LAMAR COUNTY, GEORGIA

FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2022

INTRODUCTORY SECTION

LAMAR COUNTY, GEORGIA

FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

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FINANCIAL SECTION

MAULDIN & JENKINS
CPAs & ADVISORS

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
of Lamar County, Georgia
Barnesville, Georgia

Report on the Financial Statements

Opinions

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 Lamar County, Georgia (the "County"), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports 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 the County as of December 31, 2022, and the respective changes in financial position and the budgetary comparison information for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Lamar County Board of Health (the "Board of Health") or the Barnesville-Lamar County Library (the "Library"), which represent 5.0%, 13.2%, and 21.3%, respectively, of the assets, net position, and revenues of the discretely presented component units as of December 31, 2022, and the respective changes in financial position for the year then ended. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Board of Health and the Library, are based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States *("Government Auditing Standards")*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

The City implemented Governmental Accounting Standards Board ("GASB") Statement No. 87, Leases, as of January 1, 2022. This standard significantly changed the accounting for the City's leases and the related disclosures. See Note 1 and 8. Our opinion is not modified with respect to this matter.

Responsibilities of Management 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, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis ("MD&A") (on pages 5 – 11), the Schedule of Changes in the County's Net Pension Liability and Related Ratios (on pages 54 and 55), and the Schedule of County Contributions (on pages 56 and 57) be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of Special Purpose Local Option Sales Tax is presented for the purposes of additional analysis as required by the Official Code of Georgia Annotated ("O.C.G.A.") §48-8-121, as listed in the table of contents, and is not a required part of the basic financial statements. The schedule of expenditures of Transportation Special Purpose Local Option Sales Tax proceeds is presented for additional analysis as required by the O.C.G.A. §48-8-260, as listed in the table of contents, and is not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by *Title 2 U.S. Code of Federal Regulations* ("CFR") 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 of the County.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 4, 2023, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Lamar County, Georgia's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Macon, Georgia
August 4, 2023

LAMAR COUNTY, GEORGIA

MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2022

This section of Lamar County, Georgia's (the "County") annual financial report presents a narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2022. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the County's financial statements, which follow this narrative.

Financial Highlights

- The assets of the County exceeded its liabilities at December 31, 2022, by $18,539,315 (net position), of which $10,204,698 is net investment in capital assets, $2,556,877 is restricted for specific purposes, leaving unrestricted net position of $5,777,740.

- At fiscal year-end December 31, 2022, the County's General Fund reported a total fund balance of $7,282,412.

Overview of the Financial Statements

This Management's Discussion and Analysis ("MD&A") is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business. There are two government-wide statements, the Statement of Net Position and the Statement of Activities, which are described below.

The Statement of Net Position presents information on all of the County's assets, deferred outflows of resources, liabilities and deferred inflows of resources with the difference among the items being 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. It is important to note that this statement consolidates the governmental funds' current financial resources (short-term) with capital assets and long-term liabilities.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The governmental activities of the County include general government, judicial, public safety, public works, health and welfare, recreation and housing and development.

The government-wide financial statements include not only the County itself (known as the primary government), but also the Lamar County Board of Health (the "Board of Health"), Lamar County Regional Solid Waste Authority ("LCRSWA"), and the Barnesville-Lamar County Library (the "Library"). These are legally separate entities that are discretely presented component units of the County due to the significance of its operational and financial relationship with the County. Financial information of the component units are reported separately from the financial information presented for the primary government itself.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into two categories: governmental funds and fiduciary funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-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 facilitate this comparison between governmental funds and governmental activities.

The County maintains governmental funds to account for the following activities: **General**; **Special Revenue** ("E911", "Drug Seizure", "Law Library", "Drug Court", "ARPA", and the "Hotel Motel Fund"); **Capital Projects** ("SPLOST 2017 Fund", "TSPLOST 2021 Fund", and the "Capital Projects Fund"); and **Debt Service** ("Public Facilities Authority").

Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances for the General, American Rescue Plan Act ("ARPA"), Special Purpose Local Option Sales Tax ("SPLOST") 2017, Transportation Special Purpose Local Option Sales Tax ("TSPLOST") 2021 and Public Facilities Authority (the "Authority"), which are considered major funds. Data from the other governmental funds are combined into a single, aggregated column. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report. The County adopts an annual appropriated budget for its general fund and special revenue funds. A budgetary comparison statement has been provided for the General Fund within the basic financial statements.

Fiduciary Funds. Fiduciary funds are custodial in nature and are not reflected in the government-wide financial statements.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information. The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the notes to the financial statements.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. Assets and deferred outflows of resources exceed liabilities and deferred inflows of resources by $18,539,315 at the close of the most recent fiscal year.

A large portion of the County's net position, 25%, reflects its investment in capital assets (e.g., land, buildings, machinery and equipment); less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Lamar County Net Position

	Governmental Activities		Percentage Change
	2022	2021	**2021-2022**
Current and other assets	**$ 20,992,986**	$ 11,553,571	81.70 %
Capital assets	**16,424,407**	14,827,500	10.77
Total assets	**37,417,393**	26,381,071	41.83
Deferred outflows of resources	**225,741**	209,606	7.70
Long-term liabilities outstanding	**689,893**	938,622	(26.50)
Other liabilities	**17,458,616**	5,772,802	202.43
Total liabilities	**18,148,509**	6,711,424	170.41
Deferred inflows of resources	**955,310**	567,692	68.28
Net position:			
Net investment in capital assets	**10,204,698**	12,977,335	(21.37)
Restricted for:			
Judicial	**-**	11,610	(100.00)
Public safety	**290,056**	321,780	(9.86)
Housing and development	**7,581**	4,012	100.00
Capital projects	**996,777**	296,597	236.07
Debt service	**1,262,463**	1,752,932	100.00
Unrestricted	**5,777,740**	3,947,295	46.37
Total net position	**$ 18,539,315**	$ 19,311,561	(4.00) %

Lamar County's Changes in Net Position

	Governmental Activities		Percentage Change
Revenues	**2022**	2021	**2021-2022**
Program revenues:			
Charges for services	**$ 2,444,351**	$ 2,480,109	(1.44) %
Operating grants and contributions	**1,719,783**	998,014	72.32
Capital grants and contributions	**335,099**	618,831	(45.85)
General revenues:			
Property taxes	**8,784,370**	8,127,993	8.08
Sales taxes	**6,740,276**	4,013,713	67.93
Other taxes	**1,150,227**	1,060,201	8.49
Unrestricted investment earnings	**340**	216	57.41
Gain on sale of assets	**-**	-	-
Total revenues	**21,174,446**	17,299,077	22.40
Expenses			
General government	**2,762,969**	2,715,627	1.74
Judicial	**1,485,162**	1,378,288	7.75
Public safety	**6,690,536**	5,979,539	11.89
Public works	**8,874,391**	3,347,333	165.12
Health and welfare	**455,235**	434,298	4.82
Culture and recreation	**855,271**	770,410	11.02
Housing and development	**430,502**	408,790	5.31
Interest on long-term debt	**392,626**	92,753	323.30
Total expenses	**21,946,692**	15,127,038	45.08
Special item	**-**	(106,992)	100.00
Change in net position	**(772,246)**	2,065,047	(137.40)
Net position, beginning of year	**19,311,561**	17,246,514	11.97
Net position, end of year	**$ 18,539,315**	$ 19,311,561	(4.00) %

The changes in net position between fiscal years 2022 and 2021, were affected by the following:

- Net change in total revenues is an increase of 22.40%.
- Charges for services decreased 1.44% from the prior year. This was the result of normal fluctuations in the charges for services provided by the County.
- Operating grants and contributions increased 72.32% due to ARPA funding.
- Capital grants and contributions decreased 72.32% due to a decrease in the County's Local Maintenance and Improvement Grant ("LMIG") funding during the current year.
- Increase to public safety expenses of 11.89%, was the result of increased payroll and small equipment costs.
- Ultimately, the County reported a decrease in net position of $772,246 for the year ended December 31, 2022.

Financial Analysis of the Government's Funds

Governmental Funds. The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

General Fund

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, non-spendable fund balance was $10,194 for inventories and unassigned was $6,888,510, while the total fund balance was $7,282,412.

As a measure of the General Fund's liquidity, it may be useful to compare fund balance to total fund expenditures. Non-spendable fund balance represents 3% of total general fund expenditures and unassigned fund balance represents 53% while total fund balance represents 56% of that same amount.

ARPA Fund

The ARPA Fund is a special revenue fund of the County used to account for the grant funds awarded to the County as part of the State and Local Fiscal Recovery Fund under the ARPA. During the year ended December 31, 2022, the County used approximately $210,431 of the $1,858,000 that it was awarded.

SPLOST 2017 Fund

The SPLOST referendum was passed in fiscal year 2017 to provide proceeds of $9,366,409 to fund multiple capital projects. At the end of the current fiscal year, the SPLOST fund reported expenditures of $3,725,223 and revenues in the amount of $2,975,159 resulting in an ending fund balance of $750,064.

Public Facilities Authority

The Public Facilities Authority was created during the year ended December 31, 2021, and accounts for the purchase and financing of County buildings and facilities. The Authority issued revenue bonds and transferred funds to the General Fund for the purchase of new facilities during the year ended December 31, 2021. The Authority reported an increase in fund balance during the current year of $1,262,463.

TSPLOST Fund

The TSPLOST referendum was passed in the fiscal year 2021 to provide proceeds of up to $10,500,000, not to exceed $12,200,000, to fund multiple road/street projects. At the end of the current fiscal year, TSPLOST fund reported expenditures of $4,685,705 and revenues in the amount of $2,089,393 resulting in an ending fund balance of $7,618,738.

General Fund Budgetary Highlights

Over the course of the year, the Board of Commissioners revised the County budget on multiple occasions to avoid budget overruns.

Capital Assets and Debt Administration

Capital Assets. The County's investment in capital assets for its governmental activities as of December 31, 2022, amounts to $16.4 million (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and improvements, machinery and equipment, vehicles and infrastructure.

Lamar County's Capital Assets
(Net of Depreciation)

	Governmental Activities		Percentage Change
	2022	2021	**2021-2022**
Land	**$ 1,929,967**	$ 1,929,967	- %
Construction in progress	**804,754**	-	100.00
Buildings and improvements	**6,343,739**	6,588,502	(3.72)
Machinery and equipment	**2,049,014**	1,024,041	100.09
Vehicles	**982,504**	722,126	36.06
Infrastructure	**4,314,429**	4,562,864	(5.44)
Total	**$ 16,424,407**	$ 14,827,500	10.77

The majority of the increase is the result of the capital assets purchased exceeding depreciation during the current year. Additional information on the County's capital assets can be found in Note 6 of this report.

