT | TOTAL |
| Additions | | | | | |
| Taxes | $ - | $ 92,046 | $ 69,765,673 | $ - | $ 69,857,719 |
| Fees | 276,733 | 859,113 | 1,113,223 | 159,915 | 2,408,984 |
| Total Additions | 276,733 | 951,159 | 70,878,896 | 159,915 | 72,266,703 |
| Deductions | | | | | |
| Payment of taxes to other agencies | - | 93,588 | 69,454,675 | - | 69,548,263 |
| Payment of fees to other agencies | 305,823 | 833,992 | 1,088,608 | 159,977 | 2,388,400 |
| Total Deductions | 305,823 | 927,580 | 70,543,283 | 159,977 | 71,936,663 |
| Change in net position | (29,090) | 23,579 | 335,613 | (62) | 330,040 |
| Net position beginning of year, restated | 42,651 | 187,339 | 971,276 | 66 | 1,201,332 |
| Net position end of year | $ 13,561 | $ 210,918 | $ 1,306,889 | $ 4 | $ 1,531,372 |

# DECATUR COUNTY, GEORGIA
# FOR THE FISCAL YEAR ENDED June 30, 2021

## INTERNAL SERVICE FUNDS

## DECATUR COUNTY, GEORGIA
## Combining Statement of Net Position
## Internal Service Funds
## June 30, 2021

| | Administrative Cost Internal Service Fund | Health Insurance Internal Service Fund | Totals |
|---|---|---|---|
| **Assets** | | | |
| Current Assets: | | | |
| Cash on hand and in banks | $ - | $ 22,860 | $ 22,860 |
| Accounts receivable | - | 24,817 | 24,817 |
| Prepaid insurance | 45,993 | - | 45,993 |
| Due from other funds | 3,196,846 | - | 3,196,846 |
| Total current assets | 3,242,839 | 47,677 | 3,290,516 |
| Noncurrent assets: | | | |
| Property, plant & equipment (net of accumulated depreciation) | 79,769 | - | 79,769 |
| Total noncurrent assets | 79,769 | - | 79,769 |
| Total Assets | 3,322,608 | 47,677 | 3,370,285 |
| **Liabilities** | | | |
| Current liabilities: | | | |
| Accounts payable | 53,198 | 13,616 | 66,814 |
| Accrued expenses | 16,864 | - | 16,864 |
| Due to other agencies | 3,488,617 | 675,247 | 4,163,864 |
| Total current liabilities | 3,558,679 | 688,863 | 4,247,542 |
| Total Liabilities | 3,558,679 | 688,863 | 4,247,542 |
| **Net Position** | | | |
| Investment in capital assets | 79,769 | - | 79,769 |
| Unrestricted | (315,840) | (641,186) | (957,026) |
| Total Net Position (deficit) | $ (236,071) | $ (641,186) | $ (877,257) |

# DECATUR COUNTY, GEORGIA
## Combining Statement of Revenues, Expenses and Changes in Fund Net Position
## Internal Service Funds
## For the Fiscal Year Ended June 30, 2021

| | Administrative Cost Internal Service Fund | Health Insurance Internal Service Fund | Totals |
|---|---|---|---|
| **Operating Revenues** | | | |
| Charges for services | $ 1,472,252 | $ 2,494,271 | $ 3,966,523 |
| Total Operating Revenue | 1,472,252 | 2,494,271 | 3,966,523 |
| **Operating Expenses** | | | |
| Personal services | 603,705 | - | 603,705 |
| Services and supplies | 857,500 | 2,494,271 | 3,351,771 |
| Depreciation | 11,047 | - | 11,047 |
| Total Operating Expense | 1,472,252 | 2,494,271 | 3,966,523 |
| Operating Income (Loss) | - | - | - |
| **Transfers** | | | |
| Transfers in | - | - | - |
| Net transfers in (out) | - | - | - |
| Change in net position | - | - | - |
| Net position (deficit) - beginning of year | (236,071) | (641,186) | (877,257) |
| Net position (deficit) - end of year | $ (236,071) | $ (641,186) | $ (877,257) |

