Haralson County, Georgia

Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2020



HARALSON COUNTY, GEORGIA

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2020



Prepared By:
Don Johnson, Finance Director
County Clerk's Office

HARALSON COUNTY, GEORGIA

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INTRODUCTORY SECTION



Haralson County
Board of Commissioners

Ronald J. Ridley
Chairman/C.E.O.

January 15, 2021

The Honorable Ronald J. Ridley, Chairman/C.E.O.
Members of the Haralson County Board of Commissioners
and Citizens of Haralson County, Georgia

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year, unless an extension has been approved, a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of Haralson County, Georgia (County) for the fiscal year ended June 30, 2020.

This report consists of management's representations concerning the finances of Haralson County, Georgia. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of Haralson County has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Haralson County financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the county's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The county's financial statements have been audited by Will M. Robinson, CPA, P.C., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended June 30, 2020 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the County's financial statements for the fiscal year ended June 30, 2020 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This

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letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The County's MD&A can be found immediately following the report of the independent auditors.

The independent audit of the County's financial statements includes a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the compliance section of this report.

Profile of the Government

Haralson County is in the northwest portion of Georgia. It is considered the economic hub of this region with easy access to Interstate Highway I-20. The County is approximately one hour west of downtown Atlanta and Hartsfield Jackson Atlanta International Airport. The County occupies a land area of 283 square miles and serves a population of 28,854. The County is empowered to levy a property tax on both real and personal properties located within its boundaries.

In 1856, an Act was approved by the Georgia General Assembly creating the Board of Commissioners of Haralson County. The County operates under a Chairman/County Commission form of government. Policy-making and legislative authority are vested in the Board of Commissioners consisting of five commissioners elected at-large on a partisan basis. The commissioners serve four-year staggered terms. The Board of Commissioners is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring the government's manager, attorney, and auditors. The County Manager is responsible for carrying out the policies and ordinances of the county commission, for overseeing the day-to-day operations of the government, and for appointing the heads of the various departments.

Haralson County provides a full range of services, including maintenance of roads and other infrastructures; court services; jail and prison, fire protection; recreational services planning; building inspection; E911; emergency management; recycling and animal control services, which are provided countywide.

The annual budget serves as the foundation for Haralson County's financial planning and control. All departments of the County are required to submit requests for appropriation to the Finance Director, who in turn shall submit a recommended budget for the Board of Commissioners. The Board of Commissioners may then hold a budget hearing with each department. After holding a public hearing on the proposed budget, the final budget must be adopted no later than June 30th of each year. The appropriated budget is prepared by fund and by department. Management may make transfers of appropriations within a department. Any change to the General Fund in total or departmental appropriation requires approval of the Board of Commissioners. Any change to the special revenue funds in total appropriation requires approval of the Board of Commissioners. Budget-to-actual comparisons are provided in a report for each individual governmental fund for which an appropriated annual budget has been adopted.

The financial statements contained herein include all activities and functions of Haralson County that are under the jurisdiction of the Board of Commissioners, as set forth in state and local law. Additionally, two component units are included in these financial statements because of their operational and financial relationships to the County. Those are the Haralson County Health Department, which provides a variety of health-related services in the County, as well as the Development Authority of Haralson County.

Factors Affecting Financial Conditions

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which Haralson County operates. Also, during the fiscal year ending June 30, 2020 the County's financial condition was not impacted significantly by any financial policies.

Local Economy. Haralson County saw its total tax digest increase for the fourth year in a row. The increase was 7.56% compared to the previous year. This increase shows the local area is experiencing an upturn in the economy. The County issued 527 building permits with an estimated construction cost of $7,548,700 for 2020.

As in previous years, many city and county capital projects are being completed locally as a result of a special purpose local option sales tax (SPLOST) that is in effect. Several school projects, recreational facilities and road projects were completed as well as part of the overall SPLOST packages. There was an approximate increase of $1.1m in the General Fund budget to maintain the roads in the County through state grants.

Long Term Outlook. With hopes that a rebound in the economy would occur, the reality of the matter is that a rebound is very slow for our area. However, we are seeing some improvement by the decreased unemployment rate. Because of this, we expect modest improvement in our local economy in the near future. We do anticipate a slight increase in the ad valorem digest for 2020. The County's diverse tax base and strong manufacturing industry will still provide a measure of economic stability locally.

In general, 2020 was another year of economic challenges, however, there continues to be several bright spots and the county is positioned to take advantage of any improvements in the economy as they occur.

Risk Management. The County has joined together with other counties in the state as part of the Association of County Commissioners of Georgia Group Self-Insurance Workers Compensation Fund, a public entity risk pool currently operating as a common risk management and insurance program for member local governments.

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

The fund is to defend and protect the members of the fund against liability or loss as prescribed in the member government contract and in accordance with the worker's compensation law of Georgia. The fund is to pay all cost taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense.

Other Information

Independent Audit. Georgia Code requires an annual audit of the books of account, financial records, and transactions of all administrative departments of the county by independent certified public accountants selected by the Haralson County Board of Commissioners. This requirement has been met and the auditor's unmodified opinion has been included in this report.

Awards. The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Haralson County, Georgia for its Comprehensive Annual Financial Report for fiscal year ended June 30, 2019. This was the fourth year that Haralson County, Georgia received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report which must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement for Excellence in Financial Reporting is valid for a period of one year. We believe our 2020 report continues to conform to the Certificate of Achievement program requirements, and we are submitting this report to the GFOA to determine its eligibility for another certificate for the fiscal year ended June 30, 2020.

Acknowledgments

The preparation of this comprehensive annual financial report could not have been accomplished without the dedication and contributions of the entire finance department staff, the auditors for the County and the cooperation of the various elected officials and appointed management.

In closing, we also wish to acknowledge the valuable contribution of the Board of Commissioners. Their guidance and leadership in conducting the financial affairs of Haralson County in a responsible and progressive manner is greatly appreciated.

Respectfully submitted,

Ronald J. Ridley
Chairman/CEO

Alison Palmer
County Clerk

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Haralson County
Georgia

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morrill

Executive Director/CEO

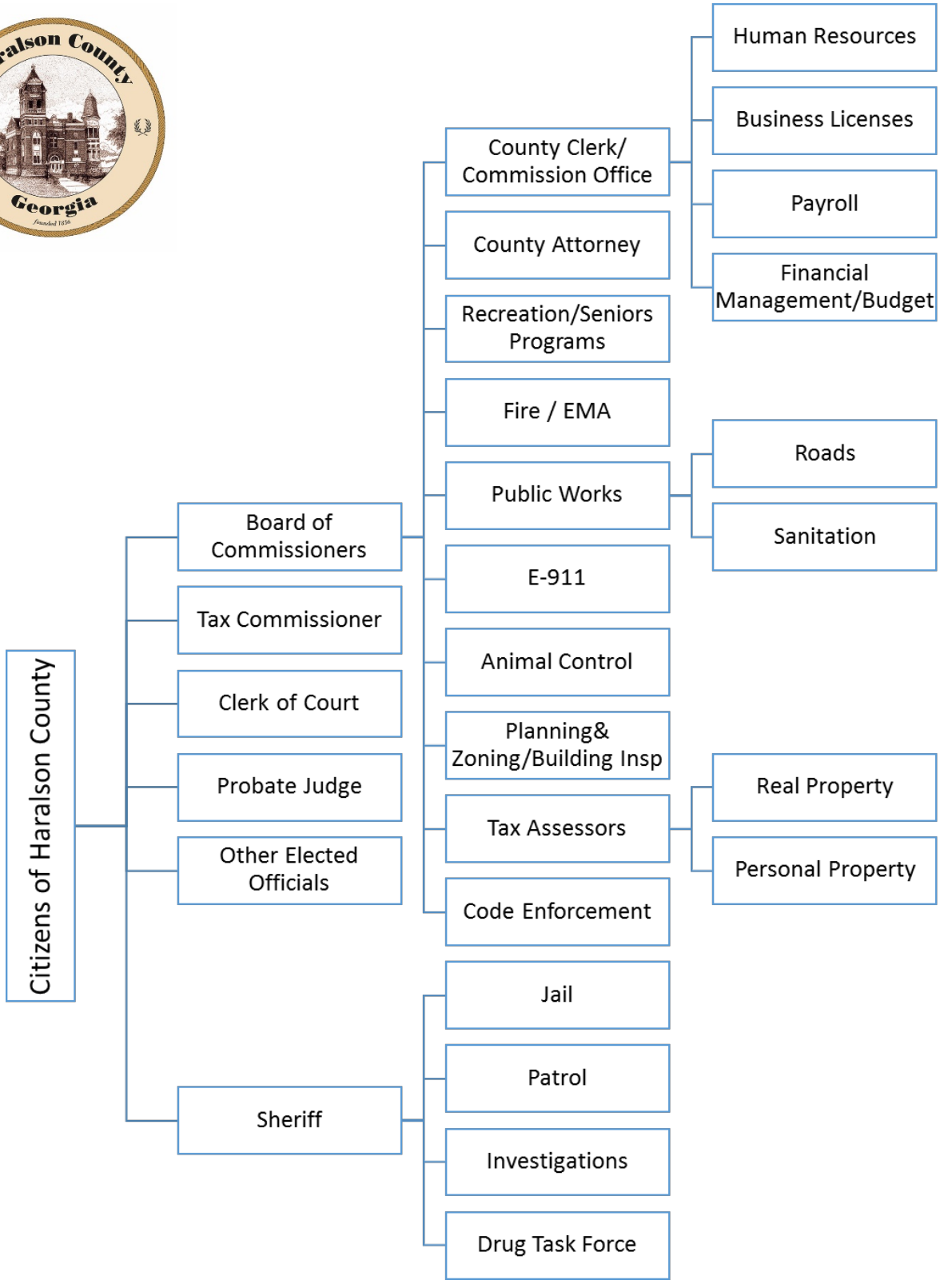
HARALSON COUNTY, GEORGIA

List of Principal County Officials
For the Fiscal Year Ended June 30, 2020

Board of Commissioners	
Ronald J. Ridley	Chairman / CEO
David Tarpley	District #1
Jamie Brown	District #2/Vice Chair
Adam Budde	District #3
Brad Vines	District #4
Other Elected Officials	
Sherri R. Mobley	Tax Commissioner
Hoyt Edward Mixon, Jr.	Sheriff
Becky Abbott	Clerk of Superior Court
J. Edward Hulsey, Jr.	Probate Judge
Laura Wheale	Juvenile Judge
Brandon Heath	Magistrate Judge
Meng Lim	Judge, Superior Court of Haralson County
Mark Murphy	Judge, Superior Court of Haralson County
Oliver J. Browning	District Attorney
Danny Hutcheson	Coroner
Greg Dewberry	County Surveyor
Appointed Officials	
Alison Palmer	Clerk
Hubert Sparks	Tax Assessor
David Mecklin	Attorney

HARALSON COUNTY, GEORGIA

Organizational Chart
For the Fiscal Year Ended June 30, 2020



FINANCIAL SECTION



Member American Institute of CPA's **Member Georgia Society of CPA's**

WILL ROBINSON, CPA, LLC

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Haralson County, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Haralson County, Georgia as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Haralson County, Georgia'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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Haralson County Health Department, a discretely presented component unit of the County, which represent 2.6 percent, 0.8 percent, and 2.7 percent, respectively, of the assets, net position, and revenues of the statements of governmental activities. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Haralson County Health Department is based solely on the report 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 auditor's 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 entity'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 entity's internal control. Accordingly, we 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, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Haralson County, Georgia, as of June 30, 2020, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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 defined pension benefit pension plan information on pages 4–11, 52-56, 57-59, 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 Haralson County, Georgia's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, statistical section, the schedule of expenditures of special purpose local option sales tax proceeds, and the schedule of expenditures of transportation special purpose local option sales tax proceeds are presented for purposes of additional analysis and are not a required part of the basic financial statements. 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 nonmajor fund financial statements, the schedule of expenditures of special purpose local option sales tax proceeds, the schedule of expenditures of federal awards, and the schedule of expenditures of transportation special purpose local option sales tax proceeds, 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, the schedule of expenditures of special purpose local option sales tax proceeds, the schedule of expenditures of federal awards, and the schedule of expenditures of transportation special purpose local option sales tax proceeds are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 15, 2021, on our consideration of Haralson County, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Haralson County, Georgia's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Haralson County, Georgia's internal control over financial reporting and compliance.

Will Robinson, CPA, LLC

Carrollton, Georgia
January 15, 2021

Our discussion and analysis of Haralson County's financial performance provides an overview of the County's financial activities for the fiscal year ended June 30, 2020. Please read it in conjunction with the County's basic financial statements, which begin on page 12.

Overview of the Financial Statements

Management's Discussion and Analysis introduces the County's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The County also includes in this report additional information to supplement the basic financial statements.

Government-wide Financial Statements

The County's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the County's overall status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of internal activities.

The first of these government-wide statements is the *Statement of Net Position*. This is the County-wide statement of position presenting information that includes all the County's assets and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating. Evaluation of the overall health of the County would extend to other nonfinancial factors such as diversification of the taxpayer base or the condition of County infrastructure in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities* which reports how the County's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the County's distinct activities or functions on revenues provided by the County's taxpayers.

Under this reporting model, the County is required to distinguish between governmental activities that are principally supported by taxes and user charges and business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, judicial, public safety, public works, health and welfare, and culture and recreation. The County does not have any business-type activities to report. The County's fiduciary activities simply hold resources temporarily for others and are not included in the government-wide statements since these assets are not available to fund County programs.

The County's financial reporting includes the funds of the County (primary government) and additionally, organizations for which the County is accountable (component units). These component units operate independently or provide services directly to the citizens, though the County remains accountable for their activities. The County's component units are the Haralson County Development Authority and the Haralson County Health Department. These organizations are reported separately from the primary government though included in the County's overall reporting entity.

The government-wide financial statements are presented on pages 12 through 14 of this report.

Fund Financial Statements
A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The County uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the County's most significant funds rather than the County as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the form of combining statements in a later section of this report.

The County has two kinds of funds:

Governmental funds are reported in the fund financial statements and encompass essentially the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the County's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to assist in understanding the differences between these two perspectives.

The basic governmental fund financial statements are presented on pages 15 through 18 of this report.

Fiduciary funds (i.e. the agency funds) are reported in the fiduciary fund financial statements, but are excluded from the government-wide reporting. Fiduciary fund financial statements report resources that are not available to fund County programs.

The basic fiduciary fund financial statement is presented on page 19 of this report.

Notes to the Basic Financial Statements
The accompanying notes to the basic financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements are on pages 20 to 51 of this report.

Financial Analysis of the County as a Whole

The County's net position at fiscal year-end was $24,666,178. This is a $2,531,217 increase from last year's net position of $22,134,961. The increase is mostly due to an increase in deferred outflows related to the County's pension plan and the reduction of long-term debt during the current fiscal year.

The following table provides a summary of the County's net position for the current and prior year:

Summary of Net Position

	Governmental Activities	
	2020	**2019**
Assets:		
Current and other assets	$ 9,266,128	$ 8,046,820
Capital assets	19,156,035	19,520,791
Total assets	28,422,163	27,567,611
Total deferred outflows of resources	1,145,944	1,338,982
Liabilities:		
Current liabilities	2,880,285	3,254,760
Long-term liabilities	1,036,445	2,684,636
Total liabilities	3,916,730	5,939,396
Total deferred inflows of resources	985,199	832,236
Net position:		
Net investment in capital assets	17,830,055	16,756,901
Restricted	4,154,235	4,651,549
Unrestricted	2,681,888	726,511
Total net position	$ 24,666,178	$ 22,134,961

The County's change in net position at fiscal year-end was $2,531,217. This was an increase of $1,527,865 compared to the previous fiscal year of $1,003,352. The change is mostly due to an increase in operating grants and sales taxes.

The following table provides a summary of changes in net position for the current and prior year:

Summary of Changes in Net Position

	Governmental Activities	
	2020	**2019**
Revenues:		
Program:		
Charges for services	$ 1,663,376	$ 1,729,593
Operating grants	1,349,262	582,974
Capital grants	780,507	1,435,346
General:		
Property taxes	11,527,942	11,016,395
Sales taxes	8,206,016	7,678,224
Insurance premium taxes	1,470,650	1,374,101
Other taxes	322,150	311,633
Unrestricted investment earnings	14,235	20,475
Gain on sale of capital assets	86,955	-
Miscellaneous revenue	259,120	110,489
Total revenues	25,680,213	24,259,230
Program expenses:		
General government	4,431,932	4,241,887
Judicial	1,550,942	1,612,351
Public safety	9,971,378	9,670,771
Public works	5,295,391	5,816,082
Health and welfare	1,238,115	1,231,084
Culture and recreation	474,200	494,553
Housing and development	148,135	125,458
Interest on long-term debt	38,903	63,692
Total expenses	23,148,996	23,255,878
Change in net position	2,531,217	1,003,352
Net position, beginning of year	22,134,961	21,131,609
Net position, end of year	$ 24,666,178	$ 22,134,961

Financial Analysis of the County's Funds

Governmental funds

Governmental funds are reported in the fund statements with a short-term inflow and outflow of expendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements.

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of $7,669,484 an increase of $1,416,204 in comparison with the prior year. The increase is mainly due to an increase in intergovernmental revenue.

The major governmental funds of the County are the General Fund, T-SPLOST Fund, SPLOST VI Fund, the Drug Task Force Fund, Employment Incentive Program Fund, and the Special Services Districts Fund.

The ***General Fund*** is the government's primary operating fund and the largest source of day-to-day service delivery. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The General Fund reported an ending fund balance of $4,551,478. Of this year-end total, $3,741,804 is unassigned indicating availability for continuing County service requirements. Nonspendable fund balances include: $49,605 set aside for inventory. Restricted fund balance of $760,069 for capital projects. The fund balance of the General Fund on June 30, 2020 was $4,551,478 compared to $2,718,822 on June 30, 2019 an increase of $1,832,656.

