LINCOLN COUNTY, GEORGIA

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended

June 30, 2022

Lincoln County, Georgia
Annual Financial Report
For The Year Ended June 30, 2022

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INDEPENDENT AUDITOR'S REPORT

Honorable Chairman and Members of the
Board of Commissioners of Lincoln County
Lincolnton, Georgia

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Lincoln County, Georgia (the County), as of and for the year ended June 30, 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, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Lincoln County, Georgia, as of June 30, 2022, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Development Authority of Lincoln County, which represents 90.2% of the assets, 92.0% of the net position, and 50.6% of the revenues of the aggregate discretely presented component units for the year ended June 30, 2022. 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 Development Authority of Lincoln County, is based solely on the report of the other auditors.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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 Lincoln County, Georgia's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 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 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 judgement 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 judgement 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 Lincoln County, Georgia's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Lincoln County, Georgia's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, Schedule of Changes in Net Pension Liability and Related Ratios, and Schedule of Pension Contributions on pages 45-49 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Emphasis of Matter

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

As discussed in Note 1-E-20 to the financial statements, the County adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 87, Leases, and No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32, as of July 1, 2021. These standards changed the accounting for the County's leasing activities and impacted disclosure requirements related to the County's component units and deferred compensation plan. Our opinion is not modified with respect to these matters.

As part of our audit of the financial statements referred to above that collectively comprise the County's basic financial statements as of and for the year ended June 30, 2022, we also audited the adjustments described in Note 4-G to the financial statements that were applied to restate the financial statements of the County for the year ended June 30, 2021. In our opinion, such adjustments are appropriate and have been properly applied to the financial statements. Our opinion is not modified with respect to this matter.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Lincoln County, Georgia's basic financial statements. The combining fund financial statements, the accompanying Section 5311 Transportation Program Statement of Revenues and Expenditures and the accompanying schedules of projects constructed with special purpose local option sales tax proceeds are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of

additional analysis as required by Title 2 U.S. Code of Federal Regulations (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. 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, the accompanying Section 5311 Transportation Program Statement of Revenues and Expenditures and the accompanying schedules of projects constructed with 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 December 21, 2022, on our consideration of Lincoln County, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Lincoln County, Georgia's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Jones, Jones, Davis & Associates

Louisville, Georgia
December 21, 2022

Lincoln County, Georgia
Statement of Net Position
June 30, 2022

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
Assets				
Current Assets				
Cash and cash equivalents	$ 9,074,461	$ 958,357	$10,032,818	$ 872,213
Investments	128,751	-	128,751	-
Receivables:				
Accounts	235,534	125,909	361,443	39,356
Property taxes	83,951	-	83,951	-
Intergovernmental	552,504	-	552,504	6,523
Interfund	145,237	(145,237)	-	-
Other	142,005	-	142,005	-
Capital leases	45,929	-	45,929	-
Notes receivable	-	-	-	65,908
Inventory	14,035	-	14,035	-
Prepaid items	226,788	-	226,788	-
Restricted Assets	-	260,199	260,199	-
Noncurrent Assets				
Capital leases receivable	80,293	-	80,293	-
Note receivable (net of current portion)	-	-	-	1,130,720
Prepaid bond issuance	-	12,246	12,246	-
Land held for investment	-	-	-	244,546
Capital Assets				
Nondepreciable capital assets	431,598	2,060,053	2,491,651	18,877
Depreciable capital assets, net	14,246,554	13,591,788	27,838,342	763,430
Total Assets	25,407,640	16,863,315	42,270,955	3,141,573
Deferred Outflows of Resources				
Deferred outflows of resources-				
State OPEB contributions	-	-	-	9,999
State SEAD-OPEB contributions	-	-	-	273
Retirement contributions	189,629	7,901	197,530	49,600
Total Deferred Outflows of Resources	189,629	7,901	197,530	59,872
Liabilities				
Current Liabilities				
Accounts payable	297,450	240,817	538,267	6,522
Accrued expenses	189,629	29,702	219,331	3,636
Intergovernmental payable	20,724	-	20,724	-
Due to others	4,608	-	4,608	-
Unearned revenues	1,296,980	355,860	1,652,840	-
Compensated absences payable	33,202	-	33,202	-
Capital leases payable	-	1,343	1,343	-
Notes payable	62,019	88,644	150,663	-
Revenue bonds payable	-	145,704	145,704	-
Landfill post-closure care costs payable	-	9,850	9,850	-
Long-Term Liabilities:				
Compensated absences payable (net of current portion)	99,605	8,649	108,254	14,151
Capital leases payable (net of current portion)	-	34,499	34,499	-
Notes payable (net of current portion)	434,117	765,680	1,199,797	-
Landfill post-closure care costs payable (net of current portion)	-	49,250	49,250	-
Net state OPEB liability	-	-	-	7,853
Revenue bonds payable (net of current portion)	-	3,889,871	3,889,871	-
Net pension liability	604,642	25,193	629,835	45,281
Total Liabilities	3,042,976	5,645,062	8,688,038	77,443
Deferred Inflows of Resources				
Unavailable revenues	-	-	-	640,000
Capital leases	123,220	-	123,220	-
Related to state OPEB fund	-	-	-	42,264
Related to pension plan	596,923	24,871	621,794	61,889
Total Deferred Inflows of Resources	720,143	24,871	745,014	744,153
Net Position				
Net investment in capital assets	14,182,016	10,726,100	24,908,116	782,307
Restricted for:				
Capital projects	707,809	-	707,809	-
Judicial	8,380	-	8,380	-
Public safety	655,085	-	655,085	-
Public works	706,328	-	706,328	-
Economic development	53,410	-	53,410	-
Health and welfare	6,926	-	6,926	203,340
Culture and recreation	128,751	-	128,751	-
Debt service	-	260,199	260,199	-
Unrestricted	5,185,445	214,984	5,600,429	1,394,202
Total Net Position	$ 21,834,150	$ 11,201,283	$33,035,433	$ 2,379,849