## DECATUR COUNTY, GEORGIA
## Combining Statement of Cash Flows
## Internal Service Funds
## For the Fiscal Year Ended June 30, 2021

| | Administrative Cost Internal Service Fund | Health Insurance Internal Service Fund | Totals |
|---|---|---|---|
| **Cash flows from Operating Activities** | | | |
| Cash received from customers | $ 1,472,252 | $ 2,571,717 | $ 4,043,969 |
| Cash payments to suppliers for goods & services | (871,451) | (2,714,272) | (3,585,723) |
| Cash payments to employees for services | (600,801) | - | (600,801) |
| Net cash provided (used) by operating activities | - | (142,555) | (142,555) |
| Net increase (decrease) in cash & cash equivalents | - | (142,555) | (142,555) |
| Cash & cash equivalents - beginning of year | - | 165,415 | 165,415 |
| Cash & cash equivalents - end of year | $ - | $ 22,860 | $ 22,860 |
| **Displayed as:** | | | |
| Cash on hand and in banks | $ - | $ 22,860 | $ 22,860 |
| Restricted assets: Cash and investments, at cost | - | - | - |
| Totals | $ - | $ 22,860 | $ 22,860 |

## DECATUR COUNTY, GEORGIA
## Combining Statement of Cash Flows
## Internal Service Funds
## For the Fiscal Year Ended June 30, 2021

| | Administrative Cost Internal Service Fund | Health Insurance Internal Service Fund | Totals |
|---|---|---|---|
| **Reconciliation of operating income to net cash provided by operating activities** | | | |
| Operating income (loss) | $ - | $ - | $ - |
| Depreciation | 11,047 | - | 11,047 |
| Change in Assets & Liabilities: | | | |
| (Increase) decrease in accounts receivable | - | 77,446 | 77,446 |
| Increase (decrease) in accounts payable | 931 | (37,842) | (36,911) |
| Increase (decrease) in accrued expenses | 2,904 | - | 2,904 |
| (Increase) decrease in due from other funds | (14,882) | (182,159) | (197,041) |
| Net cash provided (used) by operating activities | $ - | $ (142,555) | $ (142,555) |

# STATE REPORTING REQUIREMENTS

## DECATUR COUNTY, GEORGIA
## Schedule of Special Purpose
## Local Option Sales Tax VI
## For the Fiscal Year Ended June 30, 2021

| Project | Original Estimated Cost | Expenditure Prior Year | Expenditure Current Year | Expenditure Total | Estimated Percentage of Completion |
|---|---|---|---|---|---|
| February 25, 2014 | | | | | |
| County Wide Projects: Jail, DCP, Health Dept. Admin. Building | $ 3,333,045 | $ 1,671,264 | $ 155,969 | $ 1,827,233 | 54.82% |
| Public Safety:Fire/Rescue, E911,EMS,Sheriff Vehicles, Narrowband Radio Equipment | 3,800,475 | 2,335,244 | 709,069 | 3,044,313 | 80.10% |
| Public Works: Equipment and Roads | 5,067,300 | 1,300,744 | 1,103,405 | 2,404,149 | 47.44% |
| Regional Landfill | 800,100 | 800,100 | - | 800,100 | 100.00% |
| Vehicle Fleet Upgrade | 355,600 | 152,448 | - | 152,448 | 42.87% |
| Recreation/Debt service: Golf Course Clubhouse and Silver Lake Project | 1,955,800 | 847,606 | 169,521 | 1,017,127 | 52.01% |
| Industrial Park: Buildings upgrade, hanger roof, gas line expansion | 595,630 | 755,751 | - | 755,751 | 126.88% |
| Total | $ 15,907,950 | $ 7,863,157 | $ 2,137,964 | $ 10,001,121 | 62.87% |