The General Fund expenditures decreased $540,872 in 2020 from the previous year.

1. The General Government category increased by approximately $105,000 during 2020. The majority of the decrease was a increase in general operating expenditures.
2. The Judicial category decreased by approximately $74,000 during 2020. The majority of the decrease was a decrease in general operating expenditures.
3. The Public Safety category increased approximately $271,000. This increase was almost entirely due to an increase in additional personnel.
4. The Public Works category decreased approximately $871,000. This increase was mostly due to the decrease in resurfacing of roads throughout the county.
5. The Health and Welfare, Culture and Recreation, and Housing and Development categories had no significant changes from 2020 to 2019.

The General Fund revenues increased $1,175,109 in 2020 from the previous year.

1. Taxes revenue category increased by approximately $744,000 due mainly to an increase in property taxes and sales taxes revenue.
2. Intergovernmental revenue category increased by approximately $338,000 due mainly to an increase in CARES Act grant revenue.
3. All other revenue categories increased in total by approximately $93,000 compared to 2019. No significant variances in specific line items compared to 2019.

The ***T-SPLOST Fund*** accounts for the financial resources provided from the one-percent transportation special purpose local option sales tax. Such resources are to be used to fund transportation improvements in the county. The fund balance of the T-SPLOST Fund on June 30, 2020 was $242,102 compared to $222,076 on June 30, 2019 an increase of $20,026. This increase was mostly due to the increase in sales tax revenue.

The ***SPLOST VI Fund*** accounts for the financial resources provided from the one-percent special purpose local option sales tax. Such resources are to be used for water, public safety, roads, recreation and government building capital projects. The fund balance of the SPLOST Fund on June 30, 2020 was $1,495,821 compared to $1,898,101 on June 30, 2019.

The ***Drug Task Force Fund*** accounts for income and expenditures related to the Drug Task Force. The fund balance of this fund was ($276,160) on June 30, 2020 compared to ($6,986) on June 30, 2019.

The ***Employee Incentive Program Fund*** accounts for grants, income and expenditures related to the employee incentive program. The fund balance of this fund was $658,112 on June 30, 2020 compared to $648,522 on June 30, 2019.

The ***Special Services Districts Fund*** provides public safety, sanitation, zoning and inspections, and parks and recreation activity to the remaining unincorporated section of Haralson County. The special service districts were created during the current year. The fund balance of this fund was $759,546 on June 30, 2020 compared to $461,879 on June 30, 2019.

General Fund Budgetary Highlights

The original adopted budget did anticipate a change in its total fund balance due to an increase in tax revenue. The budget was subsequently revised to reflect an increase of $2,086,861 from the original budget. The actual total fund balance increased by $94,552. The increase was mainly due to an increase in intergovernmental revenues and resurfacing expenditures.

The 2020 General Fund budget variances are as follows:

1. The total revenues were more than the final budget by $1,316,491. Taxes were $225,283 more than the final budget. Intergovernmental revenues were $822,396 more than the final budget. In addition, Sales Tax, Charges for Services, Other Taxes, Investment Income, Contributions and donations and, Miscellaneous Revenue were also above the final budget by $268,812

2. All expenditure categories were less than projected in the final budget by a combined $481,578. All departments met the challenge of providing services at basically the same service level but with fewer funds available to spend.

Capital Asset and Debt Administration

Capital assets
The County's investment in capital assets as of June 30, 2020, amounts to $19,156,035. This investment in capital assets includes land, buildings and improvement and machinery and equipment. It also includes infrastructure (roads) constructed over the past eight years, as well as retroactive infrastructure constructed since 1980.

The following is a summary of the County's capital assets for the year ended June 30, 2020:

Capital Assets
(Net of Accumulated Depreciation)

	Governmental Activities	
	2020	**2019**
Land	$ 940,348	$ 923,258
Construction in progress	-	871,427
Buildings and improvements	14,400,254	14,309,676
Furniture and equipment	2,183,086	1,643,938
Vehicles	1,632,347	1,772,492
Total	$ 19,156,035	$ 19,520,791

See Note 3 of this report for additional information about the County's capital assets.

Long-term debt
The following is a summary of long-term debt for the year ended June 30, 2020:

Outstanding Debt

	Governmental Activities	
	2020	**2019**
Compensated absences	$ 184,122	$ 158,825
Capital lease payables	80,980	293,890
Bonds payable	1,245,000	2,470,000
Total	$ 1,510,102	$ 2,922,715

See Note 3 of this report for additional information about the County's long-term debt.

Contacting the County's Financial Management

This financial report is designed to provide our citizens, taxpayers, 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, Ronald J. Ridley, Chairman and CEO, Commission Office, 155 Van Wert Street, Buchanan, Georgia 30113, 770-646-2002.

BASIC FINANCIAL STATEMENTS



HARALSON COUNTY, GEORGIA

Statement of Net Position
June 30, 2020

	Primary Government Governmental Activities	Haralson County Health Department	Development Authority of Haralson County
ASSETS			
Cash	$ 6,350,220	$ 731,303	$ 408,784
Taxes receivable, net of allowance	1,083,036	-	-
Accounts receivable, net of allowance	127,317	4,397	90,477
Interest receivable	457	-	-
Note receivables	457,060	-	-
Prepaid items	600	2,797	2,240
Inventories	49,605	11,584	-
Due from primary government	-	-	23,257
Due from other governments	1,197,833	58,479	-
Capital assets:			
Nondepreciable capital assets	940,348	-	362,605
Depreciable capital assets, net	18,215,687	-	1,196,824
Total assets	28,422,163	808,560	2,084,187
DEFERRED OUTFLOWS OF RESOURCES			
Related to other post-employment benefits	-	21,825	-
Related to pension benefits	1,145,944	85,552	-
Total deferred outflows of resources	1,145,944	107,377	-
LIABILITIES			
Accounts payable	262,686	376	-
Accrued liabilities	213,340	-	-
Accrued interest	3,353	-	-
Retainage payable	-	-	-
Due to other governments	969,976	24,411	-
Capital leases due within one year	80,980	-	-
Capital leases due in more than one year	-	-	-
Compensated absences due within one year	104,950	3,328	-
Compensated absences due in more than one year	79,172	29,955	-
Bonds payable due within one year	1,245,000	-	-
Bonds payable due in more than one year	-	-	-
Net other post employment benefits liability	-	49,659	-
Net pension liability	957,273	381,336	-
Total liabilities	3,916,730	489,065	-
DEFERRED INFLOWS OF RESOURCES			
Related to other post-employment benefits	-	175,563	-
Related to pension benefits	985,199	40,325	-
Total deferred inflows of resources	985,199	215,888	-
NET POSITION			
Net investment in capital assets	17,830,055	-	1,559,429
Restricted for:			
Economic development	-	-	-
Judicial	70,040	-	-
Capital projects	2,497,992	-	-
Culture and recreation	10,419	-	-
Public safety	816,238	-	-
Special services	759,546	-	-
Unrestricted	2,681,888	210,984	524,758
Total net position	$ 24,666,178	$ 210,984	$ 2,084,187

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

HARALSON COUNTY, GEORGIA

Statement of Activities
For the Fiscal Year Ended June 30, 2020

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions
Primary government:			
Governmental activities:			
General government	$ 4,431,932	$ 194,212	$ 84,437
Judicial	1,550,942	667,671	125,425
Public safety	9,971,378	566,807	1,121,045
Public works	5,295,391	22,825	18,104
Health and welfare	1,238,115	2,516	-
Culture and recreation	474,200	209,345	251
Housing and development	148,135	-	-
Interest on long-term debt	38,903	-	-
Total governmental activities	23,148,996	1,663,376	1,349,262
Total primary government	23,148,996	1,663,376	1,349,262
Component Units			
Haralson County Health Department	545,488	256,752	462,677
Development Authority of Haralson County	343,836	77,665	-
Total component units	$ 889,324	$ 334,417	$ 462,677
General revenues:			
Property taxes			
Sales taxes			
Insurance premium taxes			
Other taxes			
Unrestricted investment earnings			
Gain on sale of capital assets			
Miscellaneous revenue			
Total general revenues			
Change in net position			
Net position, beginning of year			
Net position, end of year			

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

Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets		
	Primary Government	Component Units	
	Governmental Activities	Haralson County Health Department	Development Authority of Haralson County
$ 2,212	$ (4,151,071)	$ -	$ -
-	(757,846)	-	-
9,471	(8,274,055)	-	-
767,623	(4,486,839)	-	-
-	(1,235,599)	-	-
1,201	(263,403)	-	-
-	(148,135)	-	-
-	(38,903)	-	-
780,507	(19,355,851)	-	-
780,507	(19,355,851)	-	-
-	-	173,941	-
23,257	-	-	(242,914)
$ 23,257	-	173,941	(242,914)
	11,527,942	-	-
	8,206,016	-	-
	1,470,650	-	-
	322,150	-	-
	14,235	343	6,376
	86,955	-	-
	259,120	46	-
	21,887,068	389	6,376
	2,531,217	174,330	(236,538)
	22,134,961	36,654	2,320,725
	$ 24,666,178	$ 210,984	$ 2,084,187

HARALSON COUNTY, GEORGIA

Balance Sheet
Governmental Funds
June 30, 2020

ASSETS	General	T-SPLOST	SPLOST VI	Drug Task Force	Employment Incentive Program	Special Services Districts	Nonmajor Governmental Funds	Total Governmental Funds
Cash	$ 4,239,633	$ 64,500	$ 1,290,120	$ 444,119	$ 200,595	$ 6,300	$ 104,953	$ 6,350,220
Receivables:								
Accounts	23,387	-	-	-	-	13,828	90,102	127,317
Taxes	457,297	177,602	353,606	-	-	94,531	-	1,083,036
Interest	-	-	-	-	457	-	-	457
Notes	-	-	-	-	457,060	-	-	457,060
Due from other funds	68,381	-	-	-	-	784,504	35,415	888,300
Due from other governments	1,163,905	-	-	-	-	-	33,928	1,197,833
Prepaid items	-	-	-	600	-	-	-	600
Inventories	49,605	-	-	-	-	-	-	49,605
Total assets	$ 6,002,208	$ 242,102	$ 1,643,726	$ 444,719	$ 658,112	$ 899,163	$ 264,398	$ 10,154,428
LIABILITIES								
Accounts payable	$ 231,330	$ -	$ 5,578	$ 11,728	$ -	$ -	$ 14,050	$ 262,686
Accrued liabilities	154,779	-	-	-	-	46,798	11,763	213,340
Retainage Payable	-	-	-	-	-	-	-	-
Due to other funds	819,919	-	-	-	-	68,381	-	888,300
Due to other governments	118,498	-	142,327	709,151	-	-	-	969,976
Total liabilities	1,324,526	-	147,905	720,879	-	115,179	25,813	2,334,302
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue	126,204	-	-	-	-	24,438	-	150,642
Total deferred inflows of resource	126,204	-	-	-	-	24,438	-	150,642
FUND BALANCES								
Fund balances:								
Nonspendable:								
Inventory	49,605	-	-	-	-	-	-	49,605
Prepaid items	-	-	-	600	-	-	-	600
Restricted:								
Judicial	-	-	-	-	-	-	70,040	70,040
Capital projects	760,069	242,102	1,495,821	-	-	-	-	2,497,992
Culture and recreation	-	-	-	-	-	-	10,419	10,419
Public safety	-	-	-	-	658,112	-	158,126	816,238
Special services	-	-	-	-	-	759,546	-	759,546
Unassigned	3,741,804	-	-	(276,760)	-	-	-	3,465,044
Total fund balances	4,551,478	242,102	1,495,821	(276,160)	658,112	759,546	238,585	7,669,484
Total liabilities, deferred inflows of resources and fund balances	$ 6,002,208	$ 242,102	$ 1,643,726	$ 444,719	$ 658,112	$ 899,163	$ 264,398	$ 10,154,428

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

HARALSON COUNTY, GEORGIA

Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
June 30, 2020

Total Governmental Fund Balances			$ 7,669,484
Amounts reported for governmental activities in the statement of net position are different because:			
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.			
	Cost	$ 44,194,633	
	Less accumulated depreciation	(25,038,598)	19,156,035
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.			
	Property taxes	150,642	150,642
The deferred outflows are not current assets or financial resources; and the deferred inflows are not due and payable in the current period and therefore are not reported in the Governmental Funds.			
	Deferred outflows related to pension	1,145,944	
	Deferred inflows related to pension	(985,199)	160,745
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.			
	Capital lease payable	(80,980)	
	Accrued interest payable	(3,353)	
	Net pension liability	(957,273)	
	Compensated absences payable	(184,122)	
	Bonds payable	(1,245,000)	(2,470,728)
Net position of governmental activities			$ 24,666,178

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

HARALSON COUNTY, GEORGIA

Statement of Revenues, Expenditures, and
Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2020

	General	T-SPLOST	SPLOST VI	Drug Task Force	Employment Incentive Program	Special Services Districts	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES								
Taxes	$ 12,038,148	$ 1,951,158	$ 4,186,095	$ -	$ -	$ 3,355,756	$ -	$ 21,531,157
Licenses and permits	-	-	-	-	-	180,380	-	180,380
Intergovernmental	1,881,335	-	-	-	-	102,320	125,425	2,109,080
Charges for services	207,384	-	-	-	-	78,181	549,837	835,402
Fines and forfeitures	531,936	-	-	62,477	-	-	53,181	647,594
Investment income	791	3,401	17,037	249	13,173	-	22	34,673
Contributions and donations	-	-	-	-	-	-	251	251
Miscellaneous	161,031	-	-	3,500	-	85,605	8,984	259,120
Total revenues	14,820,625	1,954,559	4,203,132	66,226	13,173	3,802,242	737,700	25,597,657
EXPENDITURES								
Current:								
General government	2,112,006	1,934,533	-	-	-	161,949	-	4,208,488
Judicial	1,357,356	-	-	-	-	-	161,268	1,518,624
Public safety	5,440,218	-	-	375,400	-	2,633,217	1,062,519	9,511,354
Public works	2,304,828	-	-	-	-	587,572	-	2,892,400
Health and welfare	1,198,533	-	-	-	-	-	-	1,198,533
Culture and recreation	44,955	-	-	-	-	280,306	250	325,511
Housing and development	145,232	-	-	-	3,583	-	-	148,815
Capital outlay	-	-	1,719,420	-	-	-	-	1,719,420
Debt service:								
Principal	-	-	1,437,910	-	-	-	-	1,437,910
Interest	-	-	42,391	-	-	-	-	42,391
Intergovernmental	-	-	1,405,691	-	-	-	-	1,405,691
Total expenditures	12,603,128	1,934,533	4,605,412	375,400	3,583	3,663,044	1,224,037	24,409,137
Excess (deficiency) of revenues over (under) expenditures	2,217,497	20,026	(402,280)	(309,174)	9,590	139,198	(486,337)	1,188,520
OTHER FINANCING SOURCES (USES)								
Proceeds from sale of capital assets	69,215	-	-	-	-	158,469	-	227,684
Transfers in	-	-	-	40,000	-	-	414,056	454,056
Transfers out	(454,056)	-	-	-	-	-	-	(454,056)
Total other financing sources (uses)	(384,841)	-	-	40,000	-	158,469	414,056	227,684
Net change in fund balances	1,832,656	20,026	(402,280)	(269,174)	9,590	297,667	(72,281)	1,416,204
FUND BALANCE, beginning of year	2,718,822	222,076	1,898,101	(6,986)	648,522	461,879	310,866	6,253,280
FUND BALANCE, end of year	$ 4,551,478	$ 242,102	$ 1,495,821	$ (276,160)	$ 658,112	$ 759,546	$ 238,585	$ 7,669,484

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

HARALSON COUNTY, GEORGIA

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds To the Statement of Activities For the Fiscal Year Ended June 30, 2020

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds		$ 1,416,204
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.		
Capital outlays	$ 1,048,714	
Depreciation expense	(1,272,741)	(224,027)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.		
Disposal of capital assets	(140,729)	(140,729)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property taxes	(4,399)	(4,399)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Principal repayments:		
Capital leases	212,910	
Bonds payable	1,225,000	1,437,910
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.		
Accrued interest payable	3,488	
Net pension liability	68,067	
Compensated absences payable	(25,297)	46,258
Change in net position of governmental activities		$ 2,531,217

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

HARALSON COUNTY, GEORGIA

Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2020

ASSETS	
Cash	$ 871,838
Taxes receivable	345,916
Total assets	$ 1,217,754
LIABILITIES	
Due to other governments	$ 1,217,754

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

NOTES TO THE BASIC FINANCIAL STATEMENTS



NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the County have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting.

The most significant of the County's accounting policies are described below.

Reporting Entity

Haralson County, Georgia (the "County") was created by legislative act on January 26, 1856 and operates under a County Commissioners form of government, providing the following services as authorized by its charter: public safety, highways and streets, health and social services, culture-recreation, courts, correctional institute, public improvements, planning and zoning and general administrative services.

The reporting entity is comprised of the primary government and component units that are included to ensure that the financial statements are not misleading. The primary government of the County consists of all funds, departments, boards, and agencies that are not legally separate from the County.

Component units are legally separate organizations for which the County is financially accountable. The County is financially accountable for an organization if the County appoints a voting majority of the organization's governing board and (1) the County is able to significantly influence the programs or services performed or provided by the organizations; or (2) the County is legally entitled to or can otherwise access the organization's resources; the County is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the County is obligated for the debt of the organization. Component units also may include organizations that are fiscally dependent on the County in that the County approves the budget, levies their taxes, or issues their debt.