See accompanying notes to the basic financial statements.

Lincoln County, Georgia
Statement of Activities
For the Year Ended June 30, 2022

Function/Program	Expenses	Program Revenues: Charges for Services and Sales	Program Revenues: Operating Grants, Contributions and Interest	Program Revenues: Capital Grants, Contributions and Interest	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total	Component Units
Primary Government								
Governmental Activities								
General government	$ 2,038,471	$ 506,518	$ 16,963	$ -	$ (1,514,990)	$ -	$ (1,514,990)	$ -
Judicial	455,468	148,790	-	-	(306,678)	-	(306,678)	-
Public safety	3,260,211	818,811	357,581	100,000	(1,983,819)	-	(1,983,819)	-
Public works	1,106,258	321,103	21,755	423,813	(339,587)	-	(339,587)	-
Health and welfare	2,473,795	3,248	2,339,945	-	(130,602)	-	(130,602)	-
Culture and recreation	396,579	15,227	59,725	-	(321,627)	-	(321,627)	-
Conservation of natural resources	76,750	-	-	-	(76,750)	-	(76,750)	-
Housing and development	298,373	-	-	-	(298,373)	-	(298,373)	-
Interest	14,708	-	-	-	(14,708)	-	(14,708)	-
Total Governmental Activities	10,120,613	1,813,697	2,795,969	523,813	(4,987,134)	-	(4,987,134)	-
Business-Type Activities								
Water and sewer	1,332,370	1,153,524	-	-	-	(178,846)	(178,846)	-
Solid waste	822,473	839,281	-	-	-	16,808	16,808	-
Total Business-Type Activities	2,154,843	1,992,805	-	-	-	(162,038)	(162,038)	-
Total - Primary Government	$ 12,275,456	$ 3,806,502	$ 2,795,969	$ 523,813	(4,987,134)	(162,038)	(5,149,172)	-
Component Units								
Department of Health	$ 262,357	$ 67,682	$ 232,276	$ -	-	-	-	37,601
Development Authority	218,886	-	-	-	-	-	-	(218,886)
Total - Component Units	$ 481,243	$ 67,682	$ 232,276	$ -	-	-	-	(181,285)
		General Revenues						
		Property taxes			3,581,097	-	3,581,097	282,375
		Sales taxes			2,063,884	-	2,063,884	-
		Other taxes and revenues			1,125,422	-	1,125,422	-
		Investment earnings			7,484	1,541	9,025	24,633
		Miscellaneous			35,779	-	35,779	-
		Special item - gain on disposition of assets			2,446	-	2,446	-
		Transfers in (out)			57,422	(57,422)	-	-
		Capital Contributions			-	286,742	286,742	-
		Total General Revenues, Transfers, Special Items, and Capital Contributions			6,873,534	230,861	7,104,395	307,008
		Change in Net Position			1,886,400	68,823	1,955,223	125,723
		Net Position, Beginning of Year			19,990,012	10,990,821	30,980,833	2,254,126
		Prior Period Adjustment			(42,262)	141,639	99,377	-
		Net Position, Beginning of Year, Restated			19,947,750	11,132,460	31,080,210	2,254,126
		Net Position, End of Year			$ 21,834,150	$ 11,201,283	$ 33,035,433	$ 2,379,849

See accompanying notes to the basic financial statements.