Long-term Debt. The County's long-term debt for the year ended December 31, 2022 is summarized below.

	Beginning Balance	Additions	Reductions	Ending Balance
Governmental Activities:				
Capital leases	$ 117,776	$ -	$ 117,776	$ -
Revenue bonds	3,500,000	-	147,000	3,353,000
General obligation bonds	-	10,215,000	-	10,215,000
Landfill post-closure costs	447,453	18,345	-	465,798
Net pension liability	938,622	978,192	1,226,921	689,893
Total	$ 5,003,851	$ 11,211,537	$ 1,491,697	$ 14,723,691

Increases to the County's debt were the result of the issuance of revenue bonds by the Authority. Additionally, the net pension liability decreased as a result of actuarial changes made during the current year.

Additional information regarding the County's long-term debt can be found in Note 7 of this report.

Economic Factors and Next Year's Budgets

- The millage rate was rolled back from the prior year to 11.005.
- No new grants are anticipated.

These items were taken into account when adopting the General Fund budget for 2022.

Requests for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

County Manager, Lamar County Board of Commissioners
408 Thomaston Street, Suite E
Barnesville, Georgia 30204

BASIC FINANCIAL STATEMENTS

LAMAR COUNTY, GEORGIA

STATEMENT OF NET POSITION
DECEMBER 31, 2022

	Primary Government	Component Units		
	Governmental Activities	Lamar County Board of Health	Lamar County Regional Solid Waste Authority	Barnesville-Lamar County Library
ASSETS				
Cash and cash equivalents	$ 18,817,686	$ 692,672	$ 2,839,809	$ 147,283
Investments	-	-	-	101,776
Taxes receivable	814,170	-	-	-
Accounts receivable, net of allowances	83,769	815	9,024	-
Lease receivable	196,030	-	-	-
Due from other governments	687,429	-	-	-
Inventories	10,194	-	-	-
Prepaid items	383,708	-	19,572	320
Capital assets, non-depreciable	2,734,721	-	25,528,306	-
Capital assets, depreciable, net of accumulated depreciation	13,689,686	10,719	5,179,082	530,133
Net OPEB asset	-	61,386	-	-
Total assets	37,417,393	765,592	33,575,793	779,512
DEFERRED OUTFLOWS OF RESOURCES				
OPEB	-	49,389	-	-
Pension	225,741	158,508	-	-
Total deferred outflows of resources	225,741	207,897	-	-
LIABILITIES				
Accounts payable	1,036,450	437	45,170	4,361
Accrued liabilities	150,500	-	-	-
Unearned revenues	2,092,969	-	-	-
Due to other governments	106,715	-	-	-
Accrued interest	38,184	-	2,237,823	-
Financed purchases due within one year	-	-	108,885	-
Financed purchases due in more than one year	-	-	452,605	-
Compensated absences due within one year	-	17,337	-	-
Compensated absences due in more than one year	-	11,558	-	-
Notes payable due in more than one year	-	-	22,591,834	-
Revenue bonds payable due within one year	152,000	-	-	-
Revenue bonds payable due in more than one year	3,201,000	-	-	-
General obligation bonds payable due within one year	1,900,000	-	-	-
General obligation bonds payable due in more than one year	8,315,000	-	-	-
Landfill post-closure costs due in more than one year	465,798	-	909,956	-
Net OPEB liability	-	26,818	-	-
Net pension liability	689,893	240,065	-	-
Total liabilities	$ 18,148,509	$ 296,215	$ 26,346,273	$ 4,361

(Continued)

LAMAR COUNTY, GEORGIA

STATEMENT OF NET POSITION
DECEMBER 31, 2022

	Primary Government	Component Units		
	Governmental Activities	Lamar County Board of Health	Lamar County Regional Solid Waste Authority	Barnesville-Lamar County Library
DEFERRED INFLOWS OF RESOURCES				
Pension	$ 759,280	$ 131,681	$ -	$ -
OPEB	-	221,877	-	-
Lease	196,030	-	-	-
Total deferred inflows of resources	955,310	353,558	-	-
NET POSITION				
Net investment in capital assets	10,204,698	10,719	7,554,064	530,133
Restricted for:				
Debt service	1,262,463	-	-	-
Capital projects	996,777	-	-	-
Public safety	290,056	-	-	-
Housing and development	7,581	-	-	-
Other	-	129,343	-	-
Unrestricted	5,777,740	183,654	(324,544)	245,018
Total net position	$ 18,539,315	$ 323,716	$ 7,229,520	$ 775,151

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

LAMAR COUNTY, GEORGIA

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary government				
Governmental activities:				
General government	$ 2,762,969	$ 788,719	$ 598,167	$ -
Judicial	1,485,162	916,310	127,318	-
Public safety	6,690,536	638,979	359,383	-
Public works	8,874,391	44,760	466,816	161,692
Health and welfare	455,235	-	128,161	-
Culture and recreation	855,271	51,942	28,581	173,366
Housing and development	430,502	3,641	11,357	41
Interest on long-term debt	392,626	-	-	-
Total primary government	$ 21,946,692	$ 2,444,351	$ 1,719,783	$ 335,099
Component units				
Lamar County Board of Health	$ 518,426	$ 228,557	$ 469,459	$ -
Lamar County Regional Solid Waste Authority	1,128,419	528,724	-	3,197,460
Barnesville-Lamar County Library	310,082	12,599	292,728	-
Total component units	$ 1,956,927	$ 769,880	$ 762,187	$ 3,197,460
General revenues:				
Property taxes				
Sales taxes				
Other taxes				
Unrestricted investment earnings				
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.

Net (Expenses) Revenues and Changes in Net Position			
	Component Units		
Governmental Activities	Lamar County Board of Health	Lamar County Regional Solid Waste Authority	Barnesville-Lamar County Library
$ (1,376,083)	$ -	$ -	$ -
(441,534)	-	-	-
(5,692,174)	-	-	-
(8,201,123)	-	-	-
(327,074)	-	-	-
(601,382)	-	-	-
(415,463)	-	-	-
(392,626)	-	-	-
(17,447,459)	-	-	-
-	179,590	-	-
-	-	2,597,765	-
-	-	-	(4,755)
-	179,590	2,597,765	(4,755)
8,784,370	-	-	-
6,740,276	-	-	-
1,150,227	-	-	-
340	61	563	6,290
16,675,213	61	563	6,290
(772,246)	179,651	2,598,328	1,535
19,311,561	144,065	4,631,192	773,616
$ 18,539,315	$ 323,716	$ 7,229,520	$ 775,151

LAMAR COUNTY, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2022

	General Fund	ARPA Fund	SPLOST Fund	TSPLOST Fund
ASSETS				
Cash and cash equivalents	$ 6,338,490	$ 2,303,400	$ 957,303	$ 7,412,303
Taxes receivable	814,170	-	-	-
Accounts receivable	83,301	-	-	-
Lease receivable	196,030	-	-	-
Due from other governments	144,262	-	248,173	236,235
Due from other funds	304,362	-	-	-
Inventories	10,194	-	-	-
Prepaid items	383,708	-	-	-
Total assets	$ 8,274,517	$ 2,303,400	$ 1,205,476	$ 7,648,538
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ 253,254	$ 95,378	$ 372,431	$ 29,800
Accrued liabilities	142,149	-	-	-
Due to other governments	-	-	106,715	-
Due to other funds	133,351	115,053	-	-
Unearned revenues	-	2,092,969	-	-
Total liabilities	528,754	2,303,400	479,146	29,800
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue:				
Property taxes	267,321	-	-	-
Lease	196,030	-	-	-
Total deferred inflows of resources	463,351	-	-	-
FUND BALANCES				
Non-spendable:				
Inventories	$ 10,194	$ -	$ -	$ -
Prepaid items	383,708	-	-	-
Restricted for:				
Capital projects	-	-	726,330	7,618,738
Debt service	-	-	-	-
Public safety	-	-	-	-
Housing and development	-	-	-	-
Unassigned	6,888,510	-	-	-
Total fund balances	7,282,412	-	726,330	7,618,738
Total liabilities, deferred inflow of resources and fund balances	$ 8,274,517	$ 2,303,400	$ 1,205,476	$ 7,648,538

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.

Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.

Deferred outflows of resources are not due and payable in the current period and, therefore, are not reported in the funds.

Deferred inflows of resources are not available to pay for current period expenditures and, therefore, are not reported in the funds.

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Net position of governmental activities

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

Public Facilities Authority	Nonmajor Governmental Funds	Total Governmental Funds
$ 1,678,950	$ 127,240	$ 18,817,686
-	-	814,170
-	468	83,769
-	-	196,030
-	58,759	687,429
-	133,351	437,713
-	-	10,194
-	-	383,708
$ 1,678,950	$ 319,818	$ 21,430,699
$ 262,852	$ 22,735	$ 1,036,450
-	8,351	150,500
-	-	106,715
153,635	35,674	437,713
-	-	2,092,969
416,487	66,760	3,824,347
-	-	267,321
-	-	196,030
-	-	463,351
$ -	$ -	$ 10,194
-	-	383,708
-	-	8,345,068
1,262,463	-	1,262,463
-	290,056	290,056
-	7,581	7,581
-	(44,579)	6,843,931
1,262,463	253,058	17,143,001
$ 1,678,950	$ 319,818	
		16,424,407
		267,321
		225,741
		(759,280)
		(14,761,875)
		$ 18,539,315