The component unit columns included on the government-wide financial statements identified the financial data of the County's discretely presented component units. They are reported separately to emphasize that they are legally separate from the County.

Brief descriptions of the discretely presented component units follow:

Development Authority of Haralson County (Development Authority) – The Development Authority is a public corporation created to promote industry and trade in the County. The County Commissioner appoints the seven-member Development Authority Board of Directors. The Development Authority is responsible for adopting its own annual budget and making its own operating decisions. However, the County does provide substantial financial support each year to the Development Authority. The Development Authority is presented as a governmental fund type. The Development Authority does not issue separately audited financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Haralson County Health Department (Health Department) – The Health Department provides health care services and health education to residents of Haralson County. The Health Department receives financial support from Haralson County, Georgia, the State of Georgia, and the Federal Government. The County Commissioner appoints a majority of the Board of Directors. The Health Department issued separately audited financial statements for fiscal year ended June 30, 2020 and copies of these financial statements may be obtained from their administrative office at Buchanan, Georgia.

Basis of Presentation

The County's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities and fund financial statements, which provide a more detailed level of financial information.

Government-wide Financial Statements - The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the County. For the most part, the effect of interfund activity has been removed from these statements. Government-wide financial statements do not provide information by fund, but distinguish between the County's governmental activities and business-type activities. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of net position presents the financial position of the governmental type activities of the County and its discretely presented component units at year-end. The statement of net position includes non-current assets and non-current liabilities.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a function and, therefore, clearly identifiable to that particular function.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services, which report fees and other charges to users of the County's services; (2) operating grants and contributions, which finance annual operating activities including restricted investment income; and (3) capital grants and contributions, which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. For identifying to which function program revenue pertains, the determining factor for *charges for services* is which function *generates* the revenue. For *grants and contributions*, the determining factor is to which functions the revenues are *restricted*. Taxes and other revenue sources not properly included with program revenues are reported as general revenues of the County. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the County.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Financial Statements - During the year, the County segregates transactions related to certain County functions or activities in separate funds to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the County at this more detailed level. Fund financial statements are provided for governmental, proprietary, and fiduciary funds. Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Major individual governmental funds are reported in separate columns with composite columns for non-major funds in the fund financial statements. Fiduciary funds are reported by type.

Fund Accounting - The County uses funds to maintain its financial records during the year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The County uses two categories of funds: governmental and fiduciary.

Governmental Funds - Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used and fund liabilities are assigned to the fund from which they will be liquidated. The following are the major governmental funds:

General Fund - The General Fund is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The fund balance of the General Fund is available to the county for any purpose, provided it is expended or transferred according to the general laws of Georgia.

T-SPLOST Fund - accounts for the financial resources provided from the one percent Transportation Special Purpose Local Option Sales Tax. Such resources are to be used for transportation improvements.

SPLOST VI Fund - accounts for the financial resources provided from the 2014 one percent Special Purpose Local Option Sales Tax. Such resources are to be used for improvements to parks and recreation facilities, water and sewer projects, road improvements and the administrative building.

Drug Task Force Fund – This major special revenue fund is used to account for grants, other income and expenditures related to the Drug Task Force.

Employment Incentive Program Fund - accounts for the financing program used in conjunction with traditional private financing for economic development projects resulting in employment of low- and moderate-income persons.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Special Services Districts - This major special revenue fund is used to account for the monies collected to fund operations of the unincorporated County's fire, sanitation, parks and recreation, and business licensing and permits. Financing is provided by a specific annual property tax levy, local option sales taxes, insurance premium taxes, other taxes, business license and charges for services. Collections are restricted for use in this specific area.

Additionally, the County reports the following fund types:

***Fiduciary Funds* –** Fiduciary fund reporting focuses on net assets. The County's fiduciary funds are agency funds. These agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Constitutional officers use these funds to temporarily hold assets.

Measurement Focus, Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are for the proprietary fund and the fiduciary funds. Agency funds are custodial in nature and do not present results of operations or have a measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes, grants, and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period. For this purpose, the County considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to long-term debt, compensated absences and claims and judgments, are recorded only when payment is due.

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

Accounting and financial reporting for non-exchange transactions and the corresponding assets (receivables) in non-exchange transactions are recognized in the period in which the underlying exchange occurs, when an enforceable legal claim has arisen, when all eligibility requirements have been met, or when resources are received, depending on the revenue source.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the County's water function and various other functions of the County. Elimination of these charges would distort the direct costs reported for the various functions concerned.

Assets, Liabilities and Fund Equity

Cash

Cash includes amounts in demand deposits and all highly liquid investments such as bank certificates of deposits.

Georgia law authorizes the County to invest in the following type of obligations:

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

Any investment or deposit in excess of the Federal Deposit Insurance Corporation (FDIC) insured amount must be secured by 110% of an equivalent amount of State or U.S. obligations.

Receivables

All property tax and other receivables are reported net of an allowance for uncollectibles.

Interfund Balances

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables." These amounts are eliminated in the governmental column of the statement of net position.

Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories consist of expendable supplies held for consumption. The cost is recorded as an asset at the time the individual item is purchased. The cost of inventory items is recorded as expenditures in the governmental fund types when consumed.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The costs of governmental fund-type prepaids are recorded as expenditures when consumed rather than when purchased.

Note 1 – Summary of Significant Accounting Policies (continued)

Capital Assets

General capital assets are those assets that generally result from expenditures in governmental funds. The County reports these assets in the governmental activities column of the government-wide statement of net position but does not report these assets in the governmental fund financial statements. All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets, donated works of arts and similar items, and capital assets received in a service arrangement are recorded at acquisition value. The County maintains a capitalization threshold of $5,000.

Improvements to capital assets are capitalized if they exceed the capitalization policy and extend the useful life of the asset or increase the value of the asset. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed.

All reported capital assets are depreciated except for land, rights-of-way and construction in progress, when applicable. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental-Activities Estimated Lives
Improvements other than buildings	10 – 60 years
Buildings	40 – 60 years
Machinery and equipment	3 – 10 years
Infrastructure	40 years

Infrastructure assets include roads, bridges, underground pipe (other than related to utilities), traffic signals, etc. These infrastructure assets are likely to be the largest asset class of the County. Neither their historical cost nor related depreciation has historically been reported in the financial statements. The retroactive infrastructure is also included in this report and includes infrastructure constructed since 1980.

At the inception of capital leases at the governmental fund reporting level, expenditures and an "other financing source" of an equal amount are reported at the net present value of future minimum lease payments.

Note 1 – Summary of Significant Accounting Policies (continued)

Compensated Absences

Accumulated sick pay benefits have not been recorded as a liability because these benefits are payable only upon illness of an employee while in the employment of the County and the amount of such payments cannot be reasonably estimated. Accumulated unpaid vacation costs are accrued when incurred in the government-wide financial statements. A liability for the amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations or retirements.

The total compensated absence liability is reported on the government-wide financial statements. Governmental funds report the compensated absence liability at the fund reporting level only "*when due*."

Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of these funds. Capital leases are recognized as a liability in the governmental fund financial statements when due.

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 assets and liabilities under the current financial resources measurement focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific 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.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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. Only the County Commission 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 Commission has authorized the County Manager 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 balances 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: 1) committed, 2) assigned, and 3) unassigned.

Net Position – Net position represents the difference between assets and liabilities in reporting which utilizes the economic resources measurement focus. Net position invested in capital assets, consists of capital assets, net of accumulated depreciation. Net position is reported as restricted using the same definition as used for restricted fund balance as described in the section above. All other net position is reported as unrestricted.

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

Interfund Activity

Interfund transfers are reported as other financing sources/uses in governmental funds. Transfers between funds reported in the governmental activities column are eliminated.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense) until then. The government has one type of item that qualifies for reporting in this category. It is the item related to pension benefits reported in the government wide Statement of Net Position.

In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of fund balance or net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The government has one type of item that qualifies for reporting in this category. This item arises only under a modified accrual basis of accounting and, accordingly, the item, unavailable revenue from property taxes is reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

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 Haralson County Retirement Plan (the "Plan"), and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Accounting Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America, as applied to governmental units, requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Note 2 – Compliance and Accountability

Annual appropriated budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund and all special revenue funds. Project length budgets are adopted for the capital projects funds. The annual budgets are based on requests made by various department heads. The budget includes proposed expenditures and the means of financing them.

Prior to the budget being legally enacted through passage of an ordinance, public hearings are held to obtain taxpayer comments. The legal level of control (the level at which expenditures may not legally exceed appropriations) for each adopted annual operating budget generally is the department level within each individual fund. Any change to the General Fund in total or departmental appropriation requires approval of the Board of Commissioners. Any change to the special revenue funds in total appropriation requires approval of the Board of Commissioners.

Excess of Expenditures over Appropriations

All department's expenditures were within its budgeted appropriations.

During the year, the Commissioners authorized amendments to include appropriations for some activities that were not originally budgeted and to reclassify certain character and functional expenditures.

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NOTE 3 – DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS (CONTINUED)

Custodial Credit Risk Related to Deposits

Total cash and cash equivalents as of June 30, 2020, are summarized as follows:

Cash and Cash Equivalents		
Balances per statement of net position:		
General Fund	$	4,239,633
T-SPLOST Fund		64,500
SPLOST VI Fund		1,290,120
Drug Task Force Fund		444,119
Employee Incentive Program Fund		200,595
Special Services Districts Fund		6,300
Nonmajor Governmental Funds		104,953
		6,350,220
Balances per statement of net position (Component Units):		
Haralson County Health Department		731,303
Development Authority of Haralson County		408,784
Balances per statement of fiduciary assets and liabilities:		
Agency Funds		871,838
	$	8,362,145

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, 2020, all the deposits of the County and the component units were properly insured and collateralized as required by the Official Code of Georgia Annotated (OCGA) Section 45-8-12(c) and as defined by GASB pronouncements.

NOTE 3 – DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS (CONTINUED)

Receivables

Receivables at June 30, 2020, consist of the following:

	General	T-SPLOST	SPLOST VI	Employee Incentive Program	Special Service Districts	Nonmajor Governmental	Total
Receivables:							
Accounts	$ 23,387	$ -	$ -	$ -	$ 13,828	$ 90,102	$ 127,317
Taxes	471,211	177,602	353,606	-	94,531	-	1,096,950
Interest	-	-	-	457	-	-	457
Notes	-	-	-	457,060	-	-	457,060
Gross receivables	494,598	177,602	353,606	457,517	108,359	90,102	1,681,784
Less allowance for uncollectibles	(13,914)	-	-	-	-	-	(13,914)
Net total receivables	$ 480,684	$ 177,602	$ 353,606	$ 457,517	$ 108,359	$ 90,102	$ 1,667,870

Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes were levied on August 15, 2019 and were payable on or before December 1, 2019. Property Taxes levied for the year ending June 30, 2020 and not collected are recorded as receivables, net of estimated uncollectibles. The property tax levy for County operations was 10.50 mills and for Special Service Districts was 3.03 for the tax year 2019.

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NOTE 3 – DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS (CONTINUED)

Due From Other Governments

Amounts due from other governments at June 30, 2020, consist of the following:

Primary Government		
General Fund:		
State of Georgia Victim Assistance Program	$	1,190
State of Georgia Department of Transportation		134,197
Georgia Bureau of Investigation		172,432
Haralson-Paulding Drug Task Force		160
Haralson-Paulding Drug Task Force		9,291
Haralson County DFACS		342
CARES Act		846,293
Total General Fund		1,163,905
Crime Victim Assistance Program Fund:		
State of Georgia Crime Victim Assistance Program	$	33,485
Total General Fund		33,485
Drug Abuse Treatment Fund:		
City of Bremen, Georgia	$	125
State of Georgia Department of Corrections		318
Total Drug Abuse Treatment Fund		443
Total Governmental Activities/Primary Government	$	1,197,833
Component Unit		
Haralson County Health Department:		
Georgia Department of Public Health	$	24,411
Floyd County Health Department		34,068
Total Haralson County Health Department	$	58,479

NOTE 3 – DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS (CONTINUED)

Interfund Balances and Transfers

Interfund balances at June 30, 2020, consisted of the following amounts and represent charges for services or reimbursable expenses. These remaining balances resulted from the time lag between the dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting period, and (3) payments between funds are made.

Interfund balances as of June 30, 2020, consisted of the following:

	Due From Balances			
Due To Balances	General Fund	Special Services Districts Fund	Governmental Funds	Totals
Special Services Districts Fund	$ 784,504	$ -	$ 68,381	$ 852,885
SPLOST VI	-	68,381		68,381
Nonmajor Governmental Funds	35,415	-	-	35,415
Total	$ 819,919	$ 68,381	$ 68,381	$ 956,681

Interfund transfers for the year ended June 30, 2020, consisted of the following:

Transfers In	Transfers Out	Amount
E-911 Fund	General Fund	$ 414,056
Drug Task Force Fund	General Fund	40,000
		$ 454,056

Transfers are used to report revenues from the fund that statute or budget requires to collect them, to the fund that statute or budget requires to expend them and unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 3 – DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS (CONTINUED)

Capital Assets

Capital asset activity for the fiscal year ended June 30, 2020 was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	$ 923,258	$ 17,090	$ -	$ -	$ 940,348
Construction in progress	871,427	-	-	(871,427)	-
Total	1,794,685	17,090	-	(871,427)	940,348
Capital assets, being depreciated:					
Buildings and improvements	20,340,621	245,396	-	345,472	20,931,489
Machinery and equipment	16,174,717	786,228	(530,078)	525,955	16,956,822
Infrastructure	5,365,974	-	-	-	5,365,974
Total	41,881,312	1,031,624	(530,078)	871,427	43,254,285
Less accumulated depreciation for:					
Buildings and improvements	(6,030,945)	(500,290)	-	-	(6,531,235)
Machinery and equipment	(14,530,779)	(632,306)	389,349	-	(14,773,736)
Infrastructure	(3,593,482)	(140,145)	-	-	(3,733,627)
Total	(24,155,206)	(1,272,741)	389,349	-	(25,038,598)
Total capital assets, being depreciated, net	17,726,106	(241,117)	(140,729)	871,427	18,215,687
Governmental activities capital assets, net	$ 19,520,791	$ (224,027)	$ (140,729)	$ -	$ 19,156,035

Governmental activities depreciation expense:

Governmental activities:	
General government	$ 59,318
Judicial	38,444
Public safety	665,764
Public works	318,902
Health and welfare	40,943
Culture and recreation	149,370
Total depreciation expense - governmental activities	$ 1,272,741

NOTE 3 – DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS (CONTINUED)

	Beginning Balance	Increases	Decreases	Ending Balance
Component Units:				
Capital assets, not being depreciated:				
Land	$ 162,605	$ -	$ -	$ 162,605
Construction in progress	200,000	-	-	200,000
Total	362,605	-	-	362,605
Capital assets, being depreciated:				
Buildings and improvements	68,345	5,500	-	73,845
Machinery and equipment	36,558	-	-	36,558
Infrastructure	3,739,728	-	-	3,739,728
Total	3,844,631	5,500	-	3,850,131
Less accumulated depreciation for:				
Buildings and improvements	(22,543)	(3,415)	-	(25,958)
Machinery and equipment	(35,559)	(146,221)	-	(181,780)
Infrastructure	(2,444,990)	(579)	-	(2,445,569)
Total	(2,503,092)	(150,215)	-	(2,653,307)
Total capital assets, being depreciated, net	1,341,539	(144,715)	-	1,196,824
Governmental activities capital assets, net	$ 1,704,144	$ (144,715)	$ -	$ 1,559,429

Long-Term Debt

Changes in the County's long-term obligations consisted of the following for the year ended June 30, 2020:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year	Due In More Than One Year
Governmental activities:						
Compensated absences	$ 158,825	$ 176,247	$ 150,950	$ 184,122	$ 104,950	$ 79,172
Direct Borrowings:						
Capital lease payable	293,890	-	212,910	80,980	80,980	-
General obligations bonds	2,470,000	-	1,225,000	1,245,000	1,245,000	-
Governmental activities long-term liabilities	$ 2,922,715	$ 176,247	$ 1,588,860	$ 1,510,102	$ 1,430,930	$ 79,172

The compensated absences liability will be paid from the General Fund, Special Services Districts Fund, and E-911 Fund from which employees' salaries are paid. The Special Services Districts Fund will pay the capital lease payable. The bonds payable will be paid back with special purpose local option sales taxes collected by the SPLOST VI Fund.

NOTE 3 – DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS (CONTINUED)

General Obligation Bonds

In February 2015, the County issued $7,110,000 of General Obligation Sales Tax Bonds, Series 2015. The bond proceeds are to be used to fund SPLOST projects. The debt service payments will be paid by future sales tax collections. Interest will accrue on the outstanding principal amount of the bonds from at the rate of 1.60% per annum, and interest installments shall be payable on May 1 and November 1 of each year, commencing November 1, 2015

The obligation to pay the principal of and interest on this bond is a general obligation debt of the County and constitutes a pledge of the full faith and credit of the County. The general obligation indebtedness evidenced by this bond is secured by and payable from a direct annual ad valorem tax levied, without limitation as to rate or amount, upon all taxable property within the County, which is subject to taxation for such purposes, in amounts sufficient to pay the principal of and interest on this bond. In the event of default, the lender may declare the entire debt immediately due and payable and exercise any and all rights and remedies available to it.

The County's debt service requirements to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2021	$ 1,245,000	19,920	$ 1,264,920

Capital Leases

During the 2017 fiscal year, the County purchased two new fire trucks through a capital lease agreement for $417,418. The total cost of the two fire trucks was $528,768. The lease bears an interest rate of 2.12% payable in monthly installments of $27,279 through March 2021. The financing is secured by a first lien security interest in all personal property acquired with proceeds. The lessor reserves the right to negotiate or terminate its interest in this transaction in event of default.