Lincoln County, Georgia
Balance Sheet
Governmental Funds
For the Year Ended June 30, 2022

	General	SPLOST VI Fund	TSPLOST Fund	Workforce Development Grant Fund	American Rescue Plan Federal Grant Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets							
Cash and cash equivalents	$ 5,795,976	$ 712,779	$ 640,630	$ 55,229	$ 1,297,315	$ 572,532	$ 9,074,461
Investments	128,751	-	-	-	-	-	128,751
Receivables:							
Accounts, net	234,516	-	-	-	-	1,018	235,534
Property taxes	83,951	-	-	-	-	-	83,951
Intergovernmental	192,632	-	71,706	132,374	-	155,792	552,504
Interfund	258,738	-	-	-	-	99,685	358,423
Other	136,434	-	-	-	-	5,571	142,005
Prepaid items	226,788	-	-	-	-	-	226,788
Inventory	14,035	-	-	-	-	-	14,035
Total Assets	$ 7,071,821	$ 712,779	$ 712,336	$ 187,603	$ 1,297,315	$ 834,598	$ 10,816,452
Liabilities, Deferred Inflows of Resources and Fund Balances							
Liabilities							
Accounts payable	$ 125,305	$ 4,970	$ -	$ 142,769	$ -	$ 24,406	$ 297,450
Accrued expenses	186,286	-	-	-	-	3,343	189,629
Intergovernmental payable	-	-	-	-	-	20,724	20,724
Interfund payable	99,685	-	6,008	44,834	-	62,659	213,186
Due to others	4,608	-	-	-	-	-	4,608
Unearned revenues	-	-	-	-	1,296,980	-	1,296,980
Total Liabilities	415,884	4,970	6,008	187,603	1,296,980	111,132	2,022,577
Deferred Inflows of Resources							
Unavailable revenue: property taxes	70,073	-	-	-	-	-	70,073
Total Liabilities and Deferred Inflows of Resources	485,957	4,970	6,008	187,603	1,296,980	111,132	2,092,650
Fund Balances							
Nonspendable	240,823	-	-	-	-	-	240,823
Restricted							
Judicial	-	-	-	-	-	8,380	8,380
Public safety	-	-	-	-	335	654,750	655,085
Public works	-	-	706,328	-	-	-	706,328
Health and welfare	-	-	-	-	-	6,926	6,926
Capital projects	-	707,809	-	-	-	-	707,809
Culture and recreation	128,751	-	-	-	-	-	128,751
Economic development	-	-	-	-	-	53,410	53,410
Assigned							
Capital projects	307,752	-	-	-	-	-	307,752
Unassigned	5,908,538	-	-	-	-	-	5,908,538
Total Fund Balances (Deficits)	6,585,864	707,809	706,328	-	335	723,466	8,723,802
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 7,071,821	$ 712,779	$ 712,336	$ 187,603	$ 1,297,315	$ 834,598	$ 10,816,452

See accompanying notes to the basic financial statements.

Lincoln County, Georgia
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2022

Total Governmental Fund Balances		$ 8,723,802
Amounts reported for governmental activities in the statement of net position are different because:		
Interfund receivables and payables between governmental funds are reported on the fund balance sheet but eliminated on the government-wide statement of net position:		
Interfund receivables	$ 213,186	
Interfund payables	(213,186)	-
Assets such as right to use capital asset leases receivable are not due and receivable in the current period and, therefore, are not reported in the fund financial statements.		126,222
Capital assets used in governmental activities are not financial resources and therefore not reported in the funds. However, in the statement of net position the cost of these assets are capitalized and expensed over their estimated lives through annual depreciation expense.		
Cost of capital assets	39,633,148	
Less accumulated depreciation	(24,954,996)	14,678,152
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.		70,073
Liabilities associated with the County's pension plan are recognized for accrual reporting, but not reported in the fund financial statements.		(604,642)
Recognition of the net difference between projected and actual earnings on pension plan investments, changes in assumptions, and changes in proportions are recognized as a deferred outflow of resources for accrual reporting, but not reported in the fund financial statements.		189,629
Recognition of the changes in proportion and differences between contributions and the proportionate share of contributions are recognized as a deferred inflow of resources for accrual reporting, but not reported in the fund financial statements.		(596,923)
Deferred inflows of resources related to right to use capital asset leases receivable are recognized for accrual report, but not reported in the fund financial statements.		(123,220)
Liabilities, including capital leases, compensated absences and notes payable, are not due and payable in the current period and therefore are not reported in the funds:		
Notes payable	(496,136)	
Compensated absences	(132,807)	(628,943)
Net Position of Governmental Activities		$ 21,834,150

See accompanying notes to the basic financial statements.