The County has entered into several intergovernmental contracts with local governments.
A detail of payments to these local governments are as follows:

| | Original Estimated Cost | Prior Year | Current Year | Total |
|---|---|---|---|---|
| City of Bainbridge | $ 13,282,500 | $ 8,426,557 | $ 1,739,057 | $ 10,165,614 |
| City of Attapulgus | 555,450 | 352,383 | 72,724 | 425,107 |
| City of Climax | 348,450 | 221,061 | 45,622 | 266,683 |
| City of Brinson | 265,650 | 168,531 | 34,781 | 203,312 |
| Hospital Authority | 4,140,000 | 2,626,459 | 542,044 | 3,168,503 |
| Total | $ 18,592,050 | $ 11,794,991 | $ 2,434,228 | $ 14,229,219 |

| | |
|---|---|
| **Reconciliation to SPLOST Capital Project Fund:** | |
| Expenditures per Schedule above | $ 4,572,192 |
| SPLOST debt service expenditures reported in the Debt Service Fund | (169,521) |
| Grant proceeds expended for road projects | 1,104,583 |
| Net Adjustments | 935,062 |
| **Expenditures and transfers per Statements on page 6** | $ 5,507,254 |

## DECATUR COUNTY, GEORGIA
## Schedule of Special Purpose
## Local Option Sales Tax VII
## For the Fiscal Year Ended June 30, 2021

| Project | Original Estimated Cost | Expenditure | | | Estimated Percentage of Completion |
|---|---|---|---|---|---|
| | | Prior Year | Current Year | Total | |
| May 19, 2020 | | | | | |
| Emergency Services Building and Equipment | $ 4,500,000 | $ - | $ - | $ - | 0.00% |
| Debt Service- WWTP, E-911, and Silver Lake | 4,000,000 | - | - | - | 0.00% |
| Sheriff's Office/ Jail Building Improvements & Equipment | 1,200,000 | - | - | - | 0.00% |
| Sheriff's Office Vehicles and Equipment | 1,200,000 | - | - | - | 0.00% |
| County Facilities Improvement Projects | 1,100,000 | - | - | - | 0.00% |
| Vehicle Fleet Upgrade | 900,000 | - | - | - | 0.00% |
| Public Works Equipment and Materials | 894,100 | - | | | |
| Animal Shelter and Equipment | 500,000 | - | - | - | 0.00% |
| Total | $ 14,294,100 | $ - | $ - | $ - | 0.00% |

The County has entered into several intergovernmental contracts with local governments.
A detail of payments to these local governments are as follows:

| | Original Estimated Cost | Prior Year | Current Year | Total |
|---|---|---|---|---|
| City of Bainbridge | $ 11,935,000 | $ - | $ 377,428 | $ 377,430 |
| City of Attapulgus | 499,100 | - | 15,783 | 15,783 |
| City of Climax | 238,700 | - | 14,210 | 14,210 |
| City of Brinson | 313,100 | - | 7,549 | 7,549 |
| Hospital Authority | 3,720,000 | - | 117,639 | 117,639 |
| Total | $ 16,705,900 | $ - | $ 532,609 | $ 532,609 |

## DECATUR COUNTY, GEORGIA
## Schedule of Transporation Special Purpose Local Option Sales Tax
## For the Fiscal Year Ended June 30, 2021

| Project | Original Estimated Cost | Expenditure | | | Estimated Percentage of Completion |
|---|---|---|---|---|---|
| | | Prior Year | Current Year | Total | |
| November 7, 2017 | | | | | |
| Roads Projects | $ 11,496,052 | $ 2,124,649 | $ 851,427 | $ 2,976,076 | 25.89% |
| Purchase/Replace Equipment | 3,290,348 | 509,995 | - | 509,995 | 15.50% |
| Total | $ 14,786,400 | $ 2,634,644 | $ 851,427 | $ 3,486,071 | 23.58% |