During the 2019 fiscal year, the County purchased a front loader through a capital lease agreement for $180,000. The total cost of the front loader was $238,376. The lease bears an interest rate of 2.94% payable in annual installments of $15,726 through March 2021. The financing is secured by a first lien security interest in all personal property acquired with proceeds. The lessor reserves the right to negotiate or terminate its interest in this transaction in event of default. The capital lease was paid off during the current fiscal year.

The following is an analysis of leased assets under capital leases as of June 30, 2020, and the amortization of these assets is included in the depreciation expense recorded in the depreciation expense recorded in the governmental activities and business-type activities.

NOTE 3 – DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS (CONTINUED)

	Governmental Activities	
	Fire Trucks	Total
Historical cost	$ 528,768	$ 528,768
Less: Accumulated Depreciation	(405,389)	(405,389)
Net book value	$ 123,379	$ 123,379

The future minimum lease obligations from direct borrowings and the net present value of these minimum lease payments as of June 30, 2020, were as follows:

	Governmental Activities
Fiscal year ending June 30,	
2021	$ 81,838
Total minimum lease payments	81,838
Less amount representing interest	858
Present value of minimum lease payments	$ 80,980

NOTE 4 – OTHER NOTES

Defined Benefit Pension Plan – Primary Government

Plan Description

The County, as authorized by the County Commission, has established a non-contributory defined benefit pension plan, the Association County Commissioners of Georgia Spalding County Defined Benefit Plan (The Plan), covering the majority of all of the County's employees. The County's pension plan is administered through the Association County Commissioners of Georgia Third Restated Defined Benefit Plan (the ACCG plan), an agent multiple-employer pension plan administered by GEBCorp and affiliated with the Association of County Commissioners of Georgia (ACCG). The Plan provides retirement, disability, and death benefits to plan members and beneficiaries. The ACCG, in its role as the Plan sponsor, has the sole authority to establish and amend the benefit provisions and the contribution rates of the County related to the Plan, as provided in Section 19.03 of the ACCG Plan document. The County has the authority to amend the adoption agreement, which defines the specific benefit provisions of the Plan, as provided in Section 19.02 of the ACCG Plan document. The County Commission retains this authority. The ACCG Plan issues a publicly available financial report that includes financial statements and required supplementary information for the pension trust. That report may be obtained at www.gebcorp.com or by writing to Association County Commissioners of Georgia, Retirement Services, 191 Peachtree Street, NE, Atlanta, Georgia 30303 or by calling (800) 736-7166.

NOTE 4 – OTHER NOTES (CONTINUED)

Plan Membership
As of January 1, 2020, pension plan membership consisted of the following:

Retirees. Beneficiaries and Disables receiving benefits	44
Terminated plan participants entitled to but not yet receiving benefits	84
Active employees participating in the Plan	189
Total number of Plan Participants	317

Contributions
The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The Board of Trustees of ACCG has adopted a recommended actuarial funding policy which meets the state minimum requirements and will accumulate sufficient funds to provide the benefits under the plan. The funding policy or the Plan, as adopted by the County Board of Commissioners is to contribute an amount equal to or greater than the actuarially recommended contribution rate. This rate is based on the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfounded accrued liability. The County is required to contribute the actuarially determined rate. For the year ended June 30, 2020, the County's contribution rate was 7.00% of annual payroll. County contributions to the Plan were $388,758 for the year ended June 30, 2020.

Net Pension Liability of the County
Effective July 1, 2015, the County implemented the provisions of GASB Statement No. 68, Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27, which significantly changed the County's accounting for pension amounts. The information disclosed below is presented in accordance with this standard.

The County's net pension liability was measured as of December 31, 2020. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as January 1, 2020 with update procedures performed by the actuary to roll forward to the total pension liability measured as of December 31, 2020.

Actuarial Assumptions. The total pension liability in the January 1, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.00%
Salary increases	Normalized rates of 3.50% - 5.50%
Investment rate of return	7.00%, net of pension plan investment expense, including inflation.

NOTE 4 – OTHER NOTES (CONTINUED)

Net Pension Liability of the County (Continued)

Actuarial Assumptions (Continued). Mortality rates were based on the RP-2000 Combined Health Mortality Table.

The actuarial assumptions used in the January 1, 2020 valuation were based on the results of the February 2014 experience study.

The long-term expected rate of return on pension plan investments was determined through a blend of using a building-block method based on 20-year benchmarks (25%) and 30-year benchmarks (25%), as well as forward-looking capital market assumptions for a moderate asset allocation (50%), as determined by UBS. Expected future rates of return (expected return, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2019 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed Income	30%	25% - 35%
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%
Total	100%	

Discount rate. The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that County contributions will be made at rates equal to the actuarially determined contribution rates and the member rate. Based on these 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 of the projected benefit payments to determine the total pension liability.

NOTE 4 – OTHER NOTES (CONTINUED)

Net Pension Liability of the County (Continued)

Changes in the Net Pension Liability of the County.

The changes in the components of the net pension liability of the County for the year ended June 30, 2020 were as follows:

Changes In Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at December 31, 2018	$ 8,054,696	$ 6,683,355	$ 1,371,341
Changes for the year:			
Service cost	370,576	-	370,576
Interest	552,360	-	552,360
Differences between expected and actual experience	61,269	-	61,269
Assumption Changes	403,212	-	403,212
Contributions—employer	-	388,758	(388,758)
Contributions—employee		126,847	(126,847)
Net investment income	-	1,362,883	(1,362,883)
Benefit payments, including refunds of employee contributions	(327,687)	(327,687)	-
Administrative expense	-	(42,617)	42,617
Other changes	-	(34,386)	34,386
Net changes	1,059,730	1,473,798	(414,068)
Balances at December 31, 2019	$ 9,114,426	$ 8,157,153	$ 957,273

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

The pension liabilities will be paid from the General Fund, Special Services Districts Fund, and E-911 Fund from which employees' salaries are paid.

NOTE 4 – OTHER NOTES (CONTINUED)

Net Pension Liability of the County (Continued)

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
County's Net Pension Liability	$ 2,180,622	$ 957,273	$ (57,431)

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective.

Calculations are based on the substantive plan in effect as of December 31, 2019, and the current sharing pattern of costs between employer and employee.

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

For the year ended June 30, 2020, the County recognized pension expense of $412,881. At June 30, 2020, the County reported a deferred outflow of resources related to pensions from the following resources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 600,213
Changes of assumptions	757,186	-
Net difference between projected and actual earnings on pension plan investments	-	384,986
Employer contributions subsequent to measurement date	388,758	-
	$ 1,145,944	$ 985,199

Deferred Outflows(Inflows) Recognized in Future Years

Year Ended June 30					
2021	2022	2023	2024	2025	Thereafter
$ (81,127)	$ (81,127)	$ (81,127)	$ (81,129)	$ 68,925	$ 27,572

NOTE 4 – OTHER NOTES (CONTINUED)

Defined Benefit Pension Plan – Haralson County Board of Health

Plan Description

The Employee's Retirement System of Georgia (ERS), is a cost-sharing multiple-employer defined benefit plan established by the Georgia General Assembly during the 1949 Legislative Session for the purpose of providing retirement allowances for employees of the State of Georgia and its political subdivisions. ERS is directed by a Board of Trustees and has the powers and privileges of a corporation. The Plan is administered by the Employees' Retirement System of Georgia. The ERS is being funded in conformity with the minimum funding standard set forth in Code Section 47-20-10 of the Public Retirement Systems Standard Law and the funding policy adopted by the Board of Trustees. Each plan and fund, including benefit contribution provisions, was established and can be amended by state law. The Plan 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.

NOTE 4 – OTHER NOTES (CONTINUED)

Defined Benefit Pension Plan – Haralson County Board of Health

Contributions and Vesting

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 state is required to contribute at a specified percentage of active member payrolls, determined annually by actuarial valuation. The state contributions are not at any time refundable to the member or his/her beneficiary.

Employer required contributions under both the old plan and the new plan represented 24.72% of the covered payroll. Employer required contributions for GSEPS represented 21.69% of the covered payroll.

Members become vested after ten years of membership service. Upon termination of employment, member contributions with accumulated interest are refundable upon request by the member. However, if an otherwise vested member terminates and withdraws his/her member contribution, the member forfeits all rights to retirement benefits. Total employer contributions to the pension plan for the year ended June 30, 2020, were $65,058 based on qualifying salaries of $268,335.

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

At June 30, 2020 the Health Department reported a liability of $434,197 for its proportionate share of the collective net pension liability. The collective net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016. The Health Department's proportion of the collective net pension liability was based on its share of contributions to the pension plan relative to the total employer contributions of all participating ERS employers. At June 30, 2020, the Health Department's proportion was .010691%, which was a decrease of .000075% from its proportion measured as of June 30, 2020.

NOTE 4 – OTHER NOTES (CONTINUED)

Defined Benefit Pension Plan – Haralson County Board of Health

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

For the year ended June 30, 2020, the Health Department recognized pension expense of $53,047. At June 30, 2020, the Health Department 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	$ 12,700	$ -
Changes of assumptions	6,712	-
Net difference between projected and actual earnings on pension plan investments	-	11,870
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	28,455
Employer contributions subsequent to measurement date	66,140	-
	$ 85,552	$ 40,325

The $66,140 reported as deferred outflows of resources related to pensions resulting from Health Department contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Deferred Outflows(Inflows) Recognized in Future Years

Year Ended June 30					
2021	2022	2023	2024	2025	Thereafter
$ (1,291)	$ (18,858)	$ (2,338)	$ 1,574	$ -	$ -

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2015, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary increase	3.25-7.00%, including inflation
Investment rate of return	7.50%, net pension plan investment expense (Including inflation)

NOTE 4 – OTHER NOTES (CONTINUED)

Actuarial Assumptions (Continued)

Mortality rates were based on the RP-2000 Combined Mortality Table for the periods after service retirement, for dependent beneficiaries, and for deaths in active service, and the RP-2000 Disabled Mortality Table set back eleven years for males for the period after disability retirement.

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2009 – June 30, 2014.

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return*
Fixed Income	30.00%	-0.10%
Domestic Large Equities	46.20%	8.90%
Domestic Mid Equities	0.00%	0.00%
Domestic Small Equities	1.30%	13.20%
International Developed Market Equities	12.40%	8.90%
International Emerging Market Equities	5.10%	10.90%
Alternatives	5.00%	12.00%
Total	100.00%	

* Rates shown are net of the 2.75% assumed rate of inflation

Discount Rate

The discount rate used to measure the 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 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.

NOTE 4 – OTHER NOTES (CONTINUED)

Sensitivity of the Agency's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability, calculated using the discount rate of 7.30%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.30%) or 1-percentage-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 Net Pension Liability	$ 541,909	$ 381,333	$ 244,444

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued ERS Comprehensive Annual Report. The supporting actuarial information is included in the GASB Statement No. 67 Report for the ERS. The ERS auditor's report on the total pension liability, total deferred outflows of resources, total deferred inflows of resources, and total pension expense for the sum of all participating entities, along with supporting schedules is also available. The additional financial and actuarial information is available at www.ers.ga.gov.

Deferred Compensation Plan

The County offers its employees a deferred compensation plan created in accordance with the Internal Revenue Code Section 457 (d). The Plan, available to all County employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. The County does not contribute to the plan.

The County is exposed to various risks of losses related to torts, thefts of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County maintains third party coverage for claims arising from property and general liability claims.

The Government has joined together with other counties in the state as part of the Association of County Commissioners of Georgia Group Self-Insurance Workers Compensation Fund, a public entity risk pool currently operating as a common risk management and insurance program for member local governments.

NOTE 4 – OTHER NOTES (CONTINUED)

Risk Management (Continued)

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

The fund is to defend and protect the members of the fund against liability or loss as prescribed in the member government contract and in accordance with the worker's compensation law of Georgia. The fund is to pay all cost taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense.

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

Contingent Liabilities

On July 10, 2012 the County resolved to agree to make payments due to GEFA (Georgia Environmental Finance Authority), in the event Haralson County Water Authority has insufficient funds to repay GEFA loan, WS11L15WS, pursuant to the terms of an Environmental Facilities Agreement between the County and the Authority dated October 2, 2012. The Authority's indebtedness under the above GEFA loan totaled $3,000,000. The proceeds from the loan were used to facilitate the acquisition, construction, and installation of additions, extensions, or improvements to the environmental facilities of the Authority. The Authority has made all regularly scheduled debt service payments as of June 30, 2020.

The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. These audits could result in a request for reimbursement to the grantor agency for costs disallowed under terms of the grant. Based on prior experience, the County believes such disallowances, if any, will be immaterial.

The County is involved in various claims and matters of litigation which, in the opinion of the County Attorney, the potential claims against the County not covered by insurance resulting from such litigation would not materially affect the financial statements of the County.

NOTE 4 – OTHER NOTES (CONTINUED)

Joint Ventures

Northwest Georgia Regional Commission

Under Georgia Law, the County, in conjunction with other cities and counties in the northwest Georgia area, is a member of the Northwest Georgia Regional Commission (NWGRC) and is required to pay annual dues thereto. During its year ended June 30, 2020, the County paid $18,682 in such dues. Membership in an NWGRC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the NWGRC in Georgia. The NWGRC Board membership includes the chief elected official of each County and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an NWGRC. Separate financial statements may be obtained from the Northwest Georgia Regional Commission, P.O. Box 1798, Rome, Georgia 30162-1798.

Western Area Regional Radio System Authority

Haralson County, Carroll County, Coweta County and Heard County are members of the Western Area Regional Radio System Authority (WARRSA), which was created to provide an interoperable, high quality, and reliable and uninterrupted communication signal for public safety and public services. During the fiscal year ended June 30, 2020, the County paid $90,300 to the Authority for its annual subscription. The Act creating the Authority provides that obligations of the authority shall not be deemed to constitute a debt of the establishing local governments nor a pledge of the faith and credit of said establishing local governments. Separate financial statements may be obtained from the Treasurer of the WARRSA, 155 Van Wert Street, Buchanan, Georgia 30113, 770-646-2002.

Haralson County Water Authority

The County, in conjunction with the cities of Bremen, Buchanan, Tallapoosa and Waco, has created the Haralson County Water Authority and the Haralson County Solid Waste Management Authority. The Haralson County Water Authority's board is composed of one representative from each of the municipalities, the Commissioner of Haralson County, and three representatives from the private sector. The County has no financial or equity interest in the entity nor does the County materially contribute to the continued existence of the entity. The County has no responsibility for the Authority's debt service requirements. Separate financial statements may be obtained from the Haralson County Water Authority, 4277 Georgia Highway 120, Buchanan, Georgia 30113-4911.

NOTE 4 – OTHER NOTES (CONTINUED)

Haralson County Solid Waste Management Authority

The County, in conjunction with the cities of Bremen, Buchanan, Tallapoosa and Waco, has created the Haralson County Solid Waste Management Authority. The Haralson County Solid Waste Management Authority's Board is composed of the Commissioner of Haralson County and one representative from each city. The County did not pay landfill fees to the Haralson County Solid Waste Management Authority in the current year due to the closing of the Haralson County Landfill. The County has no equity interest in the entity nor does the County materially contribute to the continued existence of the entity. According to the Department of Natural Resources, the County has the responsibility for insuring the financial viability of the solid waste facility should the obligations of the facility not be met internally. The County uses the Financial Assurance Mechanism to demonstrate their ability to meet their financial obligation under 40 CFR Part 258 to assure cost totaling $767,682 as of June 30, 2020. However, the facility should accumulate sufficient financial resources for services provided by the facility to function without placing a significant burden on the County.

No related party transactions have occurred between the County and the Haralson County Solid Waste Management Authority. Separate financial statements may be obtained from the Haralson County Water Solid Waste Management Authority, 4277 Georgia Highway 120, Buchanan, Georgia 30113-4911.

State and federal laws and regulations require Haralson County Solid Waste Management Authority 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. The landfill stopped accepting waste in January 2000. The $767,682 reported as landfill closure and post-closure care liability at June 30, 2020 represents the cumulative amount reported to date of $2,589,828 based on the use of 100 percent of the estimated capacity of the landfill less closure and post-closure expenses incurred to date of $1,514,113.

The amounts are based on what it would cost to perform all closure and post-closure care in the fiscal year ending June 30, 2020. Actual cost may vary due to inflation, changes in technology, or changes in regulations.