LAMAR COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

	General Fund	ARPA Fund	SPLOST Fund	TSPLOST Fund
Revenues				
Taxes	$ 11,466,836	$ -	$ 2,975,007	$ 2,088,697
Licenses and permits	226,020	-	-	-
Intergovernmental	763,722	956,061	-	-
Fines and forfeitures	505,720	-	-	-
Charges for services	605,595	-	-	-
Investment income	135	-	152	696
Contributions	173,366	-	-	-
Miscellaneous	351,735	-	-	-
Total revenues	14,093,129	956,061	2,975,159	2,089,393
Expenditures				
Current:				
General government	2,497,111	441,826	-	-
Judicial	1,396,042	88,361	-	-
Public safety	5,665,565	359,383	-	-
Public works	1,877,040	32,519	-	-
Health and welfare	335,757	6,028	-	-
Culture and recreation	924,308	16,587	-	-
Housing and development	414,040	11,357	-	-
Intergovernmental	-	-	1,263,843	4,300,301
Capital outlay	-	-	2,339,777	61,545
Debt service:				
Principal	-	-	117,776	-
Interest and fiscal charges	-	-	3,827	109,559
Issuance costs	-	-	-	214,300
Total expenditures	13,109,863	956,061	3,725,223	4,685,705
Excess (deficiency) of revenues over expenditures	983,266	-	(750,064)	(2,596,312)
Other financing sources (uses)				
General obligation bonds issued	$ -	$ -	$ -	$ 10,215,000
Transfers in	748,860	-	-	50
Transfers out	(35,723)	-	-	-
Total other financing sources (uses)	713,137	-	-	10,215,050
Net change in fund balances	1,696,403	-	(750,064)	7,618,738
Fund balance, beginning of year	5,586,009	-	1,476,394	-
Fund balance, end of year	$ 7,282,412	$ -	$ 726,330	$ 7,618,738

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

Public Facilities Authority	Nonmajor Governmental Funds	Total Governmental Funds
$ -	$ -	$ 16,530,540
-	-	226,020
-	160,834	1,880,617
-	371,141	876,861
-	384,140	989,735
204	52	1,239
-	-	173,366
-	-	351,735
204	916,167	21,030,113
-	-	2,938,937
-	-	1,484,403
-	837,267	6,862,215
-	-	1,909,559
-	-	341,785
-	-	940,895
-	72	425,469
-	-	5,564,144
337,175	-	2,738,497
147,000	-	264,776
42,171	-	155,557
-	-	214,300
526,346	837,339	23,840,537
(526,142)	78,828	(2,810,424)
$ -	$ -	$ 10,215,000
35,673	-	784,583
-	(748,860)	(784,583)
35,673	(748,860)	10,215,000
(490,469)	(670,032)	7,404,576
1,752,932	923,090	9,738,425
$ 1,262,463	$ 253,058	$ 17,143,001

LAMAR 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 DECEMBER 31, 2022

Amounts reported for governmental activities in the Statement of Activities are different because:		
Net change in fund balances - total governmental funds.	$	7,404,576
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.		1,596,907
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		144,333
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.		(9,968,569)
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.		50,507
Change in net position - governmental activities	$	(772,246)

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

LAMAR COUNTY, GEORGIA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues				
Property taxes	$ 8,469,963	$ 8,469,963	$ 8,640,037	$ 170,074
Sales taxes	1,619,087	1,619,087	1,676,572	57,485
Other taxes	1,042,575	1,042,575	1,150,227	107,652
Licenses and permits	202,800	202,800	226,020	23,220
Intergovernmental	986,827	986,827	763,722	(223,105)
Fines and forfeitures	539,233	539,233	505,720	(33,513)
Charges for services	520,281	520,281	605,595	85,314
Investment income	170	170	135	(35)
Contributions	1,500	1,500	173,366	171,866
Miscellaneous	198,234	198,234	351,735	153,501
Total revenues	13,580,670	13,580,670	14,093,129	512,459
Expenditures				
Current				
General government:				
County commissioners/administration	91,593	91,593	71,676	19,917
General administration	962,227	962,227	592,388	369,839
Board of elections	308,431	308,431	318,803	(10,372)
Courthouse	295,056	295,056	307,816	(12,760)
Data processing	96,513	96,513	99,911	(3,398)
Tax commissioner	313,577	313,577	287,217	26,360
Tax assessor	399,128	399,128	377,750	21,378
Board of equalization	4,958	4,958	3,051	1,907
Risk management	280,011	280,011	313,051	(33,040)
Accountability court	7,150	7,150	2,769	4,381
Administration building	29,730	29,730	33,352	(3,622)
Senior center building	23,246	23,246	21,166	2,080
Service center building	16,150	16,150	15,246	904
Tag office building	11,550	11,550	8,264	3,286
Fire headquarters	34,250	34,250	36,871	(2,621)
Health department building	12,200	12,200	7,780	4,420
Total general government	2,885,770	2,885,770	2,497,111	388,659
Judicial:				
Superior court	563,040	563,040	535,255	27,785
Clerk of courts	424,344	424,344	407,468	16,876
District attorney	33,778	33,778	32,628	1,150
Magistrate court	163,351	163,351	134,589	28,762
Probate court	284,377	284,377	286,102	(1,725)
Total judicial	1,468,890	1,468,890	1,396,042	72,848

(Continued)

LAMAR COUNTY, GEORGIA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

	Budget			Variance with
	Original	Final	Actual	Final Budget
Expenditures (Continued)				
Current (Continued)				
Public safety:				
Sheriff's office	$ 2,485,215	$ 2,485,215	$ 2,786,149	$ (300,934)
Jail	1,288,727	1,288,727	1,108,126	180,601
Jail building	127,650	127,650	127,935	(285)
Fire	912,438	912,438	881,730	30,708
EMS	698,554	698,554	698,554	-
Coroner	27,947	27,947	23,475	4,472
E911	144,580	144,580	-	144,580
Emergency management	53,281	53,281	39,596	13,685
Total public safety	5,738,392	5,738,392	5,665,565	72,827
Public works:				
Administration	1,922,359	1,922,359	1,877,040	45,319
Total public works	1,922,359	1,922,359	1,877,040	45,319
Health and welfare:				
Public health administration	105,000	105,000	105,000	-
Department of family/children	16,500	16,500	16,350	150
Senior citizens center	197,841	197,841	214,407	(16,566)
Public transportation	10,000	10,000	-	10,000
Total health and welfare	329,341	329,341	335,757	(6,416)
Culture and recreation:				
Recreation department	393,642	393,642	608,914	(215,272)
Recreation sports	41,130	41,130	37,260	3,870
Old jail musuem	-	-	461	(461)
Library	277,673	277,673	277,673	-
Total culture and recreation	712,445	712,445	924,308	(211,863)
Housing and development:				
Agricultural resources	77,809	77,809	71,292	6,517
Conservation	50,186	50,186	49,646	540
Forest resources	9,158	9,158	9,158	-
Planning and zoning	215,273	215,273	213,944	1,329
Economic development	70,000	70,000	70,000	-
Total housing and development	422,426	422,426	414,040	8,386
Debt service:				
Principal	95,228	95,228	-	95,228
Total debt service	95,228	95,228	-	95,228
Total expenditures	13,574,851	13,574,851	13,109,863	464,988
Excess (deficiency) of revenues over expenditures	5,819	5,819	983,266	977,447

(Continued)

LAMAR COUNTY, GEORGIA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

	Budget			Variance with
	Original	Final	Actual	Final Budget
Other financing sources (uses)				
Transfers in	$ -	$ -	$ 748,860	$ 748,860
Transfers out	(17,775)	(17,775)	(35,723)	(17,948)
Total other financing sources (uses)	(17,775)	(17,775)	713,137	730,912
Net change in fund balance	(11,956)	(11,956)	1,696,403	1,708,359
Fund balance, beginning of year	5,586,009	5,586,009	5,586,009	-
Fund balance, end of year	$ 5,574,053	$ 5,574,053	$ 7,282,412	$ 1,708,359

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

LAMAR COUNTY, GEORGIA

ARPA FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues				
Intergovernmental	$ 1,377,622	$ 1,377,622	$ 956,061	$ (421,561)
Total revenues	1,377,622	1,377,622	956,061	(421,561)
Expenditures				
Current				
General government:				
General administration	828,185	828,185	406,624	421,561
Board of elections	2,691	2,691	2,691	-
Courthouse	10,765	10,765	10,765	-
Tax commissioner	10,765	10,765	10,765	-
Tax assessor	10,980	10,980	10,980	-
Total general government	863,386	863,386	441,825	421,561
Judicial:				
Clerk of courts	53,456	53,456	53,456	-
Magistrate court	23,014	23,014	23,014	-
Probate court	11,891	11,891	11,891	-
Total judicial	88,361	88,361	88,361	-
Public safety				
Sheriff's office	230,201	230,201	230,201	-
Jail	42,280	42,280	42,280	-
Jail building	14,535	14,535	14,535	-
Fire	59,405	59,405	59,405	-
E-911	12,317	12,317	12,317	-
Emergency management	646	646	646	-
Total public safety	359,384	359,384	359,384	-
Public works:				
Administration	32,519	32,519	32,519	-
Total public works	32,519	32,519	32,519	-
Health and welfare:				
Senior citizens center	6,028	6,028	6,028	-
Total health and welfare	6,028	6,028	6,028	-
Culture and recreation:				
Recreation department	16,587	16,587	16,587	-
Total culture and recreation	16,587	16,587	16,587	-
Housing and development:				
Conservation	2,691	2,691	2,691	-
Planning and zoning	8,666	8,666	8,666	-
Total housing and development	11,357	11,357	11,357	-
Total expenditures	1,377,622	1,377,622	956,061	421,561
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	$ -	$ -	$ -	$ -

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

LAMAR COUNTY, GEORGIA

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2022

	Custodial Funds
ASSETS	
Cash	$ 1,503,826
Taxes receivable	1,235,883
Total assets	2,739,709
LIABILITIES	
Due to others	668,473
Uncollected taxes	1,235,883
Total liabilities	1,904,356
NET POSITION	
Restricted for individuals, organizations, and other governments	$ 835,353

LAMAR COUNTY, GEORGIA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

	Custodial Funds
ADDITIONS	
Taxes collected	$ 15,817,768
Fines and fees collected	2,294,382
Total additions	18,112,150
DEDUCTIONS	
Taxes disbursed	15,842,107
Fines and fees disbursed	2,376,986
Total deductions	18,219,093
Change in net position	(106,943)
Net position, beginning of year	942,296
Net position, end of year	$ 835,353

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. The Reporting Entity

The County, which was founded in 1921, has a population of 16,000 plus living within an area of 185.8 square miles. The County is a Georgia municipal corporation and operates under County Administrator/ Chairman and Commissioner form of government. The County provides the following services as authorized by state law: public safety, roads, public improvements, planning and zoning, courts, tax assessment and collection, health and social services, culture and recreation and general administrative services.

As required by GAAP, the financial statements of the reporting entity include those of the County (the "primary government") and its component units. The component units discussed below are included in the County's reporting entity because of the significance of their operational or financial relationship with the County.