The County has entered into several intergovernmental contracts with local governments. A detail of payments to these local governments are as follows:

| | Original Estimated Cost | Prior Year | Current Year | Total |
|---|---|---|---|---|
| City of Bainbridge | $ 8,400,000 | $ 1,480,613 | $ 1,633,410 | $ 3,114,023 |
| City of Attapulgus | 386,400 | 68,108 | 75,137 | 143,245 |
| City of Climax | 242,400 | 42,726 | 42,827 | 85,553 |
| City of Brinson | 184,800 | 32,574 | 35,935 | 68,509 |
| Total | $ 9,213,600 | $ 1,624,021 | $ 1,787,309 | $ 3,411,330 |

# Decatur County, Georgia
# Annual Report of 9-1-1 Collections and Expenditures
# For the Fiscal Year Ended June 30, 2021

| 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 | | |
| | Expenditures (UCOA Activity 3800) | | |
| 2 | Wireless service supplier cost recovery charges (identify each supplier individually on lines below - attach list, if necessary) | 46-5-134(e) | |
| | _____ | | $ - |
| | _____ | | $ - |
| | _____ | | $ - |
| 3 | Emergency telephone equipment, including necessary computer hardware, software, and data base provisioning, addressing, and nonrecurring costs of establishing a 9-1-1 system: | | |
| 3a | Lease costs | 46-5-134(f)(1)(A) | $ - |
| 3b | Purchase costs | 46-5-134(f)(1)(A) | $ - |
| 3c | Maintenance costs | 46-5-134(f)(1)(A) | $ - |
| 4 | Rates associated with the service suppliers 9-1-1 service and other service suppliers recurring charges | 46-5-134(f)(1)(B) | $ - |
| 5 | Employees hired by the local government solely for the operation and maintenance of the emergency 9-1-1 system and employees who work as directors as defined in O.C.G.A. §46-5-138.2 | | |
| 5a | Salaries and wages | 46-5-134(f)(1)(C) | $ 722,738 |
| 5b | Employee benefits | 46-5-134(f)(1)(C) | $ 272,438 |
| 6 | Cost of training of employees who work as dispatchers or directors | 46-5-134(f)(1)(D) | $ 3,407 |
| 7 | Office supplies of the public safety answering points used directly in providing emergency 9-1-1 system services | 46-5-134(f)(1)(E) | $ 9,595 |
| 8 | Building used as a public safety answering point: | | |
| 8a | Lease costs | 46-5-134(f)(1)(F) | $ |
| 8b | Purchase costs | 46-5-134(f)(1)(F) | $ 245,491 |
| 9 | Computer hardware and software used at a public safety answering point, including computer assisted dispatch systems and automatic vehicle location systems: | | |
| 9a | Lease costs | 46-5-134(f)(1)(G) | $ |
| 9b | Purchase costs | 46-5-134(f)(1)(G) | $ - |
| 9c | Maintenance costs | 46-5-134(f)(1)(G) | $ 8,072 |
| 10 | 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)(1)(H) | $ - |

## Decatur County, Georgia
## Annual Report of 9-1-1 Collections and Expenditures
## For the Fiscal Year Ended June 30, 2021