NOTE 4 – OTHER NOTES (CONTINUED)

Haralson County Solid Waste Management Authority (continued)

Summarized financial information for the solid waste joint venture is detailed below:

Condensed Statement of Assets, Liabilities and Net Position
June 30, 2020

Current assets	
Cash	$ 746,398
Accounts receivable	130,004
Total current assets	876,402
Non-current assets	
Capital assets	
Non-depreciable	807,129
Depreciable, net	1,027,113
Total non-current assets	1,834,242
Total assets	$ 2,710,644
Current liabilities	$ 301,919
Long-term liabilities	
Capital lease payable	310,110
Accrued closure and post-closure costs	767,682
Total liabilities	1,379,711
Total net position	1,330,933
Total liabilities and net position	$ 2,710,644

Condensed Statement of Revenues and Expenses
For the Fiscal Year Ended June 30, 2020

Operating revenues	$ 1,542,089
Operating expenses	(1,126,661)
Nonoperating revenue	(12,867)
Change in net position	$ 402,561

Note 5 – Subsequent Events

Subsequent events were evaluated through January 15, 2021, which is the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

HARALSON COUNTY, GEORGIA

Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget (GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2020

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Taxes				
Property taxes	$ 9,252,200	$ 9,684,788	$ 9,910,071	$ 225,283
Sales tax	1,934,512	1,988,762	2,068,763	80,001
Other taxes	48,500	48,500	59,314	10,814
Intergovernmental	902,656	1,058,939	1,881,335	822,396
Charges for services	146,100	159,645	207,384	47,739
Fines and forfeitures	523,300	543,300	531,936	(11,364)
Investment income	-	-	791	791
Contributions and donations	-	-	-	0
Miscellaneous	20,200	20,200	161,031	140,831
Total revenues	12,827,468	13,504,134	14,820,625	1,316,491
EXPENDITURES				
Current:				
General government				
Legislative Commissioners	407,690	407,690	397,625	10,065
Executive Administration	826,000	817,150	739,261	77,889
Elections	134,889	134,889	118,942	15,947
Tax Commissioner	437,854	437,854	408,393	29,461
Tax Assessor	355,848	355,848	330,684	25,164
Board of Equalization	11,062	11,062	5,565	5,497
General Government Plants & Buildings	99,176	121,576	111,536	10,040
Total general government	2,272,519	2,286,069	2,112,006	174,063
Judicial				
Superior Court	123,230	126,334	110,307	16,027
Clerk of Court	377,681	377,681	341,912	35,769
District Attorney	153,290	175,290	165,530	9,760
Magistrate Court	157,015	170,265	167,987	2,278
Probate Court	275,220	288,220	287,455	765
Juvenile Court	116,458	136,458	127,400	9,058
Public Defender	160,400	160,400	156,765	3,635
Total judicial	1,363,294	1,434,648	1,357,356	77,292
Public safety				
Sheriff	2,122,967	2,122,967	2,122,128	839
Jail Operations	2,140,916	2,497,916	2,460,754	37,162
Special Detail Operations	352,960	312,960	288,560	24,400
Sheriff Court Services	114,580	124,580	120,186	4,394
Corrections	116,150	116,150	114,146	2,004
Emergency Management	72,438	110,638	101,740	8,898
Coroner/Medical Examiner	42,925	53,925	49,089	4,836
Animal Control	182,065	192,065	183,615	8,450
Total public safety	$ 5,145,001	$ 5,531,201	$ 5,440,218	$ 90,983

HARALSON COUNTY, GEORGIA

Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget (GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2020

	Budget			Variance With
	Original	Final	Actual	Final Budget
EXPENDITURES (continued)				
Current:				
Public works				
Highways and streets	$ 2,107,875	$ 2,420,913	$ 2,304,828	$ 116,085
HCWA - CDBG	-	-	-	-
Total public works	2,107,875	2,420,913	2,304,828	116,085
Health and welfare				
Health	888,318	889,318	888,223	1,095
Welfare	75,550	80,550	74,284	6,266
Community Services	33,285	36,176	35,866	310
Transportation Services	207,242	207,242	200,160	7,082
Total health and welfare	1,204,395	1,213,286	1,198,533	14,753
Culture and recreation				
Libraries	44,955	44,955	44,955	-
Total culture and recreation	44,955	44,955	44,955	-
Housing and development				
Conservation	116,130	116,130	108,633	7,497
Forest Resources	12,504	12,504	11,599	905
Haralson County Development Authority	25,000	25,000	25,000	-
Total housing and development	153,634	153,634	145,232	8,402
Total expenditures	12,291,673	13,084,706	12,603,128	481,578
Excess of revenues over expenditures	535,795	419,428	2,217,497	1,798,069
OTHER FINANCING SOURCES AND USES				
Proceeds from sale of capital assets	4,500	148,867	69,215	(79,652)
Transfers out	(528,295)	(568,295)	(454,056)	114,239
Total other financing sources and uses	(523,795)	(419,428)	(384,841)	34,587
Net change in fund balances	12,000	-	1,832,656	1,832,656
FUND BALANCE				
Beginning of year	2,718,822	2,718,822	2,718,822	-
End of year	$ 2,730,822	$ 2,718,822	$ 4,551,478	$ 1,832,656

HARALSON COUNTY, GEORGIA

Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget (GAAP Basis) and Actual
Drug Task Force Fund
For the Fiscal Year Ended June 30, 2020

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Fines and forfeitures	$ -	$ 350,000	$ 62,477	$ (287,523)
Investment income	-	300	249	(51)
Miscellaneous	-	4,700	3,500	(1,200)
Total revenues	-	355,000	66,226	(288,774)
EXPENDITURES				
Current:				
Public safety	-	395,000	375,400	19,600
Total expenditures	-	395,000	375,400	19,600
Excess (deficiency) of revenues over (under) expenditures	-	(40,000)	(309,174)	(269,174)
OTHER FINANCING USES				
Transfers in	-	40,000	40,000	-
Total other financing uses	-	40,000	40,000	-
Net change in fund balances	-	-	(269,174)	(269,174)
FUND BALANCE				
Beginning of year	(6,986)	(6,986)	(6,986)	-
End of year	$ (6,986)	$ (6,986)	$ (276,160)	$ (269,174)

HARALSON COUNTY, GEORGIA

Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget (GAAP Basis) and Actual
Employment Incentive Program Fund
For the Fiscal Year Ended June 30, 2020

	Budget		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Investment income	$ -	$ 15,000	$ 13,173	$ (1,827)
Total revenues	-	15,000	13,173	(1,827)
EXPENDITURES				
Current				
Housing and development	-	15,000	3,583	11,417
Total expenditures	-	15,000	3,583	11,417
Excess (deficiency) of revenues over (under) expenditures	-	-	9,590	9,590
FUND BALANCE				
Beginning of year	648,522	648,522	648,522	-
End of year	$ 648,522	$ 648,522	$ 658,112	$ 9,590

HARALSON COUNTY, GEORGIA

Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget (GAAP Basis) and Actual
Special Services District Fund
For the Fiscal Year Ended June 30, 2020

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	$ 3,156,346	$ 3,182,246	$ 3,355,756	$ 173,510
Licenses and permits	169,935	169,935	180,380	10,445
Intergovernmental	-	102,320	102,320	-
Charges for services	65,713	79,713	78,181	(1,532)
Miscellaneous	-	85,595	85,605	10
Total revenues	3,391,994	3,619,809	3,802,242	182,433
EXPENDITURES				
Current				
General government	179,935	179,935	161,949	17,986
Public safety	2,479,811	2,682,626	2,633,217	49,409
Public works	414,387	599,387	587,572	11,815
Culture and recreation	317,861	317,861	280,306	37,555
Total expenditures	3,391,994	3,779,809	3,663,044	116,765
Excess (deficiency) of revenues over (under) expenditures	-	(160,000)	139,198	299,198
OTHER FINANCING SOURCES				
Proceeds from sale of capital assets	-	160,000	158,469	(1,531)
Total other financing sources	-	160,000	158,469	(1,531)
Net change in fund balances	-	-	297,667	297,667
FUND BALANCE				
Beginning of year	461,879	461,879	461,879	-
End of year	$ 461,879	$ 461,879	$ 759,546	$ 297,667

Haralson County, Georgia

Required Supplementary Information
Defined Benefit Pension Plan

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

	2020	2019	2018	2017	2016	2015
Total Pension Liability						
Service cost	$ 370,576	$ 277,632	$ 153,315	$ 156,811	$ 156,073	$ 156,123
Interest	552,360	564,236	541,854	501,104	467,524	438,243
Differences between expected and actual experience	61,269	(882,789)	(158,587)	134,137	(190,583)	-
Assumption Changes	403,212	446,652	24,082	232,199	236,732	-
Benefit payments, including refunds of employee contributions	(327,687)	(267,221)	(236,648)	(226,959)	(217,022)	(190,893)
Net change in total pension liability	1,059,730	138,510	324,016	797,292	452,724	403,473
Total Pension Liability						
Beginning of Year	8,054,696	7,916,186	7,592,170	6,794,878	6,342,154	5,938,681
End of Year(a)	$ 9,114,426	$ 8,054,696	$ 7,916,186	$ 7,592,170	$ 6,794,878	$ 6,342,154
Plan Fiduciary Net Position						
Contributions - employer	$ 388,758	$ 296,568	$ 299,962	$ 306,494	$ 271,126	$ 286,401
Contributions - employee	126,847	121,842	102,641	84,159	73,386	60,905
Net investment income	1,362,883	(308,233)	916,925	398,615	34,234	356,872
Benefit payments, including refunds of employee contributions	(327,687)	(267,221)	(236,648)	(226,959)	(217,022)	(190,893)
Administrative expense	(42,617)	(28,446)	(18,542)	(23,297)	(20,431)	(20,098)
Other	(34,386)	(30,554)	(69,428)	(70,006)	(43,871)	(84,886)
Net change in fiduciary net pension	1,473,798	(216,044)	994,910	469,006	97,422	408,301
Plan Fiduciary Net Position						
Beginning of Year	6,683,355	6,899,399	5,904,489	5,435,483	5,338,061	4,929,760
End of Year(b)	$ 8,157,153	$ 6,683,355	$ 6,899,399	$ 5,904,489	$ 5,435,483	$ 5,338,061
City's Net Pension Liability(a) - (b)	$ 957,273	$ 1,371,341	$ 1,016,787	$ 1,687,681	$ 1,359,395	$ 1,004,093
Plan's fiduciary net position as a percentage of the total pension liability	89.5%	83.0%	87.2%	77.8%	80.0%	84.2%
Covered payroll	$ 5,619,967	$ 4,917,773	$ 3,162,209	$ 3,426,287	$ 3,484,132	$ 3,577,368
City's net pension liability as a percentage of covered payroll	17.0%	27.9%	32.2%	49.3%	39.0%	28.1%

Note: Schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.

Haralson County, Georgia

Required Supplementary Information
Defined Benefit Pension Plan

Schedule of County Contributions

	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	$ 388,758	$ 296,568	$ 299,962	$ 306,494	$ 271,126	$ 286,401
Contributions in relation to the actuarially determined contribution	388,758	296,568	299,962	306,494	271,126	271,126
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ 15,275
Covered payroll	$ 5,799,806	$ 5,075,142	$ 3,263,400	$ 3,535,928	$ 3,595,624	$ 3,691,844
Contributions as a percentage of covered payroll	6.7%	5.8%	9.2%	8.7%	7.5%	7.3%

Notes to the Schedule

Valuation date	January 1, 2020
Cost Method	Entry Age Normal
Actuarial Asset Valuation Method	Smoothed market value with a 5-year smoothing period
Assumed Rate of Return on Investments	7.00%
Projected Salary Increases	2.50%-5.50% (including 3.0% inflation)
Amortization Method	Closed level dollar for unfunded liability
Remaining Amortization Period	None Remaining

Note: Schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.

Haralson County, Georgia

Required Supplementary Information
Haralson County Health Department - Component Unit

Schedule of Proportionate Share of the Net Pension Liability

	2020	2019	2018	2017	2016	2015
Proportion of the net pension liability	0.009241%	0.010267%	0.010691%	0.010766%	0.113210%	0.009025%
Proportionate share of the net pension liability	$ 381,333	$ 422,080	$ 434,197	$ 509,277	$ 458,659	$ 338,493
Covered payroll during the measurement period	$ 275,780	$ 239,928	$ 266,909	$ 268,335	$ 256,736	$ 266,787
Proportionate share of the net pension liability as a percentage of covered payroll	138.27%	175.92%	162.68%	189.79%	178.65%	126.88%
Plan fiduciary net position as percentage of the total pension liability	79.74%	76.68%	76.33%	72.34%	76.20%	77.99%

Schedule of Contributions

	2020	2019	2018	2017	2016	2015
Contractually required contribution	$ 57,722	$ 64,974	$ 65,058	$ 61,881	$ 56,841	$ 37,515
Contributions made in relation to the contractually required contribution	57,722	64,974	65,058	61,881	56,841	37,515
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 275,780	$ 239,928	$ 266,909	$ 268,335	$ 256,736	$ 266,787
Contributions as a percentage of covered payroll	20.93%	27.08%	24.37%	23.06%	22.14%	14.06%

Note: Schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES



SUPPLEMENTAL INFORMATION



Nonmajor Special Revenue Funds

Special Revenue Funds are used to account for specific revenue sources (other than fiduciary or capital projects funds) that are legally restricted to expenditures for specified purposes.

The County's Nonmajor Special Revenue Funds are as follows:

Law Library Fund - To account for the resources received from various courts of Haralson County and used for the support of a centralized law library.

Sheriff's Forfeiture Fund – To account for monies confiscated under Federal and Georgia law by the Haralson County Sheriff's office related to controlled substance offenses. Such monies are restricted to defray the cost of complex investigations and to purchase equipment related to investigations.

Crime Victim Assistance Program Fund – To account for add on fine surcharges as required by O.C.G.A. 15-21-132, collected by various Haralson County and State Courts to be disbursed to Certified Haralson County Victim Assistance Programs.

County Jail Fund – To account for monies collected under O.C.G.A. 15-21-93 for the violation of any criminal or traffic law of this state or political subdivision in the amount of 10% of the base fine. Funds are restricted solely and exclusively for constructing, operating, and staffing county jails.

Special Law Enforcement Grant Fund – To account for grants and donations restricted to "community outreach" activities of the Sheriff's office.

Emergency Telephone System(E-911) Fund - To account for the monies collected under Georgia law by the telephone company on behalf of Haralson County. These monies are remitted to the County and are restricted to providing emergency 911 services to the residents of the County.

Juvenile Court Supervision Fee Fund - To account for the supervision fees received relating to the operation of the Juvenile Court.

Drug Abuse Treatment and Education (DATE) Fund - To account for monies collected under O.C.G.A. 15-21-100 related to additional penalties on controlled substance offenses. Such monies are restricted for drug abuse treatment and educational programs relating to controlled substances and marijuana.

Special Recreation Fund – To account for grants and donations received by the County restricted for recreational activities.

HARALSON COUNTY, GEORGIA

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2020

	Special Revenue Funds				
ASSETS	**Law Library**	**Sheriff's Forfeiture**	**Crime Victim Assistance Program**	**County Jail**	**Special Law Enforcement Grant**
Cash	$ 14,924	$ 1,882	$ 35,681	$ 37,109	$ 253
Receivables:					
Accounts	-	-	-	-	-
Interest	-	-	-	-	-
Notes	-	-	-	-	-
Due from other funds	-	-	-	18,133	-
Due from other governments	-	-	33,485	-	-
Total assets	$ 14,924	$ 1,882	$ 69,166	$ 55,242	$ 253
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable	$ -	$ -	$ 14,050	$ -	$ -
Accrued liabilities	-	-	-	-	-
Total liabilities	-	-	14,050	-	-
FUND BALANCES(DEFICIT)					
Restricted for:					
Judicial activities	14,924	-	55,116	-	-
Culture and recreation	-	-	-	-	-
Public safety activities	-	1,882	-	55,242	253
Total fund balances	14,924	1,882	55,116	55,242	253
Total liabilities and fund balances	$ 14,924	$ 1,882	$ 69,166	$ 55,242	$ 253

(Continued)

HARALSON COUNTY, GEORGIA

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2020

ASSETS	Special Revenue Funds: Emergency Telephone System (E-911)	Special Revenue Funds: Juvenile Court Supervision Fee	Special Revenue Funds: Drug Abuse Treatment and Education	Special Revenue Funds: Special Recreation	Total Nonmajor Funds
Cash	$ 1,943	$ 8,732	$ 4,173	$ 256	$ 104,953
Receivables:					
Accounts	90,102	-	-	-	90,102
Interest	-	-	-	-	-
Notes	-	-	-	-	-
Due from other funds	-	1,431	15,851	-	35,415
Due from other governments	-	-	443	-	33,928
Total assets	$ 92,045	$ 10,163	$ 20,467	$ 256	$ 264,398
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	$ -	$ -	$ -	$ -	$ 14,050
Accrued liabilities	11,763	-	-	-	11,763
Total liabilities	11,763	-	-	-	25,813
FUND BALANCES					
Restricted for:					
Judicial activities	-	-	-	-	70,040
Culture and recreation	-	10,163	-	256	10,419
Public safety activities	80,282	-	20,467	-	158,126
Total fund balances	80,282	10,163	20,467	256	238,585
Total liabilities and fund balances	$ 92,045	$ 10,163	$ 20,467	$ 256	$ 264,398

HARALSON COUNTY, GEORGIA

Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2020

	Special Revenue Funds				
	Law Library	Sheriff's Forfeiture	Crime Victim Assistance Program	County Jail	Special Law Enforcement Grant
REVENUES					
Intergovernmental revenues	$ -	$ -	$ 125,425	$ -	$ -
Charges for services	-	-	-	-	-
Fines and forfeitures	12,846	-	17,088	13,480	-
Investment income	1	-	-	-	-
Contributions and donations	-	-	-	-	-
Miscellaneous revenue	-	-	3,122	5,862	-
Total revenues	12,847	-	145,635	19,342	-
EXPENDITURES					
Current:					
Judicial	5,910	-	155,358	-	-
Public safety	-	90	-	-	3
Culture and recreation	-	-	-	-	-
Total expenditures	5,910	90	155,358	-	3
Excess (deficiency) of revenues over (under) expenditures	6,937	(90)	(9,723)	19,342	(3)
OTHER FINANCING SOURCES(USES)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources(uses)	-	-	-	-	-
Net change in fund balances	6,937	(90)	(9,723)	19,342	(3)
FUND BALANCE (DEFICIT), beginning of year	7,987	1,972	64,839	35,900	256
FUND BALANCE, end of year	$ 14,924	$ 1,882	$ 55,116	$ 55,242	$ 253

(Continued)