Discretely Presented Component Units

The Lamar County Board of Health (the "Board of Health") provides medical services and health education to the citizens of Lamar County. The County Board of Commissioners has the authority to modify and approve the Board of Health's budget. The Board of Health issues separate financial statements with a June 30 fiscal year-end. A complete copy of these statements may be obtained at the following address:

Lamar County Board of Health
118 Academy Drive
Barnesville, Georgia 30204

The Lamar County Regional Solid Waste Authority (the "LCRSWA") provides residents and surrounding areas with disposal service of residential and commercial solid waste. The County Board of Commissioners has the authority to modify the LCRSWA's budget. The LCRSWA issues separate financial statements with a December 31 fiscal year-end. A complete copy of these statements may be obtained at the following address:

Lamar County Regional Solid Waste Authority
172 Roger Brown Drive
Barnesville, Georgia 30204

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. The Reporting Entity (Continued)

Discretely Presented Component Units (Continued)

The Barnesville-Lamar County Library (the "Library") provides residents and surrounding areas with educational, research, recreational reading material, as well as computer services. The County approves the annual funding portion of the budget requested by the Library. In addition, the County provides substantial funding for the operations of the Library; therefore, the Library is considered to be fiscally dependent on the County. The Library issues separate financial statements with a December 31 fiscal year-end. A complete copy of these statements may be obtained at the following address:

Barnesville-Lamar County Library
401 Thomaston St.
Barnesville, Georgia 30204

Blended Component Unit

The Lamar County Public Facilities Authority's (the "Authority") sole purpose is to finance the purchase and maintenance of buildings and facilities for the County. The County Board of Commissioners appoints all members of the Authority's board and the Authority's debt is expected to be repaid almost entirely from the resources of the County. Separate financial statements for the Authority are not prepared.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities* are normally supported by taxes and intergovernmental revenues.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-wide and Fund Financial Statements (Continued)

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.

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

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

The format of the fund financial statements has been modified by GASB Statement No. 34. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. GASB Statement No. 34 also requires, as required supplementary information, the Management's Discussion and Analysis ("MD&A") which includes an analytical overview of the County's financial activity.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The County reports the following major governmental funds:

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

The ***American Rescue Plan Act*** **("*ARPA")*** ***Fund*** is used to account for grant funds awarded to the County as part of the State and Local Fiscal Recovery Fund under the ARPA.

The ***Special Purpose Local Option Sales Tax*** **("*SPLOST")*** ***2017 Fund*** is used to account for the financial resources provided from the 2017 1% SPLOST.

The ***Transportation Special Purpose Local Option Sales Tax*** **("*TSPLOST")*** ***2021 Fund*** is used to account for the financial resources provided from the 2021 1% TSPLOST.

The ***Public Facilities Authority*** is a blended component unit. It accounts for the purchase and financing of County buildings and facilities.

Additionally, the County reports the following fund types:

The ***Special Revenue Funds*** are used to account for revenue sources that are legally restricted to expenditure for specific purposes.

The ***Capital Projects Fund*** accounts for the acquisition of capital assets and construction or improvement of major capital projects.

The ***Custodial Funds*** are used to account for the collection and disbursement of monies by the County on behalf of other governments and individuals.

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

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Cash and Investments

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

State statutes authorize the County and the discretely presented component unit to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements and the local government investment pool ("Georgia Fund 1"). Investments are stated at fair value.

E. Interfund Receivables and Payables

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

F. Inventories

Inventories are valued at cost, which approximates market, using the first-in/first-out ("FIFO") method. The consumption method is used to account for inventories. Under the consumption method, inventory items are recognized as expenditures when used.

G. Prepaid Items

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.

H. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than $2,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at their acquisition value at the date of donation. The County has retroactively reported major general infrastructure assets. In this case, the County chose to include all items regardless of their acquisition date.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Capital Assets (Continued)

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

Asset Category	Years
Buildings and improvements	20 – 50
Machinery and equipment	5 – 10
Vehicles	5 – 10
Infrastructure	40 – 50

I. Leases

Lessor: The County is a lessor for noncancellable leases of store fronts in a building. The County recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the County initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the County determines: 1) the discount rate it uses to discount the expected lease receipts to present value, 2) lease term, and 3) lease receipts.

- The County uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

J. Compensated Absences

Vacation and sick leave benefits due at termination have been accrued. Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and fund liability of the liable fund.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

L. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has one item that qualifies for reporting in this category. The deferred amounts related to pension relate differences between expected and actual earnings and changes in actuarial assumptions.

In addition to liabilities, the Statement of Net Position and the governmental funds balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has four items that qualify for reporting in this category. Unavailable revenue is reported only in governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and leases. These items are deferred and recognized as an inflow of resources in the period that the amounts become available. In the government-wide financial statements, the County reports deferred amounts related to pension and leases. The deferred amounts related to pension relate differences between expected and actual experience, changes in actuarial assumption and net difference between projects and actual earnings.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. 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:

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

- ***Restricted*** – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

- ***Committed*** – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Commissioners through the adoption of a resolution. Only the Board of Commissioners 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 policy, authorization to assign fund balance remains with the Board.

- ***Unassigned*** – Fund balances are reported as unassigned 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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Fund Equity (Continued)

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

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

N. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

O. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Association County Commissioners of Georgia Lamar County Defined Benefit Plan (the “Plan”) and additions to or 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.

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS

A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide Statement of Net Position. One element of that reconciliation explains that "long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds." The details of this difference are as follows:

General obligation bonds payable	$ (10,215,000)
Revenue bonds payable	(3,353,000)
Landfill post-closure costs	(465,798)
Accrued interest	(38,184)
Net pension liability	(689,893)
Net adjustment to reduce *fund balance - total governmental funds* to arrive at *net position - governmental activities*	$ (14,761,875)

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-wide Statement of Activities

The governmental fund statement of revenues, expenditures and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net position – governmental activities* as reported in the government-wide Statement of Activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this difference are as follows:

Capital outlay	$ 2,659,625
Depreciation expense	(1,062,718)
Net adjustment to increase *net changes in fund balances - total governmental funds* to arrive at *changes in net position - governmental activities*	$ 1,596,907

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS (CONTINUED)

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-wide Statement of Activities (Continued)

Another element of the reconciliation states that "the issuance of long-term debt (e.g., bonds, leases) 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." The details of this difference are as follows:

Debt incurred:	
General obligation bonds	$ (10,215,000)
Principal repayments:	
Financed purchases	117,776
Revenue bonds	147,000
Landfill post-closure costs	(18,345)
Net adjustment to decrease *net changes in fund balances - total governmental funds* to arrive at *changes in net position - governmental activities*	$ (9,968,569)

Another element of that reconciliation states that "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." The details of this difference are as follows:

Net pension liability	$ 248,729
Accrued interest	(22,769)
Deferred outflows of resources	16,135
Deferred inflows of resources	(191,588)
Net adjustment to increase *net changes in fund balances - total governmental funds* to arrive at *changes in net position of governmental activities*	$ 50,507

NOTE 3. LEGAL COMPLIANCE – BUDGETS

A. Budgetary Data

The County adopts an annual operating budget for the General Fund, each special revenue fund and debt service fund. A project budget is adopted for each projects fund. The budget resolution reflects the total of each department's appropriation in each fund.

The governmental funds' budgets are adopted on a basis consistent with GAAP, except that outstanding encumbrances at year-end are reported as budgetary expenditures. Enterprise fund budgets are adopted on a basis consistent with GAAP, except that outstanding encumbrances at year-end are reported as budgetary expenses.

The level of legal budgetary control (the level at which expenditures may not exceed appropriations) is the department level with the following provisions:

- The County Administrator may transfer funds from one object or purpose to another within the same department.
- The Board of Commissioners may amend the budget by motion during the fiscal year.
- Appropriations must equal the anticipated funding sources of each fund.
- Actual expenditures of each fund may not exceed actual funding sources.

Formal budgetary integration is employed as a management control device during the year for all budgeted funds.

NOTE 3. LEGAL COMPLIANCE – BUDGETS (CONTINUED)

B. Excess Expenditures over Appropriations

Department	Excess
General Fund	
General Government:	
Board of elections	$ (10,372)
Courthouse	(12,760)
Data processing	(3,398)
Risk management	(33,040)
Administration building	(3,622)
Fire headquarters	(2,621)
Judicial:	
Probate court	(1,725)
Public safety:	
Sheriff's office	(300,934)
Jail building	(285)
Health and welfare:	
Senior citizens center	(16,566)
Culture and recreation:	
Recreation department	(215,272)
Old jail museum	(461)

These over-expenditures were funded by greater than anticipated revenues and available fund balance.

C. Deficit Fund Balance

The Capital Projects Fund and the Drug Court Fund reported a deficit fund balance of $171 and $44,408, respectively, which will be eliminated through transfers from the General Fund.

NOTE 4. DEPOSITS AND INVESTMENTS

Total deposits and investments as of December 31, 2022 are summarized as follows:

Balances per Statement of Net Position:	
Cash - Primary government	$ 18,817,686
Balances per statement of fiduciary net position:	
Cash - Custodial funds	1,503,826
	$ 20,321,512
Cash deposited with financial institutions	$ 20,321,512
	$ 20,321,512

Credit Risk. State statutes authorize the County to invest in obligations of the State of Georgia or other states; obligations issued by the U.S. government; obligations fully insured or guaranteed by the U.S. government or by a government agency of the United States; obligations of any corporation of the U.S. government; prime bankers' acceptances; the Georgia Fund 1 established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia. As of December 31, 2022, the County had no investments.

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

Custodial Credit Risk – Deposits. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties or municipalities. As of December 31, 2022, all of the County's bank balances were properly insured and collateralized as defined by GASB pronouncements and the State of Georgia.

NOTE 5. RECEIVABLES

Receivables at December 31, 2022 consist of the following:

	General Fund	SPLOST Fund	TSPLOST Fund	Nonmajor Funds	Total
Receivables:					
Taxes	$ 814,170	$ -	$ -	$ -	$ 814,170
Accounts	83,301	-	-	468	83,769
Due from other governments	144,262	248,173	236,235	58,759	687,429
Gross receivables	1,041,733	248,173	236,235	59,227	1,585,368
Less allowance	-	-	-	-	-
Net receivables	$ 1,041,733	$ 248,173	$ 236,235	$ 59,227	$ 1,585,368

State law requires that property taxes be based on assessed value, which is 40% of market value. All real and personal property (including motor vehicles) are valued as of January 1 of each year. With the exception of motor vehicles and the property of public utilities, which are valued by the State Revenue Department, all assessments are made by the tax assessors of the County.