Lincoln County, Georgia
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2022

Revenues	General	SPLOST VI Fund	TSPLOST Fund	Workforce Development Grant Fund	American Rescue Plan Federal Grant Fund	Nonmajor Governmental Funds	Total Governmental Funds
Taxes	$ 4,909,904	$ 459,859	$ 831,336	$ -	$ -	$ 561,845	$ 6,762,944
Licenses and permits	145,267	-	-	-	-	-	145,267
Intergovernmental	1,098,052	-	-	2,139,151	8,825	132,623	3,378,651
Charges for services	1,064,436	-	-	-	-	175,238	1,239,674
Fines, forfeitures and fees	325,507	-	-	-	-	25,666	351,173
Investment earnings	2,870	377	200	-	313	100	3,860
Miscellaneous	56,763	-	-	-	-	-	56,763
Total Revenues	7,602,799	460,236	831,536	2,139,151	9,138	895,472	11,938,332
Expenditures							
Current:							
General government	2,000,851	-	-	-	-	-	2,000,851
Judicial	444,553	-	-	-	-	3,600	448,153
Public safety	2,968,551	-	-	-	8,825	355,923	3,333,299
Public works	614,878	-	9,271	-	-	-	624,149
Health and welfare	248,578	-	-	2,139,151	-	86,066	2,473,795
Culture and recreation	306,581	-	-	-	-	-	306,581
Conservation of natural resources	76,750	-	-	-	-	-	76,750
Housing and development	238,801	-	-	-	-	42,724	281,525
Intergovernmental	-	72,952	-	-	-	78,009	150,961
Capital Outlay	-	567,416	468,539	-	-	10,000	1,045,955
Debt Service:							
Principal retirement	37,619	157,837	-	-	-	-	195,456
Interest and fiscal charges	5,672	9,036	-	-	-	-	14,708
Total Expenditures	6,942,834	807,241	477,810	2,139,151	8,825	576,322	10,952,183
Excess (Deficiency) of Revenues Over (Under) Expenditures	659,965	(347,005)	353,726	-	313	319,150	986,149
Other Financing Sources (Uses)							
Proceeds from installment obligation	264,200	-	-	-	-	-	264,200
Transfers in (out), net	(59,440)	-	-	-	-	116,862	57,422
Total Other Financing Sources (Uses)	204,760	-	-	-	-	116,862	321,622
Special Items							
Proceeds from dispostion of assets	23,769	-	-	-	-	-	23,769
Net Change in Fund Balances	888,494	(347,005)	353,726	-	313	436,012	1,331,540
Fund Balances, Beginning	5,697,370	1,054,814	352,602	-	22	287,454	7,392,262
Fund Balances, Ending	$ 6,585,864	$ 707,809	$ 706,328	$ -	$ 335	$ 723,466	$ 8,723,802

See accompanying notes to the basic financial statements.

Lincoln County, Georgia

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

For the Year Ended June 30, 2022

Net Changes In Fund Balances - Total Governmental Funds		$ 1,331,540
Amounts reported for governmental activities in the statement of activities are different because		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the current period.		
Capital outlay	$ 1,634,546	
Depreciation expense	(1,060,837)	573,709
The book value of disposed capital assets is reported on the government-wide statement of activities but not reported at the fund financial reporting level.		(21,323)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property taxes:		
Deferred, end of year	70,073	
Deferred, beginning of year	(62,614)	7,459
Proceeds from installment obligations are reported as an other financing source at the fund reporting level but are reported as a liability on the government-wide statement of net assets.		(264,200)
Repayment of general obligation debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		195,456
Net pension expense adjustments associated with changes in pension liability and net changes in deferred inflows and outflows of resources.		135,343
Net revenue adjustments associated with changes in right to use capital asset leases receivable and net changes in deferred inflows of resources.		1,354
Certain liabilities are reported in the statement of activities, but do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Compensated absences:		
Liability, end of year	(132,807)	
Liability, beginning of year	59,869	(72,938)
Change In Net Position of Governmental Activities		$ 1,886,400

See accompanying notes to the basic financial statements.

Lincoln County, Georgia
Statement of Net Position
Proprietary Funds
June 30, 2022