HARALSON COUNTY, GEORGIA

Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2020

	Special Revenue Funds				
	Emergency Telephone System (E-911)	Juvenile Court Supervision Fee	Drug Abuse Treatment and Education	Special Recreation	Total Nonmajor Funds
REVENUES					
Intergovernmental revenues	$ -	$ -	$ -	$ -	$ 125,425
Charges for services	549,837	-	-	-	549,837
Fines and forfeitures	-	-	9,767	-	53,181
Investment income	-	4	17	-	22
Contributions and donations	-	-	-	251	251
Miscellaneous revenue	-	-	-	-	8,984
Total revenues	549,837	4	9,784	251	737,700
EXPENDITURES					
Current:					
Judicial	-	-	-	-	161,268
Public safety	997,426	-	65,000	-	1,062,519
Culture and recreation	-	-	-	250	250
Total expenditures	997,426	-	65,000	250	1,224,037
Excess (deficiency) of revenues over (under) expenditures	(447,589)	4	(55,216)	1	(486,337)
OTHER FINANCING SOURCES(USES)					
Transfers in	414,056	-	-	-	414,056
Transfers out	-	-	-	-	-
Total other financing sources(uses)	414,056	-	-	-	414,056
Net change in fund balances	(33,533)	4	(55,216)	1	(72,281)
FUND BALANCE, beginning of year	113,815	10,159	75,683	255	310,866
FUND BALANCE, end of year	$ 80,282	$ 10,163	$ 20,467	$ 256	$ 238,585

HARALSON COUNTY, GEORGIA

Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget (GAAP Basis) and Actual
Law Library Fund
For the Fiscal Year Ended June 30, 2020

	Budget		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Fines and forfeitures	$ -	$ 15,100	$ 12,846	$ (2,254)
Total revenues	-	15,100	12,847	(2,253)
EXPENDITURES				
Current				
Judicial	-	15,100	5,910	9,190
Total expenditures	-	15,100	5,910	9,190
Excess (deficiency) of revenues over (under) expenditures	-	-	6,937	6,937
FUND BALANCE(DEFICIT)				
Beginning of year	7,987	7,987	7,987	-
End of year	$ 7,987	$ 7,987	$ 14,924	$ 6,937

HARALSON COUNTY, GEORGIA

Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget (GAAP Basis) and Actual
Sheriff's Forfeiture Fund
For the Fiscal Year Ended June 30, 2020

	Budget		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Fines and forfeitures	$ -	$ 1,500	$ -	$ (1,500)
Total revenues	-	1,500	-	(1,500)
EXPENDITURES				
Current				
Public safety	-	1,500	90	1,410
Total expenditures	-	1,500	90	1,410
Excess (deficiency) of revenues over (under) expenditures	-	-	(90)	(90)
FUND BALANCE				
Beginning of year	1,972	1,972	1,972	-
End of year	$ 1,972	$ 1,972	$ 1,882	$ (90)

HARALSON COUNTY, GEORGIA

Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget (GAAP Basis) and Actual
Crime Victim Assistance Program Fund
For the Fiscal Year Ended June 30, 2020

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Intergovernmental	$ -	$ 146,000	$ 125,425	$ (20,575)
Fines and forfeitures	-	18,000	17,088	(912)
Miscellaneous revenue	-	3,000	3,122	122
Total revenues	-	167,000	145,635	(21,365)
EXPENDITURES				
Current				
Judicial	-	167,000	155,358	11,642
Total expenditures	-	167,000	155,358	11,642
Excess (deficiency) of revenues over (under) expenditures	-	-	(9,723)	(9,723)
FUND BALANCE				
Beginning of year	64,839	64,839	64,839	-
End of year	$ 64,839	$ 64,839	$ 55,116	$ (9,723)

HARALSON COUNTY, GEORGIA

Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget (GAAP Basis) and Actual
County Jail Fund
For the Fiscal Year Ended June 30, 2020

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Fines and forfeitures	$ -	$ 14,100	$ 13,480	$ (620)
Total revenues	-	14,100	19,342	5,242
EXPENDITURES				
Current				
Public safety	-	20,100	-	20,100
Total expenditures	-	20,100	-	20,100
Excess (deficiency) of revenues over (under) expenditures	-	(6,000)	19,342	25,342
OTHER FINANCING SOURCES				
Proceeds from sale of capital assets	-	6,000	-	(6,000)
Total other financing sources	-	6,000	-	(6,000)
Net change in fund balances	-	-	19,342	19,342
FUND BALANCE				
Beginning of year	35,900	35,900	35,900	-
End of year	$ 35,900	$ 35,900	$ 55,242	$ 19,342

HARALSON COUNTY, GEORGIA

Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget (GAAP Basis) and Actual
Special Law Enforcement Grant Fund
For the Fiscal Year Ended June 30, 2020

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Contributions and donations	$ -	$ 300	$ -	$ (300)
Total revenues	-	300	-	(300)
EXPENDITURES				
Current				
Public safety	-	300	3	297
Total expenditures	-	300	3	297
Excess (deficiency) of revenues over (under) expenditures	-	-	(3)	(3)
FUND BALANCE				
Beginning of year	256	256	256	-
End of year	$ 256	$ 256	$ 253	$ (3)

HARALSON COUNTY, GEORGIA

Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget (GAAP Basis) and Actual
Emergency Telephone System (E-911)
For the Fiscal Year Ended June 30, 2020

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Charges for services	$ 470,000	$ 470,000	$ 549,837	$ 79,837
Total revenues	470,000	470,000	549,837	79,837
EXPENDITURES				
Current				
Public safety	998,295	998,295	997,426	869
Total expenditures	998,295	998,295	997,426	869
Excess (deficiency) of revenues over (under) expenditures	(528,295)	(528,295)	(447,589)	80,706
OTHER FINANCING SOURCES				
Transfers in	-	528,295	414,056	(114,239)
Total other financing sources	-	528,295	414,056	(114,239)
Net change in fund balances	(528,295)	-	(33,533)	(33,533)
FUND BALANCE				
Beginning of year	113,815	113,815	113,815	-
End of year	$ (414,480)	$ 113,815	$ 80,282	$ (33,533)

HARALSON COUNTY, GEORGIA

Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget (GAAP Basis) and Actual
Juvenile Court Supervision Fee Fund
For the Fiscal Year Ended June 30, 2020

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Fines and forfeitures	$ -	$ 100	$ -	$ (100)
Investment income	-	5	4	(1)
Total revenues	-	105	4	(101)
EXPENDITURES				
Current				
Judicial	-	105	-	105
Total expenditures	-	105	-	105
Excess (deficiency) of revenues over (under) expenditures	-	-	4	4
FUND BALANCE				
Beginning of year	10,159	10,159	10,159	-
End of year	$ 10,159	$ 10,159	$ 10,163	$ 4

HARALSON COUNTY, GEORGIA

Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget (GAAP Basis) and Actual
Drug Abuse Treatment and Education Fund
For the Fiscal Year Ended June 30, 2020

	Budget		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Fines and forfeitures	$ -	$ 69,900	$ 9,767	$ (60,133)
Investment income	-	100	17	(83)
Total revenues	-	70,000	9,784	(60,216)
EXPENDITURES				
Current				
Public safety	-	70,000	65,000	5,000
Total expenditures	-	70,000	65,000	5,000
Excess (deficiency) of revenues over (under) expenditures	-	-	(55,216)	(55,216)
FUND BALANCE				
Beginning of year	75,683	75,683	75,683	-
End of year	$ 75,683	$ 75,683	$ 20,467	$ (55,216)

HARALSON COUNTY, GEORGIA

Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget (GAAP Basis) and Actual
Special Recreation Fund
For the Fiscal Year Ended June 30, 2020

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Contributions and donations	$ -	$ 500	$ 251	$ (249)
Total revenues	-	500	251	(249)
EXPENDITURES				
Current				
Culture and recreation	-	500	250	250
Total expenditures	-	500	250	250
Excess (deficiency) of revenues over (under) expenditures	-	-	1	1
FUND BALANCE				
Beginning of year	255	255	255	-
End of year	$ 255	$ 255	$ 256	$ 1

Fiduciary Funds

The Fiduciary Funds are used to account for assets held by the County in a fiduciary capacity.

The County's Fiduciary-Agency Funds are as follows:

Tax Commissioner **-** This fund is used to account for all real, personal and intangible taxes collected and forwarded to the County and other government units.

Sheriff **-** This fund is used to account for collection of fees, proceeds from judicial sales, and cash bonds, which are disbursed to other agencies, the County and individuals.

Judicial Agency Funds **–** These agency funds are used to account for fines, fees, and other moneys collected by the courts and remitted to other parties in accordance with court orders and state law.

Clerk of Superior Court

Probate Court

Magistrate Court

Probation Office

HARALSON COUNTY, GEORGIA

Combining Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2020

	Tax Commisioner	Sheriff	Clerk of Superior Court	Probate Court	Magistrate Court	Probation Office	**Total**
ASSETS							
Cash	$ 659,066	$ 40,175	$ 154,290	$ 9,610	$ 4,824	$ 3,873	$ 871,838
Receivable (net of allowance for uncollectibles):							
Taxes	345,916	-	-	-	-	-	345,916
Total assets	$ 1,004,982	$ 40,175	$ 154,290	$ 9,610	$ 4,824	$ 3,873	$ 1,217,754
LIABILITIES							
Due to other governments/others	1,004,982	40,175	154,290	9,610	4,824	3,873	1,217,754
Total liabilities	$ 1,004,982	$ 40,175	$ 154,290	$ 9,610	$ 4,824	$ 3,873	$ 1,217,754

HARALSON COUNTY, GEORGIA

Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2020

TAX COMMISSIONERS	Beginning Balance	Additions	Deductions	Reclass Interfund Payable	Ending Balance
ASSETS					
Cash	$ 674,170	$ 26,302,701	$ 26,142,297	$ (175,508)	$ 659,066
Receivable (net of allowance for uncollectibles):					
Taxes	257,778	9,110,936	9,022,798	-	345,916
Total assets	$ 931,948	$ 35,413,637	$ 35,165,095	$ (175,508)	$ 1,004,982
LIABILITIES					
Due to other funds	129,400	11,256,045	11,209,937	(175,508)	-
Due to other governments/others	802,548	24,157,592	23,955,158	-	1,004,982
Total liabilities	$ 931,948	$ 35,413,637	$ 35,165,095	$ (175,508)	$ 1,004,982

SHERIFF	Beginning Balance	Additions	Deductions	Reclass Interfund Payable	Ending Balance
ASSETS					
Cash	$ 40,227	$ 516,822	$ 506,155	$ (10,719)	$ 40,175
Total assets	$ 40,227	$ 516,822	$ 506,155	$ (10,719)	$ 40,175
LIABILITIES					
Due to other funds	3,905	47,703	40,889	(10,719)	-
Due to other governments/others	36,322	469,119	465,266	-	40,175
Total liabilities	$ 40,227	$ 516,822	$ 506,155	$ (10,719)	$ 40,175

CLERK OF SUPERIOR COURT	Beginning Balance	Additions	Deductions	Reclass Interfund Payable	Ending Balance
ASSETS					
Cash	$ 205,329	$ 1,038,452	$ 1,043,614	$ (45,877)	$ 154,290
Total assets	$ 205,329	$ 1,038,452	$ 1,043,614	$ (45,877)	$ 154,290
LIABILITIES					
Due to other funds	47,298	478,719	480,140	(45,877)	-
Due to other governments/others	158,031	559,733	563,474	-	154,290
Total liabilities	$ 205,329	$ 1,038,452	$ 1,043,614	$ (45,877)	$ 154,290

HARALSON COUNTY, GEORGIA

Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2020

PROBATE COURT	Beginning Balance	Additions	Deductions	Reclass Reclass Interfund Payable	Ending Balance
ASSETS					
Cash	$ 24,009	$ 274,736	$ 267,457	$ (21,678)	$ 9,610
Total assets	$ 24,009	$ 274,736	$ 267,457	$ (21,678)	$ 9,610
LIABILITIES					
Due to other funds	15,572	192,604	186,498	(21,678)	-
Due to other governments/others	8,437	82,132	80,959	-	9,610
Total liabilities	$ 24,009	$ 274,736	$ 267,457	$ (21,678)	$ 9,610

MAGISTRATE COURT	Beginning Balance	Additions	Deductions	Reclass Interfund Payable	Ending Balance
ASSETS					
Cash	$ 13,238	$ 154,905	$ 157,105	$ (6,214)	$ 4,824
Total assets	$ 13,238	$ 154,905	$ 157,105	$ (6,214)	$ 4,824
LIABILITIES					
Due to other funds	7,214	74,020	75,020	(6,214)	-
Due to other governments/others	6,024	80,885	82,085	-	4,824
Total liabilities	$ 13,238	$ 154,905	$ 157,105	$ (6,214)	$ 4,824

PROBATION OFFICE	Beginning Balance	Additions	Deductions	Reclass Interfund Payable	Ending Balance
ASSETS					
Cash	$ 12,153	$ 117,389	$ 116,612	$ (9,057)	$ 3,873
Total assets	$ 12,153	$ 117,389	$ 116,612	$ (9,057)	$ 3,873
LIABILITIES					
Due to other funds	6,451	101,380	98,774	(9,057)	-
Due to other governments/others	5,702	16,009	17,838	-	3,873
Total liabilities	$ 12,153	$ 117,389	$ 116,612	$ (9,057)	$ 3,873

HARALSON COUNTY, GEORGIA

Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2020

TOTALS	Beginning Balance	Additions	Deductions	Reclass Reclass Interfund Payable	Ending Balance
ASSETS					
Cash	$ 969,126	$ 28,405,005	$ 28,233,240	$ (269,053)	$ 871,838
Receivable (net of allowance for uncollectibles):					
Taxes	257,778	9,110,936	9,022,798	-	345,916
Total assets	$ 1,226,904	$ 37,515,941	$ 37,256,038	$ (269,053)	$ 1,217,754
LIABILITIES					
Due to other funds	209,840	12,150,471	12,091,258	(269,053)	-
Due to other governments/others	1,017,064	25,365,470	25,164,780	-	1,217,754
Total liabilities	$ 1,226,904	$ 37,515,941	$ 37,256,038	$ (269,053)	$ 1,217,754

Special Reports
(Required by the State of Georgia)

2014 Special One Percent Sales and Use Tax (SPLOST)

Schedule of Expenditures of
Special Purpose Local Option Sales and Use Tax Proceeds

2018 Transportation Special One Percent Sales and Use Tax (TSPLOST)

Schedule of Expenditures of
Transportation Special Purpose Local Option Sales and Use Tax Proceeds

HARALSON COUNTY, GEORGIA

Schedule of Expenditures of
Special Purpose Local Option Sales Tax Proceeds
SPLOST VI - 2014 Issue
For the Fiscal Year Ended June 30, 2020

Project Description	Original Estimated Cost	Revised Estimated Cost	Expenditures		
			Prior Years	Current Year	Total
County Projects:					
Jail	$ 5,253,841	$ 5,253,841	$ 4,927,894	$ -	$ 4,927,894
E-911 Facility Upgrade	500,000	500,000	533,754	-	533,754
Recreation facilities	983,500	983,500	982,360	-	982,360
Water projects	1,400,000	1,400,000	969,104	279,213	1,248,317
Public safety	2,000,000	2,000,000	567,435	295,715	863,150
Internet infrastructure	200,000	200,000	200,000	-	200,000
Roads and bridges	2,000,000	2,000,000	809,507	648,382	1,457,889
Government building renovations and improvements and equipment	1,610,859	1,610,859	430,230	496,110	926,340
	13,948,200	13,948,200	9,420,284	1,719,420	11,139,704
Intergovernmental Projects:					
Bremen	$ 3,973,200	$ 3,973,200	$ 2,747,822	$ 792,009	$ 3,539,831
Buchanan	709,800	709,800	490,890	141,490	632,380
Tallapoosa	2,037,000	2,037,000	1,408,767	406,051	1,814,818
Waco	331,800	331,800	229,469	66,141	295,610
	7,051,800	7,051,800	4,876,948	1,405,691	6,282,639
	$ 21,000,000	$ 21,000,000	$ 14,297,232	$ 3,125,111	$ 17,422,343

Reconciliation to Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds

SPLOST VI Fund	
Capital Outlay	$ 1,719,420
Intergovernmental	1,405,691
Total Expenditures(Less Debt Service: Fees)	$ 3,125,111

HARALSON COUNTY, GEORGIA

Schedule of Expenditures of
Transportation Special Purpose Local Option Sales Tax Proceeds
TSPLOST VI - 2018 Issue
For the Fiscal Year Ended June 30, 2020

Project Description	Original Estimated Cost	Revised Estimated Cost	Expenditures		
			Prior Years	Current Year	Total
Renovation and Improvement of Roads	$ 5,597,000	$ 5,597,000	$ 1,918,994	$ 1,924,445	$ 3,843,439
Renovation and Improvement of Bridges	1,450,000	1,450,000	-	10,088	10,088
Parking Improvements	175,000	175,000	-	-	-
Equipment Purchase - Road Maintenance	188,000	188,000	-	-	-
	7,410,000	7,410,000	1,918,994	1,934,533	3,853,527

Reconciliation to Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds

TSPLOST Fund	
Capital Outlay	$ 1,934,533
Total Expenditures	$ 1,934,533

Discretely Presented Component Unit

This section is used to present additional information for the component unit.

Governmental Fund Type

Development Authority of Haralson County

HARALSON COUNTY, GEORGIA

Balance Sheet
Component Unit - Governmental Fund Type
June 30, 2020

	Development Authority of Haralson County
Assets	
Cash and cash equivalents	$ 408,784
Receivables	90,477
Due from primary government	23,257
Prepaid item	2,240
Total assets	$ 524,758
Liabilities and Fund Balance	
Liabilities	
Accounts payable	-
Total liabilities	$ -
Deferred Inflows of Resources	
Unavailable revenue	-
Total liabilities	$ -
Fund balance:	
Unassigned	524,758
Total fund balances	524,758
Total liabilities and fund balance	$ 524,758

HARALSON COUNTY, GEORGIA

Statement Of Revenues, Expenditures And Changes In Fund Balances
Component Unit - Governmental Fund Type
For the Fiscal Year Ended June 30, 2020

	Development Authority of Haralson County
Revenues:	
Charges for services	$ 245,664
Contributions and donations	23,257
Investment earnings	6,376
Total revenues	275,297
Expenditures:	
Current:	
Economic development	193,621
Capital outlay	5,500
Total expenditures	199,121
Excess (deficiency) of revenues over (under) expenditures	76,176
FUND BALANCE, beginning of year	448,582
FUND BALANCE, end of year	$ 524,758

STATISTICAL SECTION



Statistical Section

This part of Haralson County's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

Contents **Pages**

Financial Trends……... 81 - 86

These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

Revenue Capacity ……. 87 - 91

These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.