| | | | |
|---|---|---|---|
| 11 | Logging recorders used at a public safety answering point to record telephone and radio traffic: | | |
| 11a | Lease costs | 46-5-134(f)(1)(I) | $ - |
| 11b | Purchase costs | 46-5-134(f)(1)(I) | $ - |
| 11c | Maintenance costs | 46-5-134(f)(1)(I) | $ - |
| 12 | Insurance purchased to insure against risks and liability in the operation and maintenance of the 9-1-1 system on behalf of the local government or on behalf of employees hired by the local government solely for the operation and maintenance of the 9-1-1 system and employees who work as directors | 46-5-134(f)(2)(B)(i) | $ - |
| 13 | Mobile communications vehicle and equipment, if the primary purpose and designation of such vehicle is to function as a backup 9-1-1 system center | | |
| 13a | Lease costs | 46-5-134(f)(2(B)(ii) | $ - |
| 13b | Purchase costs | 46-5-134(f)(2(B)(ii) | $ - |
| 13c | Maintenance costs | 46-5-134(f)(2(B)(ii) | $ - |
| 14 | Allocation of indirect costs associated with supporting the 9-1-1 system center and operations as identified and outlined in an indirect cost allocation plan approved by the local governing authority that is consistent with the costs allocated within the local government to both governmental and business-type activities | 46-5-134(f)(2)(B)(iii) | $ - |
| 15 | Mobile public safety voice and data equipment, geo-targeted test messaging alert systems, or towers necessary to carry out the function of 9-1-1 system operations | | |
| 15a | Lease costs | 46-5-134(f)(2(B)(iv) | $ - |
| 15b | Purchase costs | 46-5-134(f)(2(B)(iv) | $ - |
| 15c | Maintenance costs | 46-5-134(f)(2(B)(iv) | $ - |
| 16 | Public safety voice and data communications systems located in the 9-1-1 system facility that further the legislative intent of providing the highest level of emergency response service on a local, regional, and state-wide basis, including equipment and associated hardware and software that supports the use of public safety wireless voice and data communication systems | | |
| 16a | Lease costs | 46-5-134(f)(2(B)(v) | $ 108,925 |
| 16b | Purchase costs | 46-5-134(f)(2(B)(v) | $ - |
| 16c | Maintenance costs | 46-5-134(f)(2(B)(v) | $ - |
| 17 | Other expenditures not included in Lines 2 through 16 above. Identify by object and purpose. | | |
| | Telephone | | $ 9,481 |
| | Postage | | $ 43 |
| | Travel | | $ 3,753 |
| | Internet Cost | | $ 1,380 |
| | Contractual Services | | $ 93,559 |
| | Energy | | $ 12,410 |

## Decatur County, Georgia
## Annual Report of 9-1-1 Collections and Expenditures
## For the Fiscal Year Ended June 30, 2021

| | | | |
|---|---|---|---|
| | Administrative cost - **paid with resources transferred from General Fund** | $ | 69,188 |
| | Other costs and services | $ | 67,230 |
| 18 | Total Expenditures (total of all amounts reported on Lines 2 through 17 above) | $ | 1,628,074 |

**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 _____ Date 1/29/22

Print Name of Chief Financial Officer Pete Stephens

Title of Chief Elected Official Chairman

Signature of Chief Financial Officer Michelle West Date 1/29/22

Print Name of Chief Financial Officer Michelle West

## Decatur County, Georgia
## Annual Report of 9-1-1 Collections and Expenditures
## For the Fiscal Year Ended June 30, 2021

| | | |
|---|---|---|
| Administrative cost - **paid with resources transferred from General Fund** | | $ 69,188 |
| Other costs and services | | $ 67,230 |
| 18 | Total Expenditures (total of all amounts reported on Lines 2 through 17 above) | $ 1,628,074 |

**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 _____ Date 3/5/21

Print Name of Chief Financial Officer Pete Stephens

Title of Chief Elected Official Chairman

Signature of Chief Financial Officer _____ Date 3/5/21

Print Name of Chief Financial Officer Michelle West

# GOVERNMENTAL AUDITING STANDARDS REQUIREMENTS

Coastal CPAs, LLC

BEN P. LEE, CPA, CFE, CFF, CGMA, CGFM, CGFO
JAMES F. BARGER, CPA, CGMA
PAMELA A. MELTON, CPA, CGMA
JOSLYN SLOAN, CPA
TINA OWENS, CPA, CGMA
J. DENNIS SILVA, CPA, CGMA
DOUGLAS D. THORNTON, CPA
JAMIE B. CURTIS, CPA, CGMA
TRACY EVERLY

## INDEPENDENT AUDITORS' 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
Decatur County, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Decatur County, Georgia, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Decatur County, Georgia's basic financial statements and have issued our report thereon dated January 31, 2022.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) 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 the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County'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 did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control structure that we consider to be a significant deficiency:

*Segregation of Duties*

Due to the size of the County's office, there is not an adequate number of employees to provide for the proper segregation of duties. This condition represents a significant deficiency in the design or operation of the



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Members of: American Institute of Certified Public Accountants | Georgia Society of Certified Public Accountants
Governmental Finance Officers Association | Association of Government Accountants | Association of Certified Fraud Examiners

County's internal control structure and could possibly affect the County's ability to record, process, summarize and report financial data consistent with the assertions of management in the County's financial statements as well as comply with applicable laws and regulations.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 instances of noncompliance or other matters that is required to be reported under *Government Auditing Standards*.

**County's Response to Findings**

The County is aware of this condition, however, it is not financially feasible to eliminate this deficiency due to the County's limited resources. The Board of Commissioners and County Administrator will consider implementing compensating controls, such as outsourcing of certain accounting functions and continuous board oversight and awareness. The County'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 County'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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Coastal CPAs, LLC*

Coastal CPAs, LLC
St. Simons Island, Georgia
January 31, 2022

Coastal CPAs, LLC

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## INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors
Decatur County, Georgia

**Report on Compliance for Each Major Federal Program**

We have audited Decatur County, Georgia's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Decatur County, Georgia's major federal programs for the year ended June 30, 2021. The Decatur County, Georgia's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

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

***Auditors' Responsibility***

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

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

***Opinion on Each Major Federal Program***

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.



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**Report on Internal Control over Compliance**

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

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

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

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

*Coastal CPAs, LLC*

Coastal CPAs, LLC
St. Simons Island, Georgia
January 31, 2022

## Decatur County, Georgia
## Schedule of Expenditures of Federal Award
## For Year Ended June 30, 2021

| Federal Grantor/Pass Through Grantor/ ec | Federal CFDA Number | Pass Through Entity Identifying Number | Total Federal Expenditures |
|---|---|---|---|
| **Department of Transportation/Federal Aviation Administration** | | | |
| Pass-through Georgia Department of Transportation | | | |
| Airport Improvement Program-Electrical Upgrade | 20.106 | AP019-9036-9036-29(087) | $ 10,545 |
| Sub-total CFDA Number 20.106 | | | 10,545 |
| Sub-total for Department of Transporation/Federal Aviation Administration | | | 10,545 |
| **US Department of Homeland Security/Federal Emergency Management Agency** | | | |
| Federal Emergency Management Agency | | | |
| Georgia Emergency Management Agency/Homeland Security | 97.036 | PA-04-GA-4400-PW-00530(0) | 642,280 |
| Sub-total for CFDA 97.036 | | | 642,280 |
| Georgia Emergency Management Agency/Homeland Security | 97.042 | n/a | 8,947 |
| Sub-total for CFDA 97.042 | | | 8,947 |
| Sub-total for US Department of Homeland Security/Federal Emergency Management Agency | | | 651,227 |
| **Office of Justice Programs** | | | |
| Pass-through Office of the Governor | | | |
| Victims of Crime Act (VOCA) Victim Assistance Formula Grant | 16.575 | C17-8-170 | 111,736 |
| Victims of Crime Act (VOCA) Victim Assistance Formula Grant | 16.575 | C18-8-263/264 | 206,419 |
| Sub-total CFDA Number 16.575 | | | 318,155 |
| Sub-total for the Office of Justice Programs | | | 318,155 |
| **US Department of the Interior** | | | |
| Payments in Lieu of Taxes | 15.226 | n/a | 59,145 |
| Sub-total for CFDA 15.266 | | | 59,145 |
| Sub-total for US Department of Interior | | | 59,145 |
| **US Department of Defense/Department of Army/Army Corps of Engineers** | | | |
| Payments to State In Lieu of Real Estate Taxes | | | |
| State of Georgia Office of the State Treasurer | 12.112 | 486-Flood | 374 |
| Sub-total for CFDA 12.112 | | | 374 |
| Sub-total for US Dept. of Defense/Dept. of Army/Army Corps of Engineers | | | 374 |
| **Total Expenditures of Federal Awards** | | | $ 1,039,446 |

The accompanying notes are an integral part of this schedule.