Assets	Water Fund	Solid Waste Fund	Total
Current Assets:			
Cash and cash equivalents	$ 222,167	$ 736,190	$ 958,357
Restricted Assets:			
Cash and cash equivalents	260,199	-	260,199
Accounts receivable, net	89,007	36,902	125,909
Total Current Assets	571,373	773,092	1,344,465
Noncurrent Assets:			
Prepaid bond issuance	12,246	-	12,246
Capital Assets:			
Nondepreciable, net	1,998,053	62,000	2,060,053
Depreciable, net	13,545,029	46,759	13,591,788
Total Noncurrent Assets	15,555,328	108,759	15,664,087
Total Assets	16,126,701	881,851	17,008,552
Deferred Outflows of Resources			
Related to pension	7,901	-	7,901
Total Deferred Outflows of Resources	7,901	-	7,901
Liabilities			
Current Liabilities:			
Accounts payable	187,179	53,638	240,817
Accrued expenses	28,170	1,532	29,702
Unearned revenue	-	355,860	355,860
Interfund payable	130,242	14,995	145,237
Lease payable	1,343	-	1,343
Notes payable	88,644	-	88,644
Revenue bonds payable	145,704	-	145,704
Postclosure liability, current portion	-	9,850	9,850
Total Current Liabilities	581,282	435,875	1,017,157
Long-Term Liabilities:			
Lease payable (net of current portion)	34,499	-	34,499
Notes payable (net of current portion)	765,680	-	765,680
Revenue bonds payable (net of current portion)	3,889,871	-	3,889,871
Net pension liability	25,193	-	25,193
Landfill closure/post-closure care costs	-	49,250	49,250
Compensated absences	8,649	-	8,649
Total Long-Term Liabilities	4,723,892	49,250	4,773,142
Total Liabilities	5,305,174	485,125	5,790,299
Deferred Inflows of Resources			
Related to pension	24,871	-	24,871
Total Deferred Inflows of Resources	24,871	-	24,871
Net Position			
Net investment in capital assets	10,617,341	108,759	10,726,100
Restricted for debt service	260,199	-	260,199
Unrestricted	(72,983)	287,967	214,984
Total Net Position	$ 10,804,557	$ 396,726	$ 11,201,283

See accompanying notes to the basic financial statements.

Lincoln County, Georgia
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Fund
For the Year Ended June 30, 2022

	Water Fund	Solid Waste Fund	Total
Operating Revenues			
Charges for services	$ 1,145,185	$ 839,281	$ 1,984,466
Miscellaneous	8,339	-	8,339
Total Operating Revenues	1,153,524	839,281	1,992,805
Operating Expenses			
Cost of water	219,219	-	219,219
Salaries and benefits	230,373	136,738	367,111
Repairs and maintenance	98,225	1,204	99,429
Materials and supplies	64,533	1,417	65,950
Utilities	62,006	5,281	67,287
Professional and contract services	60,929	668,631	729,560
Other operating expenses	50,413	539	50,952
Depreciation	422,809	8,663	431,472
Amortization	300	-	300
Total Operating Expenses	1,208,807	822,473	2,031,280
Operating Income (Loss)	(55,283)	16,808	(38,475)
Non-Operating Revenues (Expenses)			
Investment earnings	1,218	323	1,541
Interest and fiscal charges	(123,563)	-	(123,563)
Total Non-Operating Revenues (Expenses)	(122,345)	323	(122,022)
Income (Loss) before Transfers and Capital	(177,628)	17,131	(160,497)
Transfers in (out)	-	(57,422)	(57,422)
Capital contributions	286,742	-	286,742
Change in Net Position	109,114	(40,291)	68,823
Net Position, Beginning of Year	10,615,804	375,017	10,990,821
Prior Period Adjustment	79,639	62,000	141,639
Net Position, Beginning of Year, Restated	10,695,443	437,017	11,132,460
Net Position, End of Year	$ 10,804,557	$ 396,726	$ 11,201,283

See accompanying notes to the basic financial statements.

Lincoln County, Georgia
Statement of Cash Flows
Proprietary Fund
For the Year Ended June 30, 2022

	Water Fund	Solid Waste Fund	Total
Increase (Decrease) in Cash and Cash Equivalents			
Cash Flows from Operating Activities			
Cash received from customers	$ 1,182,302	$ 835,805	$ 2,018,107
Cash payments to employees for services & benefits	(235,333)	(142,793)	(378,126)
Cash payments for goods and services	(536,101)	(777,844)	(1,313,945)
Net Cash Provided by (Used in) Operating Activities	410,868	(84,832)	326,036
Cash Flows from Noncapital Financing Activities			
Cash payments from (to) other funds	(30,403)	(132,374)	(162,777)
Net Cash Provided by (Used in) Noncapital Financing Activities	(30,403)	(132,374)	(162,777)
Cash Flows from Capital and Related Financing Activities			
Purchase/construction of capital assets	(350,742)	(35,677)	(386,419)
Principal paid on long term debt	(1,677,450)	-	(1,677,450)
Interest and fiscal charges paid	(125,419)	-	(125,419)
Payments on bond issuance cost	942	-	942
Proceeds from long-term debt	1,606,062	-	1,606,062
Proceeds from capital contributions	286,742	-	286,742
Net Cash Provided by (Used in) Capital and Related Financing Activities	(259,865)	(35,677)	(295,542)
Cash Flows from Investing Activities			
Investment earnings	1,218	323	1,541
Net Increase (Decrease) in Cash and Cash Equivalents	121,818	(252,560)	(130,742)
Cash and Cash Equivalents, Beginning of Year	360,548	988,750	1,349,298
Cash and Cash Equivalents, End of Year	$ 482,366	$ 736,190	$ 1,218,556

(Continued)

See accompanying notes to the basic financial statements.