Debt Capacity ……. 92 - 95

These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt, and the County's ability to issue additional debt in the future.

Demographic and Economic Information ……..… 96 - 97

These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

Operating Information ……. 98 - 102

These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.

Source

Unless otherwise noted, the information in these schedules is derived from Haralson County's Comprehensive Annual Financial Reports for the relevant year(s).

Haralson County, Georgia

Net Position by Component

Last Ten Fiscal Years

(accrual basis of accounting)

	Fiscal Year									
	2011	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**
Governmental Activities										
Net Investment in Capital Assets	$ 15,729,588	$ 15,540,900	$ 15,932,930	$ 15,197,264	$ 15,125,102	$ 13,084,934	$ 15,134,039	$ 15,841,841	$ 16,756,901	$ 17,830,055
Restricted	3,576,461	3,384,052	2,414,478	1,444,461	1,277,060	4,898,805	3,353,770	4,078,040	4,651,549	4,154,235
Unrestricted	1,250,494	599,776	507,151	1,698,714	1,813,910	630,387	345,951	1,211,728	726,511	2,681,888
Total governmental activities net position	$ 20,556,543	$ 19,524,728	$ 18,854,559	$ 18,340,439	$ 18,216,072	$ 18,614,126	$ 18,833,760	$ 21,131,609	$ 22,134,961	$ 24,666,178

Haralson County, Georgia
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2011	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**
Expenses										
Governmental Activities:										
General government	$ 2,301,056	$ 2,285,875	$ 2,498,243	$ 2,228,789	$ 2,204,151	$ 2,342,369	$ 2,156,809	$ 2,215,722	$ 4,241,887	$ 4,431,932
Judicial	1,657,788	1,685,185	1,734,410	1,484,771	1,580,122	1,659,424	1,643,126	1,647,351	1,612,351	1,550,942
Public safety	7,238,317	7,253,984	7,134,826	7,379,715	7,862,861	8,211,512	9,384,503	9,255,123	9,670,771	9,971,378
Public works	2,337,291	1,788,795	2,414,726	4,067,816	4,804,025	3,597,260	3,924,716	4,308,359	5,816,082 (1)	5,295,391 (1)
Health and welfare	1,779,011	1,806,855	1,818,438	1,151,568	1,181,536	1,480,493	1,288,419	1,249,220	1,231,084	1,238,115
Culture and recreation	354,056	365,757	341,293	318,966	348,722	397,691	434,720	486,095	494,553	474,200
Housing and development	3,035,387	2,748,843	2,184,777	246,571	259,758	201,442	96,882	101,081	125,458	148,135
Interest on long-term debt	10,446	4,697	1,506	-	47,049	110,612	95,715	83,741	63,692	38,903
Total governmental activities expenses	18,713,352	17,939,991	18,128,219	16,878,196	18,288,224	18,000,803	19,024,890	19,346,692	23,255,878	23,148,996
	$ 18,713,352	$ 17,939,991	$ 18,128,219	$ 16,878,196	$ 18,288,224	$ 18,000,803	$ 19,024,890	$ 19,346,692	$ 23,255,878	$ 23,148,996
Program Revenues										
Governmental Activities:										
Charges for Service:										
General Government	$ 344,442	$ 415,313	$ 386,744	$ 98,758	$ 110,631	$ 137,935	$ 148,790	$ 1,510	$ 177,251	$ 194,212
Judicial	691,475	732,706	771,655	948,028	868,586	765,697	1,151,085	860,365	788,366	667,671
Public safety	854,155	649,160	798,796	481,215	520,245	467,930	463,293	455,372	570,924	566,807
Public works	164,543	99,096	810,859	103,599	3,029	7,724	9,234	17,603	27,554	22,825
Health and Welfare	11,783	9,214	7,844	-	5,483	1,766	1,339	5,311	2,032	2,516
Culture and recreation	53,974	28,138	27,579	39,431	123,046	135,116	154,231	360,530	163,466	209,345
Housing and Development	-	-	-	90,714	-	-	-	-	-	-
Operating grants and contributions	342,538	300,974	425,537	443,230	395,850	243,058	574,040	369,232	582,974	1,349,262
Capital grants and contributions	4,585	2,264	1,179	552,111	753,707	560,053	748,079	675,459	1,435,346	780,507
Total governmental activities program revenues	2,467,495	2,236,865	3,230,193	2,757,086	2,780,577	2,319,279	3,250,091	2,745,382	3,747,913	3,793,145
	$ 2,467,495	$ 2,236,865	$ 3,230,193	$ 2,757,086	$ 2,780,577	$ 2,319,279	$ 3,250,091	$ 2,745,382	$ 3,747,913	$ 3,793,145

(1) - County has been in the process of repairing a majority of the roads in the County over the last five fiscal years.

Haralson County, Georgia
Changes in Net Position
Last Ten Fiscal Years

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Net (Expense)/Revenue										
Governmental activities	$ (16,245,857)	$ (15,703,126)	$ (14,898,026)	$ (14,121,110)	$ (15,507,647)	$ (15,681,524)	$ (15,774,799)	$ (16,601,310)	$ (19,507,965)	$ (19,355,851)
	$ (16,245,857)	$ (15,703,126)	$ (14,898,026)	$ (14,121,110)	$ (15,507,647)	$ (15,681,524)	$ (15,774,799)	$ (16,601,310)	$ (19,507,965)	$ (19,355,851)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes	$ 8,158,961	$ 8,167,437	$ 8,022,566	$ 8,074,624	$ 9,030,012	$ 9,946,899	$ 9,793,783	$ 11,951,872	$ 11,016,395	$ 11,527,942
Sales taxes	4,213,876	5,600,449	5,590,622	4,995,143	5,165,469	4,911,499	4,797,698	5,569,882	7,678,224	8,206,016
Insurance premium tax	830,170	807,400	744,849	795,734	827,037	872,453	994,203	1,275,638	1,374,101	1,470,650
Other taxes	117,260	119,297	126,299	122,130	169,261	163,428	329,110	55,515	311,633	322,150
Unrestricted interest earnings	23,450	21,202	12,948	11,642	11,652	12,168	6,667	9,149	20,475	14,235
Gain on sale of capital assets	14,036	15,099	12,121	75,079	-	-	7,109	2,395	-	86,955
Miscellaneous	419,382	407,324	374,049	97,509	53,786	79,486	65,863	34,708	110,489	259,120
Total governmental activities	13,777,135	15,138,208	14,883,454	14,171,861	15,257,217	15,985,933	15,994,433	18,899,159	20,511,317	21,887,068
	$ 13,777,135	$ 15,138,208	$ 14,883,454	$ 14,171,861	$ 15,257,217	$ 15,985,933	$ 15,994,433	$ 18,899,159	$ 20,511,317	$ 21,887,068
Change in Net Position										
Governmental activities	$ (2,468,722)	$ (564,918)	$ (14,572)	$ 50,751	$ (250,430)	$ 304,409	$ 219,634	$ 2,297,849	$ 1,003,352	$ 2,531,217
	$ (2,468,722)	$ (564,918)	$ (14,572)	$ 50,751	$ (250,430)	$ 304,409	$ 219,634	$ 2,297,849	$ 1,003,352	$ 2,531,217

Haralson County, Georgia

Fund Balances of Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

	Fiscal Year									
	2011	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**
General Fund										
Non Spendable	$ 50,000	$ 50,000	$ 50,000	$ 56,500	$ 46,705	$ 49,245	$ 50,511	$ 38,577	$ 76,556	$ 49,605
Restricted	-	-	-	-	-	427,652	642,735	600,180	1,110,105	760,069
Unassigned	1,480,147	844,038	234,848	594,720	1,284,153	1,302,342	1,030,240	1,985,513	1,532,161	3,741,804
Total General Fund	$ 1,530,147	$ 894,038	$ 284,848	$ 651,220	$ 1,330,858	$ 1,779,239	$ 1,723,486	$ 2,624,270	$ 2,718,822	$ 4,551,478
All Other Governmental Funds										
Non Spendable	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 600
Restricted	3,576,461	3,384,052	2,414,478	2,325,062	9,411,256	4,471,153	2,711,035	3,477,860	3,545,044	3,394,166
Unassigned	-	-	-	-	(787)	-	-	-	(10,586)	(276,760)
Total all other governmental funds	$ 3,576,461	$ 3,384,052	$ 2,414,478	$ 2,325,062	$ 9,410,469	$ 4,471,153	$ 2,711,035	$ 3,477,860	$ 3,534,458	$ 3,118,006

Haralson County, Georgia
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2011	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**
Revenues										
Taxes	$ 15,018,228	$ 14,870,091	$ 14,459,099	$ 15,283,578	$ 15,865,332	$ 15,965,187	$ 15,999,443	$ 18,846,208	$ 20,364,331	$ 21,531,157
Licenses and permits	226,855	217,345	207,379	98,291	109,723	136,924	145,518	-	171,800	180,380
Intergovernmental	457,247	330,532	1,158,583	872,525	1,020,180	806,458	1,208,889	1,154,034	1,696,353	2,109,080
Charges for services	696,779	620,892	636,811	756,491	669,296	629,317	668,187	855,911	786,249	835,402
Fines and forfeitures	985,239	897,422	1,073,157	906,963	852,001	749,927	1,114,267	844,780	771,545	647,594
Interest Income	40,886	27,333	87,900	12,005	12,168	18,361	8,472	10,118	43,863	34,673
Contributions and donations	-	-	-	1,860	4,930	17,765	-	1,113	1,578	251
Miscellaneous Revenues	180,469	156,704	17,444	53,786	79,486	156,126	65,863	34,708	110,489	259,120
Total Revenues	17,605,703	17,120,319	17,640,373	17,985,499	18,613,116	18,480,065	19,210,639	21,746,872	23,946,208	25,597,657
Expenditures										
General government	2,189,906	2,199,000	2,447,265	2,013,878	1,896,421	2,009,991	2,083,243	2,171,038	4,105,484	4,208,488
Judicial	1,622,369	1,649,766	1,701,514	1,448,436	1,537,884	1,609,169	1,595,142	1,607,615	1,573,560	1,518,624
Public safety	6,806,280	6,874,483	6,862,719	6,991,072	7,267,274	7,694,397	8,755,565	8,608,552	9,058,429	9,511,354
Public works	1,981,893	1,442,394	2,067,852	2,326,616	2,400,242	1,904,086	2,435,358	2,685,801	3,593,978	2,892,400
Health and welfare	1,701,550	1,734,426	1,748,535	1,082,495	1,112,335	1,096,698	1,243,176	1,209,139	1,190,602	1,198,533
Culture and recreation	287,270	301,293	277,183	277,252	246,921	293,804	304,210	343,412	346,932	325,511
Housing and development	3,035,387	2,748,843	2,312,091	246,571	258,999	199,533	96,676	101,683	125,458	148,815
Capital outlay (1)	510,931	630,420	1,384,484	1,607,038	1,357,533	5,844,893	2,601,565	979,648	1,032,951	1,719,420
Debt service										
Principal	135,742	83,214	69,640	-	-	1,075,000	1,195,067	1,306,007	1,367,455	1,437,910
Interest	10,446	4,697	1,506	-	-	141,568	98,677	86,677	67,046	42,391
Bond issuance cost	-	-	-	-	154,200	-	-	-	-	-
Intergovernmental	-	-	-	2,001,745	1,946,607	1,101,861	1,078,599	1,162,086	1,337,701	1,405,691
Total Expenditures	18,281,774	17,668,536	18,872,789	17,995,103	18,178,416	22,971,000	21,487,278	20,261,658	23,799,596	24,409,137
Excess (Deficiency) of Revenues over (under) Expenditures	(676,071)	(548,217)	(1,232,416)	(9,604)	434,700	(4,490,935)	(2,276,639)	1,485,214	146,612	1,188,520
Other Financing Sources (Uses)										
Transfers in	382,032	468,770	580,089	396,883	408,867	498,347	406,444	470,467	406,964	454,056
Transfers out	(382,032)	(468,770)	(580,089)	(396,883)	(408,867)	(498,347)	(406,444)	(470,467)	(406,964)	(454,056)
Issuance of debt	-	-	-	-	7,110,000	-	417,418	180,000	-	-
Proceeds from sale of capital assets	-	-	-	-	220,345	-	43,350	2,395	4,538	227,684
Total Other Financing Sources (Uses)	-	-	-	-	7,330,345	-	460,768	182,395	4,538	227,684
Net Change in Fund Balances	$ (676,071)	$ (548,217)	$ (1,232,416)	$ (9,604)	$ 7,765,045	$ (4,490,935)	$ (1,815,871)	$ 1,667,609	$ 151,150	$ 1,416,204
Debt service as a percentage of noncapital expenditures	0.82%	0.52%	0.41%	0.00%	0.00%	7.10%	6.85%	7.22%	6.23%	6.26%

(1) - Increases in capital outlay due to SPLOST projects.

Haralson County, Georgia
General Governmental Tax Revenues by Source
Last Ten Fiscal Years

Fiscal Year	Property Tax	Motor Vehicles Tax	Local Option Sales Tax	Special Purpose Local Option Sales Tax	Alcoholic Beverage Excise Tax	Insurance Premium Tax	Other Taxes	Total Taxes
2011	$ 7,710,786	$ 808,829	$ 1,853,425	$ 3,747,024	$ 52,184	$ 807,400	$ 38,580	$ 15,018,228
2012	7,649,396	802,390	1,920,536	3,670,086	55,162	744,849	27,672	14,870,091
2013	7,778,240	789,313	1,556,785	3,458,358	51,327	795,734	29,342	14,459,099
2014	8,317,340	804,471	1,708,016	3,457,453	69,736	827,037	99,525	15,283,578
2015	9,267,410	650,542	1,619,388	3,292,111	74,347	872,453	89,081	15,865,332
2016	9,180,328	704,930	1,619,913	3,281,302	80,484	934,261	163,969	15,965,187
2017	9,127,545	750,887	1,585,671	3,212,027	81,216	994,203	247,894	15,999,443
2018	10,778,625	927,502	1,708,761	3,861,121	74,867	1,275,638	219,694	18,846,208
2019	9,729,307	1,043,550	1,988,565	5,711,925	61,143	1,374,101	455,740	20,364,331
2020	9,193,005	1,691,177	2,068,763	6,137,252	65,668	1,470,650	904,642	21,531,157

Haralson County, Georgia

Assessed Value and Estimated Actual Value of Taxable Property

Last Ten Fiscal Years

Fiscal Year	Real and Personal	Public Utilities	Motor Vehicles/ Mobile Homes	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
2011	$ 720,920,038	$ 42,499,243	$ 71,618,873	$ 101,453,159	$ 733,584,995	11.020	$ 2,348,598,868	40%
2012	718,337,828	44,025,914	72,583,514	103,924,654	731,022,602	11.020	2,354,672,360	40%
2013	743,300,273	44,972,044	71,089,377	108,805,842	750,555,852	11.020	2,432,681,565	40%
2014	681,131,449	46,635,945	62,119,686	86,042,930	703,844,150	13.250	2,199,851,458	40%
2015	666,908,784	44,976,717	46,880,481	87,267,412	671,498,570	12.420	2,123,304,475	40%
2016	672,775,209	47,907,374	37,620,932	89,969,109	668,334,406	12.420	2,129,620,030	40%
2017	697,384,170	50,632,934	30,492,428	78,706,836	699,802,696	10.640	1,749,506,740	40%
2018	755,212,217	49,245,707	25,685,243	76,301,714	753,841,453	10.640	1,884,603,633	40%
2019	791,046,140	50,588,822	23,148,182	93,131,401	771,651,743	10.500	1,929,129,358	40%
2020	889,619,957	51,598,740	23,960,739	135,190,995	829,988,441	10.152	2,074,971,103	40%

Source: County Property Tax Digest

Haralson County, Georgia

Property Tax Rates

Direct and Overlapping Governments

Last Ten Fiscal Years

	Year Taxes Are Payable									
	2011	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**
Haralson County Direct Rate										
General	11.02	11.02	11.02	13.25	12.42	12.42	11.84	10.64	10.5	10.152
Special Service Districts **(A)**	-	-	-	-	-	1.36	.72 - 5.76	.54-4.8	.50-4.5	.43-4.391
City Rates										
Bremen	7.11	7.11	7.08	6.90	6.90	6.60	6.60	6.133	6.133	5.816
Buchanan	14.04	13.65	13.64	13.64	13.64	13.64	13.64	11.59	11.59	11.59
Tallapoosa	7.35	7.37	7.38	7.53	7.82	7.80	7.54	7.25	7.19	7.07
Temple	7.05	7.05	7.04	6.50	6.97	6.97	6.97	6.127	5.598	5.549
Waco	2.00	3.00	3.00	3.00	3.00	3.00	3.00	3	3	3.00
School District										
Haralson County School District	16.83	16.83	16.83	16.83	16.83	16.72	16.589	15.607	15.607	15.184
Bremen City School District	14.95	14.95	14.95	14.95	14.95	14.95	14.95	14.95	14.95	14.95

(A): Specials Services Distrcit Fund was created in the 2016 year.