**Decatur County, Georgia**
**Notes to Schedule of Expenditures of Federal Awards**
**For the Year Ended June 30, 2021**

***NOTE 1. Basis of Presentation***

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Decatur County, Georgia under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Decatur County, Georgia, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Decatur County, Georgia.

***NOTE 2. Summary of Significant Accounting Policies***

Expenditures reported on the Schedule are reported on the Accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

***NOTE 3. Indirect Cost Rate***

Decatur County, Georgia has elected not to use the 10-percent de Minimis indirect cost rate allowed under the Uniform Guidance. All expenditures in the Schedule were direct costs charged to the grants.

***NOTE 4. Federal Student Loan Programs***

Decatur County, Georgia did not have any federal grant expenditures in the Schedule related to a Federal Student Loan Program.

***NOTE 5. Loan and Loan Guarantee Continuing Compliance Requirements***

During fiscal year ending June 30, 2003, Decatur County, Georgia received a U.S. Department of Housing and Urban Development - EIP – Revolving Loan Grant (RLF) (CFDA 14.228), passed through the Georgia Department of Community Affairs (Grant # 02q-y-043-1-2761). The total grant awarded was $472,500. The grant requires Decatur County, Georgia to report the Revolving Loan Fund (RLF) assets in its annual audited financial statements until all the RLF loans are paid. The RLF loan receivable balance at $22,760 and its balance was $-0- at June 30, 2021. The loan was full paid during fiscal year ending June 30, 2021.

**Decatur County, Georgia**
**Notes to Schedule of Expenditures of Federal Awards**
**For the Year Ended June 30, 2021**

*NOTE 6. Major Programs and Clusters*

The program audited as a Type B High Risk Major Program in the Schedule was The U.S. Department of Homeland Security –Federal Emergency Management Agency-CFDA 97,036 passed through the Georgia Emergency Management Agency/ Homeland Security Contract Number PA-04-4400-PW-0053(0). Total expenditures in the Schedule for the year ended June 30, 2021 were $642,280.

The threshold for the Major Programs was $750,000 of expenditures. There were no Type A programs identified in the Schedule of Expenditures of Federal Awards for the year ended June 30, 2021. All other programs in the Schedule were Type B Low Risk Programs.

Decatur County, Georgia did not have any expenditure in the Schedule related to Research and Development Programs. There were not any Clusters of Programs.

Decatur County, Georgia did not have any federal grant expenditures in the Schedule related to Loan and Loan Guarantee Continuing Compliance Requirements.

# Decatur County, Georgia
# Schedule of Findings and Questioned Costs
# June 30, 2021

## A. Summary of Auditors' Results

### Financial Statements

1. The auditors' opinion on Decatur County, Georgia's financial statements was an unmodified opinion.
2. A significant deficiency in internal control over financial reporting was disclosed during the audit of the financial statements.
3. The audit of Decatur County, Georgia disclosed no instances of noncompliance that was deemed material to the financial statements.
4. No material weaknesses were identified.

### Federal Awards

1. No significant deficiencies or material weaknesses in internal control over the major program were identified.
2. The auditors' report on compliance for the major federal award programs Decatur County, Georgia expresses an unmodified opinion.
3. The audit disclosed no findings related to the major program that is required to be reported under the 2 CFR 200.516(a) of the Uniform Guidance.
4. The following program was tested as a major program:

| Type-B-High Risk Programs | CFDA Number | Amount |
|---|---|---|
| U.S. Department of Homeland Security-Federal Emergency Management Agency | 97.036 | $642,280 |

5. The threshold for distinguishing between Types A and B programs was $750,000.
6. Decatur County, Georgia did not qualify as a low risk auditee as defined by the Uniform Guidance.