Normally, property tax levies are set by the County Commissioners in August of each year for collection in the following year beginning January 1. The County spreads levies over assessable property. Taxes are levied annually by the County, and for the year ended December 31, 2022, the levy occurred on January 1, 2022. Real and personal property taxes were due on November 20, 2022. Property taxes receivable become a lien on March 6, 2023.

NOTE 6. CAPITAL ASSETS

Capital asset activity for the fiscal year ended December 31, 2022 is as follows:

Governmental activities	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Capital assets, not being depreciated:					
Land	$ 1,929,967	$ -	$ -	$ -	$ 1,929,967
Construction in progress	-	804,754	-	-	804,754
Total	1,929,967	804,754	-	-	2,734,721
Capital assets, being depreciated:					
Buildings and improvements	16,112,449	93,557	-	-	16,206,006
Machinery and equipment	4,443,609	1,230,424	-	-	5,674,033
Vehicles	2,833,960	530,890	(112,143)	-	3,252,707
Infrastructure	50,882,877	-	-	-	50,882,877
Total	74,272,895	1,854,871	(112,143)	-	76,015,623
Less accumulated depreciation for:					
Buildings and improvements	9,523,947	338,320	-	-	9,862,267
Machinery and equipment	3,419,568	205,451	-	-	3,625,019
Vehicles	2,111,834	270,512	(112,143)	-	2,270,203
Infrastructure	46,320,013	248,435	-	-	46,568,448
Total	61,375,362	1,062,718	(112,143)	-	62,325,937
Total capital assets, being depreciated, net	12,897,533	792,153	-	-	13,689,686
Governmental activities capital assets, net	$ 14,827,500	$ 1,596,907	$ -	$ -	$ 16,424,407

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

Governmental activities:	
General government	$ 59,709
Judicial	759
Public safety	466,632
Public works	388,202
Health and welfare	113,450
Culture and recreation	28,933
Housing and development	5,033
Total depreciation expense - governmental activities	$ 1,062,718

NOTE 7. LONG-TERM DEBT

The following is a summary of long-term debt activity for the primary government for the fiscal year ended December 31, 2022:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities					
Financed purchases	$ 117,776	$ -	$ 117,776	$ -	$ -
Revenue bonds payable	3,500,000	-	147,000	3,353,000	152,000
General obligation bonds payable	-	10,215,000	-	10,215,000	1,900,000
Landfill post-closure costs	447,453	18,345	-	465,798	-
Net pension liability	938,622	978,192	1,226,921	689,893	-
Totals	$ 5,003,851	$ 11,211,537	$ 1,491,697	$ 14,723,691	$ 2,052,000

For governmental activities, net pension liability is ordinarily liquidated by the General Fund.

Revenue Bonds

The County issues bonds where the County pledges revenues derived from the acquired assets to pay debt service. The County's revenue bonds outstanding as of December 31, 2022 are as follows:

	Interest Rate	Balance at December 31, 2022
Public Facilities Authority, Series 2021A	1.71%	$ 3,074,000
Public Facilities Authority, Series 2021B	1.16%	279,000
		$ 3,353,000

During the year ended December 31, 2021, the Public Facilities Authority issued revenue bonds (Series 2021A and Series 2021B). The proceeds of these bonds were used to finance the cost of acquiring, constructing, and equipping a new County administration building for Lamar County. Interest on the Series 2021A bonds is 1.71% and the Series 2021B bonds is 1.16%. Principal and interest are payable semi-annually on April 15 and October 15 beginning April 15, 2022. Principal payments range from $28,000 to $205,000 through April 15, 2041 for the Series 2021A bonds and range from $45,000 to $47,000 through October 15, 2025 for the Series 2021B bonds.

NOTE 7. LONG-TERM DEBT (CONTINUED)

Revenue Bonds (Continued)

Annual debt service requirements to maturity for governmental activity revenue bonds as of December 31, 2022 are as follows:

Fiscal Year	Principal	Interest	Total
2023	$ 152,000	$ 55,287	$ 207,287
2024	154,000	53,185	207,185
2025	156,000	51,049	207,049
2026	158,000	48,761	206,761
2027	161,000	46,050	207,050
2028 – 2032	849,000	187,724	1,036,724
2033 – 2037	925,000	112,236	1,037,236
2038 – 2041	798,000	30,139	828,139
	$ 3,353,000	$ 584,431	$ 3,937,431

General Obligation Bonds

The County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the County. General obligation bonds at June 30, 2022 consisted of the following:

	Interest Rate	Balance at December 31, 2022
TSPLOST General Obligation Bond	1.56%	$ 10,215,000
		$ 10,215,000

On February 16, 2022, the County issues general obligation bonds (General Obligation Transportation Sales Tax Bond, Series 2022). The proceeds of these bonds were used to pay a portion of the County's paving projects, portions owed to cities of the County, and the costs of issuing bonds. Interest on bonds will be payable semi-annually on November 1 and May 1 with principal payable annually beginning May 2023 ranging from $1,900,000 to $2,135,000.

NOTE 7. LONG-TERM DEBT

General Obligation Bonds (Continued)

The general obligation bond debt service requirements to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2023	$ 1,900,000	$ 144,534	$ 2,044,534
2024	2,000,000	114,114	2,114,114
2025	2,075,000	82,329	2,157,329
2026	2,105,000	49,725	2,154,725
2027	2,135,000	16,653	2,151,653
	$ 10,215,000	$ 407,355	$ 10,622,355

NOTE 8. LEASES

Lease receivable

During the current year, the County began leasing three store fronts in a County owned building to third parties. The lease is for six years and the County will receive monthly payments of $4,496. The County recognized $40,941 in lease revenue and $5,354 in interest revenue during the current fiscal year related to this lease. As of December 31, 2022, the County's receivable for lease payments was $196,030. Also, the County has a deferred inflow of resources associated with this lease that will be recognized as revenue over the lease term. As of December 31, 2022, the balance of the deferred inflow of resources was $196,030.

NOTE 9. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of December 31, 2022 is as follows:

Receivable Fund	Payable Fund	Amount
General fund	ARPA fund	$ 115,053
General fund	Public Facilities Authority fund	153,635
General fund	Nonmajor governmental funds	35,674
Nonmajor governmental funds	General fund	133,351
		$ 437,713

NOTE 9. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)

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

Interfund transfers:

Transfers In	Transfers Out	Amount
Public Facilities Authority fund	General fund	$ 35,673
TSPLOST fund	General fund	50
General fund	Nonmajor governmental funds	748,860
		$ 784,583

Transfers are used to: 1) move revenues from the fund that the statute or budget requires to collect them to the fund that the statute or budget requires to expend them, and 2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 10. JOINT VENTURE

Under Georgia law, the County, in conjunction with other cities and counties in a ten-county central Georgia area, is a member of the Three Rivers Regional Commission ("RC") and is required to pay annual dues thereto. During its year ended December 31, 2022, the County paid $12,034 in such dues. Membership in an RC is required by the Official Code of Georgia Annotated ("O.C.G.A.") §50-8-34 which provides for the organizational structure of the RC. The RC Board membership is made up of representatives appointed by each county seat and respective county government members and also includes private citizens and minority representatives. O.C.G.A. §50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC. Information concerning the financial statements may be obtained from:

Three Rivers Regional Commission
P.O. Box 818
Griffin, Georgia 30224

NOTE 11. 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 ("ACCG") Lamar 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 ACCG Third Restated Defined Benefit Plan (the "ACCG Plan"), an agent multiple-employer pension plan administered by GEBCorp and affiliated with the 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

Plan Membership

As of January 1, 2021, pension plan membership consisted of the following:

Inactive plan members of beneficiaries currently receiving benefits	45
Inactive plan members entitled to but not receiving benefits	91
Active plan members	87
	223

NOTE 11. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Primary Government (Continued)

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 for the Plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the Plan. The funding policy for the Plan, as adopted by the County 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 unfunded accrued liability. The County is required to contribute the actuarially determined rate. For the year ended December 31, 2022, the County's contribution rate was 9.53% of annual payroll. County contributions to the Plan were $318,369 for the year ended December 31, 2022.

Net Pension Liability of the County

The County's net pension liability was measured as of December 31, 2021. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2021, with updated procedures performed by the actuary to roll forward to the total pension liability measured as of December 31, 2021.

Actuarial Assumptions. The total pension liability in the January 1, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary increases	2.00% – 4.00%, including inflation
Investment rate of return	7.00%, net of pension plan investment expense, including inflation

Mortality rates were based on the Pub-2010 Amount Weighted mortality table with a blend of 50% of the General Employees Table and 50% of the Public Safety Employees with Scale AA to 2020.

The actuarial assumptions used in the January 1, 2021 valuation were based on the results of an actuarial experience study through February 2019.

NOTE 11. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Primary Government (Continued)

Net Pension Liability of the County (Continued)

Actuarial Assumptions (Continued): The long-term expected rate of return on pension plan investments was determined through a blend of using a building-block method based on 20-year benchmarks (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 returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2021, are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return*
Fixed Income	30 %	1.17 %
Large Cap	30	2.31
International	15	1.25
SMid Cap Core	10	0.78
Private Real Estat	5	0.41
Global Core	5	0.42
US Equity Core	5	0.39
	100 %	

* Rates shown are net of the 3.00% assumed rate of inflation.

Discount Rate. The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that County contributions will be made at rates equal to the 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 of the projected benefit payments to determine the total pension liability.

NOTE 11. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Primary Government (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 December 31, 2022 were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at December 31, 2021	$ 7,059,439	$ 6,120,817	$ 938,622
Changes for the year:			
Service cost	171,799	-	171,799
Interest	482,580	-	482,580
Differences between expected and actual experience	143,152	-	143,152
Assumption changes	22,005	-	22,005
Contributions - employer	-	318,369	(318,369)
Net investment income	-	908,552	(908,552)
Benefit payments, including refunds of employee contributions	(330,884)	(330,884)	-
Administrative expenses	-	(32,130)	32,130
Other changes	-	(126,526)	126,526
Net changes	488,652	737,381	(248,729)
Balances at December 31, 2022	$ 7,548,091	$ 6,858,198	$ 689,893

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

NOTE 11. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Primary Government (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%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1.00% Decrease (6.00%)	Current Discount Rate (7.00%)	1.00% Increase (8.00%)
County's net pension liability	$ 1,778,018	$ 689,893	$ (200,727)

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, 2021, and the current sharing pattern of costs between employer and employee.