Source: Georgia Department of Revenue website

Haralson County, Georgia

Principal Property Taxpayers

Current Year and Ten Years Ago

	2020				2011		
	Assessed Value	**Rank**	**% of Total Assessed Value**		**Assessed Value**	**Rank**	**% of Total Assessed Value**
Honda Locks Inc	$ 23,945,744	1	3.10%	Honda Locks Inc	$ 3,991,813	7	0.52%
Honda Precision Parts of GA	13,464,960	2	1.74%	Honda Precision Parts of GA			0.00%
Development Authority HC	8,339,584	3	1.08%	Development Authority HC			0.00%
Tallapoosa Development Auth	8,191,348	4	1.06%	Carroll EMC	4,889,976	5	0.64%
Carroll EMC	7,532,027	5	0.98%	Diamond Crystal Bremen, LLC	4,054,496	6	
Georgia Power Company	7,118,820	6	0.92%	Norfolk Southern Corp	4,931,573	4	
Colonial Pipeline Company	5,992,871	7	0.78%	Georgia Power Company	3,042,404	14	
Plantation Pipeline Co	5,959,870	8	0.77%	Jamestown Timber			
Diamond Crystal Bremen, LLC	5,879,965	9	0.76%	Colonial Pipeline Company	3,353,652	11	
Norfolk Southern Corp	5,685,673	10	0.74%	Plum Creek Timberlands LP			0.00%
				U S Can Company	10,544,038	1	1.38%
				Inland Rome	9,262,480	2	
				Inland Paperboard & packaging	6,852,120	3	0.90%
				Associated Rubber Co	3,916,310	8	0.51%
				Stoffel Seals Corp	3,808,372	9	0.50%
				Georgia Transmission Corp	3,486,258	10	0.46%
	$ 92,110,862		11.94%		$ 62,133,492		4.91%

Haralson County, Georgia

Property Tax Levies and Collections

General Fund

Last Ten Fiscal Years

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2011	$ 7,589,840	$ 7,226,982	95.22%	$ 354,606	$ 7,581,588	99.89%
2012	7,483,584	7,231,560	96.63%	245,150	7,476,710	99.91%
2013	7,375,111	7,127,591	96.64%	236,236	7,363,827	99.85%
2014	7,533,654	7,263,523	96.41%	234,841	7,498,364	99.53%
2015	8,401,469	8,108,637	96.51%	200,174	8,308,811	98.90%
2016	7,719,796	7,550,304	97.80%	140,697	7,691,001	99.63%
2017	7,835,806	7,669,816	97.88%	146,566	7,816,382	99.75%
2018	7,878,768	7,699,246	97.72%	171,941	7,871,187	99.90%
2019	7,715,626	7,584,095	98.30%	120,641	7,704,736	99.86%
2020	7,835,970	7,629,295	97.36%	-	7,629,295	97.36%

Haralson County, Georgia

Property Tax Levies and Collections
Special Services Districts Fund
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2011	*	*	*	*	*	*
2012	*	*	*	*	*	*
2013	*	*	*	*	*	*
2014	*	*	*	*	*	*
2015	*	*	*	*	*	*
2016	$ 485,600	$ 472,083	97.22%	$ 11,208	$ 483,291	99.52%
2017	542,723	526,919	97.09%	14,085	541,004	99.68%
2018	1,838,130	1,785,009	97.11%	49,895	1,834,904	99.82%
2019	1,633,506	1,596,968	97.76%	33,258	1,630,226	99.80%
2020	1,566,039	1,518,589	96.97%	-	1,518,589	96.97%

* Special Services Districts Fund was created in 2016.

Haralson County, Georgia

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

Fiscal Year	Governmental Activities		Total Primary Government	Percentage of Personal Income[1]	Debt Per Capita[1]
	G.O. Bonds	Capital Leases			
2011	$ -	$ 284,231	$ 284,231	0.98%	10.03
2012	-	152,854	152,854	0.51%	5.08
2013	-	69,640	69,640	0.22%	2.22
2014	-	-	-	0.00%	-
2015	-	-	-	0.00%	-
2016	7,110,000	-	7,110,000	20.62%	207.84
2017	4,865,000	392,351	5,257,351	12.43%	162.79
2018	3,675,000	456,344	4,131,344	9.77%	117.98
2019	2,470,000	293,890	2,763,890	6.55%	113.07
2020	1,245,000	80,980	1,325,980	2.86%	52.88

Notes: Details regarding the County's outstanding debt can be found in the notes to the basic financial statements.

[1] See the Schedule of Demographic and Economic Statistics for personal income and population data.

Haralson County, Georgia

Ratios of Net General Bonded Debt Outstanding

Last Ten Fiscal Years

Fiscal Year	G.O. Bonds	Total Primary Government	Percentage of Estimated Actual Taxable Value	Debt Per Capita[1]	Population	Estimated Actual Taxable Value
2011	$ -	-	0.00%	$ -	27,616	$ 2,348,598,868
2012	-	-	0.00%	-	28,347	2,354,672,360
2013	-	-	0.00%	-	28,400	2,432,681,565
2014	-	-	0.00%	-	28,482	2,199,851,458
2015	-	-	0.00%	-	28,641	2,123,304,475
2016	7,110,000	7,110,000	0.00%	247.50	28,727	2,129,620,030
2017	4,865,000	4,865,000	0.00%	168.61	28,854	1,749,506,740
2018	3,675,000	3,675,000	0.33%	126.54	29,042	1,884,603,633
2019	2,470,000	2,470,000	0.28%	86.16	28,667	1,929,129,358
2020	1,245,000	1,245,000	0.06%	42.16	29,533	2,074,971,103

Notes: Details regarding the county's outstanding debt can be found in the notes to the financial statements.

[1] See the Schedule of Demographic and Economic Statistics for personal income and population data.

Haralson County, Georgia
Legal Debt Margin Information
Last Ten Fiscal Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Debt limit	$ 83,816,639	$ 83,808,532	$ 86,454,860	$ 79,389,765	$ 78,325,638	$ 76,205,438	$ 75,632,587	$ 79,220,692	$ 77,165,174	$ 82,998,844
Total net debt applicable to limit	-	-	-	-	-	7,110,000	4,865,000	3,675,000	2,470,000	1,245,000
Legal debt margin	$83,816,639	$83,808,532	$86,454,860	$79,389,765	$78,325,638	$69,095,438	$70,767,587	$75,545,692	$74,695,174	$81,753,844
Total net debt applicable to the limit as a % of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	9.33%	6.43%	4.64%	3.20%	1.50%

Legal Debt Margin Calculation for Fiscal Year 2018

Assessed value	$829,988,441
Add back exempt real property	135,190,995
Total assessed value	965,179,436
Debt limit (10% of total assessed value)	96,517,944
Debt applicable to limit:	
General obligation bonds	1,245,000
Less: Amount set aside for repayment of general obligation debt	-
Total net debt applicable to limit	1,245,000
Legal debt margin	$ 95,272,944

Haralson County, Georgia
Direct and Overlapping Governmental Activities Debt
June 30, 2020

Jurisdiction	Net General Obligation Bonded Debt Outstanding	Percentage Applicable to Government	Amount Applicable to Government
Haralson County Direct Debt:			
General Obligation Bonds	$ 1,245,000	100%	$ 1,245,000
Capital Leases	80,980	100%	80,980
Total Direct Debt	1,325,980		1,325,980
Overlapping:			
Haralson County School District:			
General Obligation Bonds	3,920,000	100%	3,920,000
Capital Leases	51,438	100%	51,438
Bremen City School District			
General Obligation Bonds	5,735,000	21%	1,219,899
Capital Leases	188,540	21%	40,105
City of Bremen:			
Notes Payable	1,456,364	21%	309,785
Total Overlapping Debt	11,351,342		5,541,226
Total Direct and Overlapping Debt			$ 6,867,206

Note: Percentage applicable to government is based upon taxable assessed property values.

Haralson County, Georgia

Demographic and Economic Statistics

Last Ten Fiscal Years

Fiscal Year	Population[1]	Personal Income (in thousands)[2]	Per Capita Personal Income[2]	Median Age[1]	School Enrollment[3]	Unemployment Rate[4]
2011	28,347	$ 28,910	$ 28,347	38	3,606	11.6%
2012	28,400	30,076	30,076	38	3,600	10.5%
2013	28,482	30,954	31,429	38	3,591	9.1%
2014	28,641	32,154	32,629	38	3,587	8.4%
2015	28,727	33,354	33,829	40	3,538	6.3%
2016	28,854	34,482	34,209	38	3,776	5.6%
2017	29,042	42,281	32,295	40	3,463	5.2%
2018	28,667	42,200	35,016	40	3,343	3.4%
2019	29,533	46,353	24,444	39	3,690	3.8%
2020	29,780	46,353	25,074	40	3,456	4.6%

Data sources

[1]US Bureau of Census

[2]US Department of Commerce, Bureau of Economic Analysis

[3]Haralson County Board of Education

[4]Georgia Department of Labor

Haralson County, Georgia
Principal Employers
Current Year and Ten Years Ago

	2020			2011		
Employer	**Employees**	**Rank**	**% of Total County Employment**	**Employees**	**Rank**	**% of Total County Employment**
Honda Lock of America Co. Inc	1,200	1	30.4%	554	2	19.38%
Honda Precision Parts of Georgia	700	2	17.8%	562	1	19.66%
Haralson County Board of Education	640	3	16.2%	432	3	15.11%
Bremen City Schools	260	4	6.6%	198	6	6.93%
Haralson County Government	245	5	6.2%	287	4	10.04%
Tyden Brooks	233	6	5.9%	159	8	5.56%
Diamond Crystal Brands	225	7	5.7%			0.00%
Walmart	225	8	5.7%	182	7	6.37%
Wayne Davis Concrete	130	9	3.3%	146	9	5.11%
Custom Beverage	83	10	2.1%	121	10	4.23%
				218	5	7.63%
Total	3,941		100.0%	2,859		100.00%

Sources: Haralson County Chamber of Commerce

Haralson County, Georgia

Full-Time Equivalent County Government Employees by Function/Program

Last Ten Fiscal Years

Function/Program	Full-time Employees as of June 30,									
	2011	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**
General government	118	106	104	100	108	107	107	120	128	126
Public Safety:										
Sheriff	37	36	40	40	39	38	38	37	33	33
Fire	28	29	25	31	36	41	41	41	40	39
Jail	27	28	28	27	30	34	33	38	37	40
Marshal	1	1	1	1	1	-	-	1	1	1
Total	211	200	198	199	214	220	219	237	239	239

Source: Human Resources Department.

Haralson County, Georgia
Operating Indicators by Function
Last Ten Fiscal Years

	Fiscal Year Ended June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Function										
Sheriff										
Calls Answered	18,046	18,565	18,454	17,975	17,571	18,988	24,148	23,107	19,192	17,911
E911 Center										
Calls Answered	50,240	53,569	60,293	59,119	55,758	53,215	54,230	59,020	69,141	67,693
Fire										
Calls answered	2,930	2,692	2,843	2,783	2,756	3,109	4,902	5,613	3,601	4,299
Structure	65	41	50	44	53	93	108	73	171	92
Emergency medical calls	1,666	1,660	1,528	1,570	1,561	1,774	2,241	1,338	5,848	2,799
Haz Mat calls	204	145	251	200	79	5	-	8	1	1
Highways and streets										
New paving (miles)	0.64	0.80	0.50	-	-	1.42	-	0	0	0
Street resurfacing (miles)	4.96	9.65	6.76	4.84	-	5.01	7.10	8	31.77	25.09

Sources: Various county and city departments.

E911 call volume includes multiple calls for individual incidents (CAD system not in operation until July 2008)

** Prior information not readily available.

Haralson County, Georgia
Capital Asset Statistics by Function
Last Ten Fiscal Years

	Fiscal Year Ended June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Function										
Sheriff										
Stations	1	1	1	1	1	1	1	1	1	1
Total vehicles	40	38	38	45	53	53	54	55	49	41
Patrol zones	4	4	4	4	4	4	4	4	4	4
Jail	1	1	1	1	1	1	1	1	1	1
Fire Stations	10	10	10	11	11	11	11	11	11	11
Fire Trucks	15	15	16	15	18	18	18	18	17	17
E911 Center	1	1	1	1	1	1	1	1	1	1
Culture and Recreation										
Playgrounds	1	1	1	1	1	1	1	1	1	1
Recreation centers	1	1	1	1	1	1	1	1	1	1
Baseball/softball diamonds	4	4	4	4	4	6	6	6	6	6
Soccer/football fields	-	-	-	3	3	3	3	3	3	3

Sources: Various county departments.

Haralson County, Georgia
Insurance in Force
For the Year Ended June 30, 2020

Property Coverage:		
Buildings, contents, EDP, and mobile equipment	$	44,200,000
Automobile Liability-All		
Bodily injury per person per occurrence		1,000,000
Bodily injury aggregate per occurrence		1,000,000
Property damage per occurrence		1,000,000
Comprehensive General Liability:		
Per occurrence limit		1,000,000
Law Enforcement Liability:		
Per occurrence limit		1,000,000
Public officials Errors and Omissions Liability:		
Per wrongful act		1,000,000
Aggregate		3,000,000
Crime coverage:		
Blanket employee dishonesty and faithful performance (per employee)		250,000
Statutory bonds		As required/various limits

Haralson County, Georgia
Miscellaneous Statistical Information

Haralson County was created by Legislative Act on January 26, 1856.

Form of Government-County Comissioners

Area-Square Miles	282
Building Permits:	
Issued	527
Estimated Cost	$ 7,548,700
Registered Voters	21,932

COMPLIANCE SECTION



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

To the Board of Commissioners
Haralson 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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Haralson County, Georgia as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Haralson County, Georgia's basic financial statements and have issued our report thereon dated January 15, 2021.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been 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 certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 20-1 that we consider to be significant deficiencies.

Compliance and Other Matters

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

Haralson County, Georgia's Response to Findings

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

Purpose of this Report

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



Carrollton, Georgia
January 15, 2021

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Certified Public Accountants

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

To the Board of Commissioners
Haralson County, Georgia

Report on Compliance for Each Major Federal Program

We have audited Haralson 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 Haralson County, Georgia's major federal programs for the year ended June 30, 2020. Haralson County, Georgia's major federal programs are identified in the summary of auditor's 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.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Haralson 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 Haralson 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 Haralson County, Georgia's compliance.

Opinion on Each Major Federal Program

In our opinion, Haralson County, Georgia, 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, 2020.

Report on Internal Control over Compliance

Management of Haralson County, Georgia, 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 Haralson 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 Haralson 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 a 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.

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.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Haralson County, Georgia, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Haralson County, Georgia's basic financial statements. We issued our report thereon dated January 15, 2021, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Will Robinson, CPA, LLC

Carrollton, Georgia

January 15, 2021

Haralson County, Georgia
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2020

Federal Grantor/Pass-Through Program Title	Federal CFDA Number	Federal Award Number	Program or Award Amount	Expenditures
U.S. DEPARTMENT OF JUSTICE				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	B19-8-003	$ 172,432	$ 172,432
Passed-through the Criminal Justice Coordinating Council				
VOCA Grant for Victim Witness	16.575	C18-8-263	125,425	125,425
Total U.S. Department of Justice			**297,857**	**297,857**
U.S. DEPARTMENT OF TREASURY				
Coronavirus Relief Fund	21.019	COVID-19	846,293	846,293
Total U.S. Department of Treasury			**846,293**	**846,293**
U.S. DEPARTMENT OF HOMELAND SECURITY				
Emergency Management Performance Grant	97.042	OEM19-073	20,154	20,154
Assistance to Firefighters Grant	97.044	EMW-2018-FO-05713	97,320	97,320
Total U.S. Department of Homeland Security			**117,474**	**117,474**
Total Expenditures of Federal Awards			**$ 1,261,624**	**$ 1,261,624**

Notes to Schedule of Expenditures of Federal Awards

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Haralson County, Georgia under programs of the federal government for the year ended June 30, 2020. 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 the County, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County.

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.

Note 3. De Minimus Indirect Cost Rate

The County has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Haralson County, Georgia
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2020

SECTION I – SUMMARY OF AUDIT RESULTS

A. Financial Statements

Type of auditor's report issued:	Unmodified	
Internal control over financial reporting:		
Material weakness(es) identified?	____ Yes	X No
Significant deficiencies identified not considered material weaknesses?	X Yes	____ None reported
Noncompliance material to financial statements noted?	____ Yes	X No

B. Federal Awards

Internal control over major programs:		
Material weakness(es) identified?	____ Yes	X No
Significant deficiencies identified not considered material weaknesses?	____ Yes	X None reported
Type of auditor's report issued on compliance for major programs:	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?	____ Yes	X No

Identification of major programs:

CFDA Number	*Name of Federal Programs or Cluster*
21.019	United States Treasury Coronavirus Relief Fund

Dollar threshold used to distinguish between Type A and Type B programs:	$750,000
Auditee qualified as low-risk auditee?	____ Yes X No

Haralson County, Georgia
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2020

SECTION II – FINANCIAL STATEMENT FINDINGS

20-1 Segregation of Duties

Condition: This was reported as a prior year finding. There is not appropriate segregation of duties between recording, distribution, and reconciliation of cash accounts and other operational functions within various County departments.

Criteria: Internal controls should be in place, which provide reasonable assurance that an individual cannot misappropriate funds without such actions being detected during the normal course of business.

Effect: Failure to periodically segregate duties between recording, distribution, and reconciliation of cash accounts can lead to the misappropriation of funds without such actions being detected during the normal course of business.

Recommendation: The duties of recording, distribution, and reconciliation of cash accounts should be segregated between employees.

Auditee's Response: We concur with the finding. We have segregated duties within a limited staff to the extent possible and will work toward further segregation of duties.

SECTION III – FEDERAL AWARD FINDINGS and QUESTIONED COSTS

None Reported