Lincoln County, Georgia
Statement of Cash Flows
Proprietary Fund
For the Year Ended June 30, 2022

	Water Fund	Solid Waste Fund	Total
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities			
Operating Income (Loss)	$ (55,283)	$ 16,808	$ (38,475)
Adjustments:			
Depreciation	422,809	8,663	431,472
Amortization	300	-	300
(Increase) Decrease in Assets:			
Accounts receivable	28,778	(6,581)	22,197
Deferred outflows of resources	4,874	-	4,874
Increase (Decrease) in Liabilities:			
Accounts payable	19,224	(100,772)	(81,548)
Other liabilities	(4,624)	(2,950)	(7,574)
Deferred inflows of resources	4,343	-	4,343
Net pension liability	(14,857)	-	(14,857)
Compensated absences payable	5,304	-	5,304
Net Cash Provided by (Used in) Operating Activities	$ 410,868	$ (84,832)	$ 326,036

See accompanying notes to the basic financial statements.

Lincoln County, Georgia
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2022

	2022	2021
Assets		
Cash and cash equivalents	$ 625,279	$ 536,452
Taxes receivable	262,268	252,970
Total Assets	$ 887,547	$ 789,422
Liabilities		
Funds due to others	$ 399,853	$ 417,674
Uncollected taxes	262,268	252,970
Total Liabilities	662,121	670,644
Net Position		
Restricted for individuals, organizations and other governments	225,426	118,778
Total Net Position	$ 225,426	$ 118,778

See accompanying notes to the basic financial statements.

Lincoln County, Georgia
Combining Statement of Net Position
Component Units
June 30, 2022

	Lincoln County Department of Health	Development Authority of Lincoln County	Total
Assets			
Current:			
Cash and cash equivalents	$ 295,495	$ 576,718	$ 872,213
Receivables:			
Accounts	11,914	27,442	39,356
Intergovernmental	-	6,523	6,523
Notes receivable	-	65,908	65,908
Noncurrent:			
Note receivable (net of current portion)	-	1,130,720	1,130,720
Land held for investment	-	244,546	244,546
Capital Assets:			
Nondepreciable capital assets	-	18,877	18,877
Depreciable capital assets, net	-	763,430	763,430
Total Assets	307,409	2,834,164	3,141,573
Deferred Outflows of Resources			
Deferred outflows of resources-			
State SEAD-OPEB contributions	273	-	273
State OPEB contributions	9,999	-	9,999
Retirement contributions	49,600	-	49,600
Total Deferred Outflows of Resources	59,872	-	59,872
Liabilities			
Current Liabilities:			
Accounts payable	5,791	731	6,522
Accrued liabilities	-	3,636	3,636
Long-Term Liabilities: (net of current portion)			
Compensated absences payable	14,151	-	14,151
Net state OPEB liability	7,853	-	7,853
Net pension liability	45,281	-	45,281
Total Liabilities	73,076	4,367	77,443
Deferred Inflows of Resources			
Deferred inflows of resources -			
Unavailable revenues	-	640,000	640,000
Related to state OPEB fund	42,264	-	42,264
Related to pension plan	61,889	-	61,889
Total Deferred Inflows of Resources	104,153	640,000	744,153
Net Position			
Net investment in capital assets	-	782,307	782,307
Restricted:			
Health and welfare	203,340	-	203,340
Unrestricted	(13,288)	1,407,490	1,394,202
Total Net Position	$ 190,052	$ 2,189,797	$ 2,379,849

See accompanying notes to the basic financial statements.

Lincoln County, Georgia
Combining Statement of Activities
Component Units
For the Year Ended June 30, 2022

	Lincoln County Department of Health	Development Authority of Lincoln County	Total
Expenses			
Health and welfare	$ 262,357	$ -	$ 262,357
Economic development	-	218,886	218,886
Total Expenses	262,357	218,886	481,243
Revenues			
Program revenues:			
Charges for services	67,682	-	67,682
Operating grants and contributions	232,276	-	232,276
Total Program Revenues	299,958	-	299,958
Net Program (Expense)	37,601	(218,886)	(181,285)
General Revenues			
Property taxes	-	282,375	282,375
Investment earnings	14	24,619	24,633
Total General Revenues	14	306,994	307,008
Change in Net Position	37,615	88,108	125,723
Net Position, Beginning of Year	152,437	2,101,689	2,254,126
Net Position, End of Year	$ 190,052	$ 2,189,797	$ 2,379,849

See accompanying notes to the basic financial statements.