NOTE 11. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Primary Government (Continued)

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

For the year ended December 31, 2022, the County recognized pension expense of $245,093. At December 31, 2022, the County reported deferred outflows 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	$ 124,683	$ (49,363)
Changes in actuarial assumptions	101,058	(744)
Net difference between projected and actual earnings on pension plan investments	-	(709,173)
Total	$ 225,741	$ (759,280)

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

Fiscal Year Ending December 31,	
2023	$ (50,097)
2024	(257,089)
2025	(132,507)
2026	(93,846)
	$ (533,539)

NOTE 12. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which, except as described in the following paragraph, the County carries commercial insurance in amounts deemed prudent by County management.

The County participates in the Georgia Interlocal Risk Management Agency Property and Liability Insurance Fund and the Association of County Commissioners of Georgia Group Self-Insurance Workers' Compensation Fund, public entity risk pools currently operating as common risk management and insurance programs for member local governments.

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

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

There have been no significant reductions of insurance coverage from coverage in the prior year, and settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

NOTE 13. CONTINGENCIES AND COMMITMENTS

Grant Contingencies

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

Litigation

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

NOTE 14. LANDFILL POST-CLOSURE COSTS

Effective November 1, 2002, the Lamar County Landfill was closed and no additional waste has been accepted. According to state and federal laws and regulations, the County must perform certain maintenance and monitoring functions at the site for a minimum of 30 years. Engineering studies estimate post-closure costs of approximately $465,798 over the remaining 16-year period. These costs are based on what it would cost to perform all post-closure care in 2022. Actual costs may be higher due to changes in inflation, changes in technology, or changes in regulations. Should any problems occur during this post-closure period, the costs and time period required for the maintenance and monitoring functions may substantially increase.

REQUIRED SUPPLEMENTARY INFORMATION

LAMAR COUNTY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE COUNTY'S NET PENSION LIABILITY
AND RELATED RATIOS
FOR THE FISCAL YEAR ENDED DECEMBER 31,

	2022	2021	2020	2019
Total pension liability				
Service cost	**$ 171,799**	$ 160,053	$ 144,201	$ 139,786
Interest on total pension liability	**482,580**	466,706	417,930	410,218
Differences between expected and actual experience	**143,152**	(107,435)	79,636	6,527
Changes of assumptions	**22,005**	10,990	319,806	(15,616)
Benefit payments	**(330,884)**	(276,218)	(253,333)	(214,190)
Net change in total pension liability	**488,652**	254,096	708,240	326,725
Total pension liability - beginning, as restated	**7,059,439**	6,805,343	6,097,103	5,770,378
Total pension liability - ending (a)	**7,548,091**	7,059,439	6,805,343	6,097,103
Plan fiduciary net position				
Contributions - employer	**318,369**	278,832	257,000	223,006
Net investment income	**908,552**	742,330	932,070	(213,053)
Benefit payments	**(330,884)**	(276,218)	(253,333)	(224,377)
Administrative expenses	**(32,130)**	(30,586)	(30,487)	(18,833)
Other	**(126,526)**	(26,735)	(61,617)	(29,185)
Net change in fiduciary net position	**737,381**	687,623	843,633	(262,442)
Plan fiduciary net position - beginning, as restated	**6,120,817**	5,433,194	4,589,561	4,852,003
Plan fiduciary net position - ending (b)	**6,858,198**	6,120,817	5,433,194	4,589,561
County's net pension liability - ending (a) - (b)	**$ 689,893**	$ 938,622	$ 1,372,149	$ 1,507,542
Plan fiduciary net position as a percentage of total pension liability	**90.86%**	86.70%	79.84%	75.27%
Covered payroll	**$ 3,083,777**	$ 2,826,145	$ 2,975,437	$ 2,818,110
County's net pension liability as a percentage of covered payroll	**22.37%**	33.21%	46.12%	53.49%

Notes to the Schedule

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

2018	2017	2016
$ 136,419	$ 131,307	$ 128,514
395,817	375,770	336,764
(81,033)	(22,380)	72,166
(28,998)	184,524	177,715
(222,755)	(217,138)	(172,990)
199,450	452,083	542,169
5,570,928	5,118,845	4,576,676
5,770,378	5,570,928	5,118,845
272,873	271,122	253,939
650,125	283,889	26,025
(222,755)	(217,138)	(172,990)
(16,314)	(19,861)	(17,135)
(29,096)	(42,563)	(56,527)
654,833	275,449	33,312
4,197,170	3,921,721	3,888,409
4,852,003	4,197,170	3,921,721
$ 918,375	$ 1,373,758	$ 1,197,124
84.08%	75.34%	76.61%
$ 2,687,509	$ 2,686,516	$ 2,845,426
34.17%	51.14%	42.07%

LAMAR COUNTY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF COUNTY CONTRIBUTIONS
FOR THE FISCAL YEAR ENDED DECEMBER 31,

	2022	2021	2020	2019
Actuarially determined contribution	**$ 318,369**	$ 278,832	$ 257,000	$ 223,006
Contributions in relation to the actuarially determined contribution	**318,369**	278,832	257,000	223,006
Contribution deficiency (excess)	**$ -**	$ -	$ -	$ -
Covered payroll	**$ 3,341,409**	$ 3,083,777	$ 2,826,145	$ 2,975,437
Contributions as a percentage of covered payroll	**9.53%**	9.04%	9.09%	7.49%

Notes to the Schedule

Valuation Date	January 1, 2021
Cost Method	Entry Age Normal
Actuarial Asset Valuation Method	Smoothed market value with a five-year smoothing period
Assumed Rate of Return on Investments	7.00%
Projected Salary Increases	2.50% – 5.5% (including 3.00% inflation)
Amortization Method	Closed level dollar for unfunded liability
Remaining Amortization Period	None remaining

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

2018	2017	2016	2015
$ 272,873	$ 271,122	$ 253,939	$ 249,930
272,873	271,122	253,939	249,930
$ -	$ -	$ -	$ -
$ 2,818,110	$ 2,687,509	$ 2,686,516	$ 2,845,426
9.68%	10.09%	9.45%	8.78%

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Drug Seizure Fund – To account for monies deemed as forfeited property by courts to the County from cases related to illegal drug activity.

Law Library Fund – To account for costs of operating and maintaining the County Law Library.

Drug Court Fund – To account for the expenditures of monies from the County Drug Abuse Treatment Fund. Financing is provided by the collection of an add-on fine as allowed by state law.

E911 Fund – To account for the operations of the County's E911 system.

Hotel/Motel Fund – To account for hotel/motel taxes collected.

CAPITAL PROJECTS FUND

Capital Projects Fund – To account for the acquisition of specific capital assets and construction or improvement of major capital projects.

LAMAR COUNTY, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2022

	Special Revenue Funds				
	Drug Seizure Fund	Law Library Fund	Drug Court Fund	E911 Fund	Hotel/Motel Fund
ASSETS					
Cash	$ 38,584	$ 9,453	$ 8,298	$ 63,324	$ 7,581
Accounts receivable	-	-	468	-	-
Due from other governments	-	-	-	58,759	-
Due from other funds	-	-	-	133,351	-
Total assets	$ 38,584	$ 9,453	$ 8,766	$ 255,434	$ 7,581
LIABILITIES					
Accounts payable	$ -	$ -	$ 17,500	$ 5,064	$ -
Accrued liabilities	-	-	-	8,351	-
Due to other funds	-	-	35,674	-	-
Total liabilities	$ -	$ -	$ 53,174	$ 13,415	$ -
FUND BALANCES (DEFICITS)					
Restricted for:					
Public safety	$ 38,584	$ 9,453	$ -	$ 242,019	$ -
Housing and development	-	-	-	-	7,581
Unassigned	-	-	(44,408)	-	-
Total fund balances (deficits)	$ 38,584	$ 9,453	$ (44,408)	$ 242,019	$ 7,581

Capital Projects Fund	Total
$ -	$ 127,240
-	468
-	58,759
-	133,351
$ -	$ 319,818
$ 171	$ 22,735
-	8,351
-	35,674
$ 171	$ 66,760
$ -	$ 290,056
-	7,581
(171)	(44,579)
$ (171)	$ 253,058

LAMAR COUNTY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

	Special Revenue Funds				
	Drug Seizure Fund	Law Library Fund	Drug Court Fund	E911 Fund	Hotel/Motel Fund
Revenues					
Intergovernmental	$ -	$ -	$ -	$ -	$ -
Fines and forfeitures	342,350	8,072	20,719	-	-
Charges for services	-	-	-	380,499	3,641
Investment income	-	-	1	10	-
Total revenues	342,350	8,072	20,720	380,509	3,641
Expenditures					
Current:					
Public safety	372,574	10,229	63,002	391,462	-
Housing and development	-	-	-	-	72
Total expenditures	372,574	10,229	63,002	391,462	72
Excess (deficiency) of revenues over expenditures	(30,224)	(2,157)	(42,282)	(10,953)	3,569
Other financing uses					
Transfers out	-	-	-	-	-
Net change in fund balances	(30,224)	(2,157)	(42,282)	(10,953)	3,569
Fund balances (deficit), beginning of year	68,808	11,610	(2,126)	252,972	4,012
Fund balances (deficits), end of year	$ 38,584	$ 9,453	$ (44,408)	$ 242,019	$ 7,581

Capital Projects Fund	Total
$ 160,834	$ 160,834
-	371,141
-	384,140
41	52
160,875	916,167
-	837,267
-	72
-	837,339
160,875	78,828
(748,860)	(748,860)
(587,985)	(670,032)
587,814	923,090
$ (171)	$ 253,058

CUSTODIAL FUNDS

Tax Commissioner – To account for the collection and payment to the County and other taxing units of the property taxes levied, billed, and collected by the Tax Commissioner on behalf of the County and other taxing units.

Clerk of Superior Court – To account for all monies received by the Clerk of Superior Court on behalf of individuals, private organizations, other governmental units, and other funds.

Probate Court – To account for all monies received by the Probate Court on behalf of individuals, private organizations, other governmental units, and other funds.

Magistrate Court – To account for all monies received by the Magistrate Court on behalf of individuals, private organizations, other governmental units, and other funds.