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Lincoln County, Georgia (the County) is a political subdivision of the State of Georgia. The County is governed by a five member elected board of county commissioners which is governed by state statutes and regulations. There are certain elected officials whose operations are wholly included within the financial records and financial statements of the County. These elected officials include the Sheriff, Tax Commissioner, Probate Court Judge, Magistrate Court Judge and Clerk of Superior Court. The cost of operations of the Superior Court Judges and the District Attorney, which are elected court functions, is shared with the State of Georgia. Only that portion of the cost for which the County is responsible is reported in the County's financial statements.

Note 1 - Summary of Significant Accounting Policies

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

1-A. Reporting Entity

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the County consists of all funds, departments, boards and agencies that are not legally separate from the County. For the County, this entity includes the various constitutional officers including the Clerk of Court, the Probate Court, the Tax Commissioner and the Magistrate Court.

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

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

Brief descriptions of the discretely presented component units follow:

Lincoln County Department of Health (the Health Department) – The Health Department works to promote and preserve the health of the citizens of the County. Members of its governing board are appointed by the Lincoln County Board of Commissioners. Although the County does not have the authority to approve or modify the Department of Health's budgets, it does have the ability to control the amount of funding it provides to the Health Department and such funding is significant to the overall operations of the Department of Health. Complete financial statements for the Health Department may be obtained from its administrative office.

Development Authority of Lincoln County (the Development Authority) – The Development Authority was created for the purpose of promoting and developing trade, commerce, industry, and employment opportunities within Lincoln County, Georgia. The members of its board of directors are appointed by the County, and its primary source of revenue is from a one mill property tax levy that must be approved by the Board of Commissioners. The Development Authority maintains its financial records on a fiscal year ending June 30. The Development Authority's financial statements may be obtained from its administrative office.

1-B. Basis of Presentation

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

Note 1 - Summary of Significant Accounting Policies (Continued)

1-B. Basis of Presentation (Continued)

Government-wide Financial Statements - The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the County as a whole. All funds other than fiduciary activities are included at the government-wide reporting level. The primary government and the component units are presented separately within these financial statements with the focus on the primary government. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and grants and the County's general revenues, from business-type activities, generally financed in whole or in part with fees charged to external customers.

The statement of net position presents the financial position of the governmental and business-type activities of the County and its discretely presented component units at year-end.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the County's governmental activities and for each identifiable activity of the business-type activities of the County. Direct expenses are those that are specifically associated with a function and therefore clearly identifiable to that particular function. The County does not allocate indirect expenses to functions in the statement of activities.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees and other charges to users of the County's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. For identifying to which function program revenue pertains, the determining factor for *charges for services* is which function *generates* the revenue. For *grants and contributions*, the determining factor is to which function the revenues are *restricted.*

Other revenue sources not properly included with program revenues are reported as general revenues of the County. The comparison of direct expenses with program revenues identifies the extent to which each governmental function and each identifiable business activity is self-financing or draws from the general revenues of the County.

Fund Financial Statements - During the year, the County segregates transactions related to certain County functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the County at this more detailed level. Fund financial statements are provided for government and proprietary funds.

Major individual governmental and business-type activities are reported in separate columns.

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

1-B. Basis of Presentation (Continued)

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

The Special Purpose Local Option Sales Tax (SPLOST) VI Capital Projects Fund – This fund accounts for expenditures for capital project improvements made by the County. Financing is provided by the special purpose local option sales tax revenues approved by referendum.

The TSPLOST Fund – This capital projects fund is used to account for acquisition of property and the construction of projects designated to be funded by the special sales tax created with the Transportation Investment Act of 2010.

The Workforce Development Grant Fund – This fund is a special revenue fund used to account for intergovernmental funds received from the State and Federal governments for the Workforce Investment Act Grant.

The American Rescue Plan Federal Grant Fund – This fund is a special revenue fund used to account for the local fiscal recovery funds received through the American Rescue Plan Act of 2021.

Proprietary Funds - Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. The proprietary funds classified as major enterprise funds are as follows:

The Water and Sewer Fund – This fund is used to account for the County's water system, including all revenues and costs of providing water services to the residents of Lincoln County.

The Solid Waste Fund – This fund accounts for the administration and operations of the removal and disposal of solid waste in the County.

Fiduciary Funds – Fiduciary fund reporting focuses on net position. The County's fiduciary funds include the custodial funds. The County's custodial funds are for use by the County's constitutional officers comprised of the Tax Commissioner, Clerk of Superior Court, Probate Court, Magistrate Court, Clerk of State Court, and the Sheriff.

1-C. Measurement Focus

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the County are included on the statement of net position. The statement of activities reports revenues and expenses.

Fund Financial Statements - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus on both financial reporting levels. All assets and all liabilities associated with the operation of these funds are included on the statements of net position. The statements of revenues, expenses and changes in fund net position present increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the County finances and meets the cash flow needs of its proprietary activities.