Sheriff – To account for all monies received by the Sheriff's Department on behalf of individuals, private organizations, other governmental units, and other funds.

LAMAR COUNTY, GEORGIA

CUSTODIAL FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
DECEMBER 31, 2022

	Tax Commissioner	Clerk of Superior Court	Probate Court	Magistrate Court
ASSETS				
Cash	$ 593,998	$ 275,416	$ 66,570	$ 66,746
Taxes receivable	1,235,883	-	-	-
Total assets	1,829,881	275,416	66,570	66,746
LIABILITIES				
Due to others	502,712	154,490	8,600	2,671
Uncollected taxes	1,235,883	-	-	-
Total liabilities	1,738,595	154,490	8,600	2,671
NET POSITION				
Restricted for individuals, organizations, and other governments	$ 91,286	$ 120,926	$ 57,970	$ 64,075

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

Sheriff	Total
$ 501,096	$ 1,503,826
-	1,235,883
501,096	2,739,709
-	668,473
-	1,235,883
-	1,904,356
$ 501,096	$ 835,353

LAMAR COUNTY, GEORGIA

CUSTODIAL FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2022

	Tax Commissioner	Clerk of Superior Court	Probate Court	Magistrate Court
ADDITIONS				
Taxes collected	$ 15,817,768	$ -	$ -	$ -
Fines and fees collected	-	1,215,941	254,260	101,841
Total additions	15,817,768	1,215,941	254,260	101,841
DEDUCTIONS				
Taxes disbursed	15,842,107	-	-	-
Fines and fees disbursed	-	1,177,414	268,560	99,064
Total deductions	15,842,107	1,177,414	268,560	99,064
Change in net position	(24,339)	38,527	(14,300)	2,777
Net position, beginning of year	115,625	82,399	72,270	61,298
Net position, end of year	$ 91,286	$ 120,926	$ 57,970	$ 64,075

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

Sheriff	Total
$ -	$ 15,817,768
722,340	2,294,382
722,340	18,112,150
-	15,842,107
831,948	2,376,986
831,948	18,219,093
(109,608)	(106,943)
610,704	942,296
$ 501,096	$ 835,353

LAMAR COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS - 2017 ISSUE
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

Project Description	Original Estimated Cost	Current Estimated Cost	Expenditures		
			Revised Prior Years	Current Year	Total
City of Barnesville	$ 3,559,235	$ 3,559,235	$ 3,285,419	$ 1,137,351	$ 4,422,770
City of Milner	374,656	374,656	374,656	101,192	475,848
Town of Aldora	93,664	93,664	93,664	25,298	118,962
Lamar County					
Tax assessors	28,000	28,000	-	-	-
Code enforcement	28,000	28,000	-	-	-
Administration	28,000	28,000	-	-	-
Maintenance	28,000	28,000	-	-	-
Facilities improvements	93,300	494,647	-	494,647	494,647
Sheriff	696,000	696,000	862,871	171,206	1,034,077
Detention center	85,000	85,000	97,000	14,630	111,630
Fire equipment	500,000	661,106	326,039	661,106	987,145
Roads and bridges	2,755,450	2,755,450	1,654,409	692,618	2,347,027
Public works equipment	379,000	379,000	487,268	145,473	632,741
Recreation and parks	465,000	465,000	14,965	281,702	296,667
Animal shelter	253,104	253,104	13,094	-	13,094
Total	$ 9,366,409	$ 9,928,862	$ 7,209,385	$ 3,725,223	$ 10,934,608

LAMAR COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF
TRANSPORTATION SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS - 2021 ISSUE
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

Project Description	Original Estimated Cost	Current Estimated Cost	Expenditures		
			Revised Prior Years	Current Year	Total
City of Barnesville	$ 4,392,000	$ 4,392,000	$ -	$ 3,600,252	$ 3,600,252
City of Milner	488,000	488,000	-	400,028	400,028
Town of Aldora	366,000	366,000	-	300,021	300,021
Lamar County					
Paving projects	6,630,141	6,630,141	-	61,545	61,545
Bond issuance costs	323,859	323,859	-	323,859	323,859
Total	$ 12,200,000	$ 12,200,000	$ -	$ 4,685,705	$ 4,685,705

COMPLIANCE SECTION

MAULDIN & JENKINS
CPAs & ADVISORS

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

Board of Commissioners
of Lamar County, Georgia
Barnesville, Georgia

We have audited, in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States *("Government Auditing Standards")*, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Lamar County, Georgia (the "County"), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated August 4, 2023. Our report includes a reference to other auditors who audited the financial statements of the Lamar County Board of Health (the "Board of Health") and the Barnesville-Lamar County Library (the "Library"), as described in our report on the County's financial statements. This report does not include the results of other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that have not been identified. We identified certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as items 2022-001 through 2022-003 that we consider to be material weaknesses.

Report on Compliance and Other Matters

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

Lamar County, Georgia's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. The County's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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

Mauldin & Jenkins, LLC

Macon, Georgia
August 4, 2023

MAULDIN & JENKINS
CPAs & ADVISORS

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

Board of Commissioners
of Lamar County, Georgia
Barnesville, Georgia

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Lamar County, Georgia's (the "County") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2022. The County's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America ("GAAS"); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States *("Government Auditing Standards")*; 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the County's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2022-004. Our opinion on the major federal program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the noncompliance finding identified in our audit described in the accompanying Schedule of Findings and Questioned Costs. The County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a material weakness.

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. We consider the deficiency in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 2022-004 to be a material weakness.

A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the internal control over compliance finding identified in our audit described in the accompanying Schedule of Findings and Questioned Costs. The County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

Mauldin & Jenkins, LLC

Macon, Georgia
August 4, 2023

LAMAR COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

Federal Grantor/Pass-through Grantor/Program Title	Federal AL Number	Grant Identification Number	Total Expenditures
U.S. Department of Agriculture			
Direct Award			
Regional Conservation Partnership Program	10.932	GACD-02-19-008	$ 11,994
Total U.S. Department of Agriculture			**11,994**
U.S. Department of Justice			
(Passed through Criminal Justice Coordinating Council)			
VOCA Victim Assistance Formula Grant	16.575	C20-8-118	38,957
Total U.S. Department of Justice			**38,957**
U.S. Department of Treasury			
Direct Award			
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	956,061
Total U.S. Department of Treasury			**956,061**
U.S. Department of Health and Human Services			
(Passed through Georgia Department of Human Resources)			
Nutrition Services and CARES Act for Nutrition Services under Title III-C of the Older Americans Act	93.045	04-171-AAA-2021	30,176
Nutrition Services and CARES Act for Nutrition Services under Title III-C of the Older Americans Act	93.045	04-171-AAA-2022	28,844
COVID-19 - FFCRA HDM and CARES Act HDM	93.053	04-171-AAA-2021	1,359
COVID-19 - FFCRA HDM and CARES Act HDM	93.053	04-171-AAA-2022	2,225
Nutrition Services Incentive Program	93.045	04-171-AAA-2021	19,310
Nutrition Services Incentive Program	93.045	04-171-AAA-2022	18,000
Total Aging Cluster			99,914
Total U.S. Department of Health and Human Services			**99,914**
Total Expenditures of Federal Awards			**$ 1,106,926**

N/A - not available

LAMAR COUNTY, GEORGIA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

NOTE 1. BASIS OF PREPARATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Lamar County, Georgia (the "County"), and is presented on the modified accrual basis of accounting.

The information in this schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations (CFR)* Part 200*, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in the schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 2. DE MINIMIS INDIRECT COST RATE

The City chose not to use the 10% de minimis cost rate for the year ended December 31, 2022.

NOTE 3. SUBRECIPIENTS

The City did not pass through any funds to subrecipients during the year ended December 31, 2022.

LAMAR COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

SECTION I
SUMMARY OF AUDIT RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP.	Unmodified
Internal control over financial reporting: Material weaknesses identified?	X Yes ____ No
Significant deficiencies identified not considered to be material weaknesses?	____ Yes X None Reported
Noncompliance material to financial statements noted?	X Yes ____ No

Federal Awards

Internal control over major programs: Material weaknesses identified?	X Yes ____ No
Significant deficiencies identified not considered to be 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 2 CFR 200.516(a)?	X Yes ____ None Reported

Identification of major program:

AL Number	Name of Federal Program or Cluster
	Department of Treasury
21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Fund

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

LAMAR COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES

2022-001 – Segregation of Duties (Repeat Finding)

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.

Condition: There is not appropriate segregation of duties among recording, distribution, and reconciliation of cash accounts and other operational functions in various funds administered by the County. Further, we noted a general lack of segregation of duties. We noted bank statements were being reconciled by employees of the elected officials and the County office with no consistent review of the reconciled statements being performed.

- Sheriff's Office – one individual with the authority to open the mail, prepare and make deposits, sign and mail checks, and post transactions to the general ledger also reconciles bank statements. In addition, we noted no independent review of the reconciled bank statements. This is due to staff limitations.
- Tax Commissioner Office – one individual with the authority to prepare and sign checks also reconciles the bank statement. In addition, we noted no independent review of the reconciled bank statements. This is due to staff limitations.
- Magistrate Court – one individual with the authority to prepare and sign checks also has the authority to prepare and make deposits. In addition, we noted no independent review of the reconciled bank statements. This is due to staff limitations.
- Probate Court – one individual with the authority to prepare and sign checks also reconciles the bank statement. In addition, we noted no review of the reconciled bank statements. This is due to staff limitations.
- Superior Court – one individual with the authority to prepare and sign checks also reconciles the bank statement. In addition, we noted no independent review of the reconciled bank statements. We also noted the Superior Court was not making timely deposits of cash receipts to the bank or making timely disbursements to respective payees during the fiscal year. This is due to staff limitations.
- County Office – one individual with the authority to open and distribute the mail also prepares deposits. In addition, we noted one individual with the authority to make system and/or program changes also has the ability to post transactions to the general ledger and has access to cash.

Context: Several instances of overlapping duties were noted during interviews regarding internal control procedures.

Effects: Failure to properly segregate duties can lead to misappropriation of funds that is not detected during the normal course of business.

Cause: The lack of segregation of duties is primarily due to the limited number of individuals in each office available to perform all of the duties.

Recommendation: We recommend the County and elected officials review the duties and access of all employees and implement procedures to ensure adequate segregation of duties.

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES (CONTINUED)

2022-001 – Segregation of Duties (Repeat Finding) (Continued)

Views of Responsible Officials and Planned Corrective Action: We concur with the finding. We will continue to review and improve policies and procedures in an effort to eliminate error and identify deficiencies from both operational and financial perspectives.

2022-002 – General Accounting Matters/Close-Out Procedures (Repeat Finding)

Criteria: Internal control is a process designed to provide reasonable assurance about the achievement of an entity's objectives with regard to the reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations. Internal control is also a process of safeguarding assets against unauthorized acquisition, use, or disposition, and includes controls related to financial reporting and operations objectives. Generally accepted accounting principles require assets, liabilities, revenues and expenditures to be recognized in the accounting period in which they become both measurable (and available). Further, a fundamental principle in accounting and financial reporting is the notion of timely recognition and recording of financial and non-financial transactions and activities.

Condition: During our audit, we noted several instances of accounting, reporting and reconciling not being properly performed and reviewed during the fiscal year, which required additional effort to close the County's 2022 fiscal year. Significant adjustments were determined and required to be recorded in the months that followed December 31, 2022. We noted deficiencies in completeness and accuracy. Specifically, we noted a lack of accurate financial and non-financial information needed as noted below:

- to properly maintain and reconcile accounts payable on a periodic basis throughout the year;
- to properly maintain and reconcile accounts receivable throughout the year;
- to properly maintain cash accounts on a periodic basis throughout the year;
- to properly maintain general ledgers, subsidiary ledgers, and related reconciliations; and
- to close-out and report activities, events and transactions on a periodic basis.

We believe it is important to note that we observed a genuine interest by the County's accounting personnel in their desire to learn and assume greater responsibilities for the County's accounting and financial reporting and noticed great improvement subsequent to the current year's audit.

Context: We addressed the matter with the County to determine the appropriate actions are taken so as to properly complete general accounting matters/close-out procedures at December 31, 2022.

Effects: The ultimate effect of the above condition is the potential for errors and irregularities to occur and not be detected and corrected in a timely manner.

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES (CONTINUED)

2022-002 – General Accounting Matters/Close-Out Procedures (Repeat Finding) (Continued)

Cause: There was a lack of appropriate controls implemented at the County during the fiscal year to properly maintain financial and non-financial information and to properly close-out the year-end.

Recommendation: We recommend the County consider a variety of options to addressing the above condition. In no particular order, the County needs to look at the respective staffing of the accounting function, and determine if an adequate number of qualified people are currently available to address the condition. The County also needs to consider and evaluate its strengths and weaknesses relative to the accounting function, and take measures to address the concerns noted above with a goal of providing appropriate recording, reconciling and reporting of County operations and financial and non-financial activities. We also recommend the County seek the expertise of a technician to come in and diagnose the issues with the County's accounting software related to the accounts payable, capital assets, and debt to improve the overall audit.

Views of Responsible Officials and Planned Corrective Action: We concur with the finding. We will continue to review and improve policies and procedures in an effort to eliminate error and identify deficiencies from both operational and financial perspectives.

2022-003 – Schedule of Expenditures of Federal Awards

Criteria: 2 CFR 200.302(b)(1) states that all non-federal entities must identify in its accounts all federal awards received and expended. The Schedule of Expenditures of Federal Awards ("SEFA"), as required by 2 CFR 200.510(b), should be derived from, and relate directly to, the underlying accounting and other records used to prepare the financial statements of the County.

Condition: During our audit, we noted that internal controls were not in place to accurately prepare the SEFA. The County prepared the SEFA based on subsidiary reports and agreements from various departments throughout the County.

Context: We addressed the matter with the County to determine the appropriate classification of grant activity in order to accurately present the Schedule of Expenditures of Federal Awards at December 31, 2022.

Effects: The County was able to timely produce a SEFA, however, multiple adjustments were needed to appropriately classify grants as state or federal.

Cause: There was a lack of appropriate controls implemented at the County during the fiscal year to properly report grant activity and present the SEFA.

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES (CONTINUED)

2022-003 – Schedule of Expenditures of Federal Awards (Continued)

Recommendation: We recommend the County implement procedures to increase communication between the finance department and the various departments overseeing grant activity. Due to the degree of decentralization of the grant accounting and reporting, multiple hurdles existed in obtaining the correct information for reporting in the County's financial statements in accordance with the Uniform Guidance.

Views of Responsible Officials and Planned Corrective Action: We concur with the finding. We will continue to review and improve policies and procedures to help with timely and accurate financial reporting of the grant activities.

SECTION III
FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

2022-004 – Reporting Requirements for Federally Funded Projects – U.S. Department of Treasury Coronavirus State and Local Fiscal Recovery Funds, (Assistance Listing #21.027)

Criteria: Internal controls should be in place to ensure that periodic reporting requirements are submitted in a timely fashion by the due date.

Condition: During our testing of reporting requirements, it was noted that the CSFLRF annual report was not submitted by the April 30, 2023 deadline. The annual report was instead submitted on May 4, 2023.

Context: See condition above.

Cause: As this was a new program for the County with changing reporting requirements and allowable costs/activities, the County did not realize that this report was required to be submitted by the April 30, 2023 deadline regardless of when funds were expended.

Effects: Not submitting annual status reports by the deadline violates grant agreements and could result in a delay in the receipt of federal funding.

Questioned Costs: None.

Recommendations: We recommend that the County implement a procedure to ensure that grant award documents are carefully reviewed and any reporting requirements are identified and adhered to.

Auditee's Response: We concur with the finding. We will continue to review and improve policies and procedures in an effort to eliminate error and identify deficiencies from both operational and financial perspectives.

LAMAR COUNTY, GEORGIA

SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

2021-001 – Segregation of Duties

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.

Condition: There is not appropriate segregation of duties among recording, distribution, and reconciliation of cash accounts and other operational functions in various funds administered by the County. Further, we noted a general lack of segregation of duties. We noted bank statements were being reconciled by employees of the elected officials and the County office with no consistent review of the reconciled statements being performed.

Status: Unresolved. See current year financial audit finding 2022-001.

2021-002 – General Accounting Matters/Close-Out Procedures

Criteria: Internal control is a process designed to provide reasonable assurance about the achievement of an entity's objectives with regard to the reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations. Internal control is also a process of safeguarding assets against unauthorized acquisition, use, or disposition, and includes controls related to financial reporting and operations objectives. Generally accepted accounting principles require assets, liabilities, revenues and expenditures to be recognized in the accounting period in which they become both measurable (and available). Further, a fundamental principle in accounting and financial reporting is the notion of timely recognition and recording of financial and non-financial transactions and activities.

Condition: During our audit, we noted an inordinate amount of accounting, reporting and reconciling was not properly performed and reviewed during the fiscal year which required a significant effort to close the County's 2020 fiscal year. Significant adjustments were determined and required to be recorded in the months that followed December 31, 2020. Further, and throughout the course of the audit process, we noted there was an overall lack of proper and adequate accounting on a timely basis. We noted deficiencies in timeliness, completeness, and accuracy.

Status: Unresolved. See current year financial finding 2022-002.

2021-003 – Schedule of Expenditures of Federal Awards

Criteria: 2 CFR 200.302(b)(1) states that all non-federal entities must identify in its accounts all federal awards received and expended. The Schedule of Expenditures of Federal Awards ("SEFA"), as required by 2 CFR 200.510(b), should be derived from, and relate directly to, the underlying accounting and other records used to prepare the financial statements of the County.

Condition: During our audit, we noted that internal controls were not in place to accurately prepare the SEFA. The County prepared the SEFA based on subsidiary reports and agreements from various departments throughout the County.

Status: Partially resolved. See current year financial finding 2022-003.

LAMAR COUNTY, GEORGIA

SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

2021-004 – Budgetary Requirements

Criteria: Georgia Statutes (O.C.G.A. §36-81) establish budgetary requirements for governmental entities that there be a legal level of control at a minimum to be at the department level. In addition, each unit of local government shall adopt and operate under an annual balanced budget for the General Fund, each special revenue fund, and each debt service fund in use by the local government. The annual balanced budget shall be adopted by ordinance or resolution and administered in accordance with this article.

Condition: For the year ended December 31, 2021, the County was in violation of State budget statutes. An annual budget was not adopted for the ARPA Fund.

Status: Resolved.

Lamar County Board of Commissioners

Lamar County
408 Thomaston Street
Barnesville, Georgia 30204

Ryran Traylor, Chairman
Nancy Thrash, Vice Chairman
Jarrod Fletcher, 1st District
Jason Lovett, 2nd District
Ashley Gilles, 3rd District

Sean Townsend, County Administrator
Carlette Davidson, County Clerk
Kristy Johnston, Finance Director
Martha Windle, Accounting Technician
Lesley Kilchriss, Human Resources/Payroll

LAMAR COUNTY, GEORGIA

MANAGEMENT'S CORRECTIVE ACTION PLAN FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

2022-001 Segregation of Duties

Name of Contact Person Responsible for Corrective Action Plan: Sean Townsend, County Administrator

Corrective Action Plan: We concur. The Finance Department will work with Elected officials to review their reconciled statements. The Finance Director is to open and date stamps the mail and checks to ensure all funds are deposited and entry into accounting software is made in a timely manner. Then distribution mail to the proper departments.

Anticipated Completion Date: Fiscal year 2023

2022-002 General Accounting Matters/Close-Out Procedures

Name of Contact Person Responsible for Corrective Action Plan: Sean Townsend, County Administrator

Corrective Action Plan: The County plans to update current practices in effort to eliminate or reduce errors, identify deficiencies from both operational and financial perspectives by reviewing and updating current policies. The county also has plans to update its current accounting software to a newer version of ERP system by years end.

Anticipated Completion Date: Fiscal year 2023

2022-003 Schedule of Expenditures of Federal Awards

Name of Contact Person Responsible for Corrective Action Plan: Sean Townsend, County Administrator

Corrective Action Plan: The county has adopted a new Grant policy and procedures to ensure timely and accurate financial reporting.

Anticipated Completion Date: Fiscal year 2023

2022-004 Reporting Requirements for Federally Funded Projects – U.S. Department of Treasury Coronavirus State and Local Fiscal Recovery Funds, (Assistance Listing #21.027)

Name of Contact Person Responsible for Corrective Action Plan: Sean Townsend, County Administrator

Corrective Action Plan: The county has adopted a new Grant policy and procedures to ensure timely and accurate grant submissions.

Anticipated Completion Date: Fiscal year 2023