Note 1 - Summary of Significant Accounting Policies (Continued)

1-D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. At the fund reporting level, the governmental funds use the modified accrual basis of accounting and fiduciary funds use the accrual basis of accounting. Proprietary funds use the accrual basis of accounting at both reporting levels. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Revenues – Exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the County, the phrase "available for exchange transactions" means expected to be received within 60 days of year-end.

Revenues - Non-exchange Transactions - Non-exchange transactions in which the County receives value without directly giving equal value in return, include sales taxes, property taxes, grants and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale takes place. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. (Note 3-C) Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the County must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the County on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions also must be available (i.e., collected within 60 days) before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be susceptible to accrual: property taxes, sales taxes and federal and state grants.

On governmental fund financial statements (i.e., on the modified accrual basis), receivables that will not be collected within the available period have been reported as deferred inflows of resources revenue (i.e., they are measurable but not available) rather than as revenue.

Grants and entitlements received before the eligibility requirements are met (e.g., cash advances) are recorded as unearned revenue.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable.

1-E. Assets, Liabilities and Equity

1-E-1 Cash, Cash Equivalents and Investments

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the County.

Investments are stated at fair value based on quoted market prices.

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-1 Cash, Cash Equivalents and Investments (Continued)

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

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

1-E-2 Receivables

All trade and property tax receivables are reported net of an allowance for uncollectible, where applicable. Uncollected and unbilled water/sewer charges and landfill user charges are accrued as receivables and revenue at June 30, 2022.

1-E-3 Interfund Balances

On the fund financial statements, receivables and payables resulting from short term interfund loans are classified as "interfund receivables/interfund payables." These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are reclassified and presented as internal balances.

1-E-4 Consumable Inventories

On the government-wide financial statements, inventories (if material) are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used (i.e., the consumption method).

On the fund financial statements, inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first in, first out basis. The cost of inventory items is recorded as an expenditure in the governmental fund types when consumed. Inventories of the proprietary funds are expensed when consumed.

1-E-5 Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2022, are recorded as prepaid items in both government-wide and fund financial statements using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed. At the fund reporting level, an equal amount of fund balance is reserved as this amount is not available for general appropriation.

1-E-6 Restricted Assets

Certain resources in the Water Enterprise Fund are classified as restricted assets on the balance sheet because they are maintained in separate bank accounts and their use is limited by applicable bond and note covenants. The County has restricted assets in order to be in compliance with the U. S. Department of Agriculture bond agreements. These accounts are used to report resources set aside to subsidize potential deficiencies from the enterprise fund's operation that could adversely affect debt service payments.

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-7 Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in governmental funds. The County reports these assets in the governmental activities column of the government-wide statement of net position but does not report these assets in the Government fund financial statements. Capital assets utilized by enterprise funds are reported both in the business-type activities column of the government-wide statement of net position and in the enterprise funds' statement of net position.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The County maintains a capitalization threshold of five thousand dollars. The County chose to include all items, regardless of their acquisition date. Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed. The County follows GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period.* No capitalized interest was recorded during the fiscal year ended June 30, 2022.

All reported capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the County's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

Asset Class	Estimated Lives
Land improvements	40 Years
Water system and lines	50 Years
Buildings	20 - 40 Years
Vehicles	5 Years
Furniture, fixtures, and equipment	5 - 10 Years
Infrastructure	40 years
Right to use lease assets	3 - 20 Years

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

1-E-8 Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means.

Sick leave benefits are accrued as a liability using the termination payment method. An accrual for earned sick leave is made to the extent that it is probable that the benefits will result in termination payments. The liability is based on the County's past experience of making termination payments.

All compensated absence liabilities include salary-related payments, where applicable.

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

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-9 Accrued Liabilities and Long-term Obligations

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of these funds. However, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are "due for payment" during the current year. Bonds and capital leases are recognized as a liability in the governmental fund financial statements when due.

The County implemented the provisions of GASB Statement No. 83, *Certain Asset Retirement Obligations*, and GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. GASB Statement No. 83 establishes standards for governments and requires disclosure of information related to the legal obligation by a government to perform future asset retirement activities related to its tangible capital assets. GASB Statement No. 88 establishes standards for government disclosure of debt information, including direct borrowings and direct placements. For the fiscal year ended June 30, 2022, the County did not have any items that were required to be disclosed to be in compliance with GASB Statement No. 83 or GASB Statement No. 88.

1-E-10 Deferred Outflows/Inflows of Resources

The County has implemented GASB Statements No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position and No. 65, Items Previously Reported as Assets and Liabilities. These standards establish accounting and financial reporting for deferred outflows / inflows of resources and the concept of net position as the residual of all other elements presented in a statement of net position.

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 position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense / expenditure) until then. On the County's government-wide financial statements, a deferred outflow related to pensions will be reported and will be recognized as pension expense over a five-year closed period.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of fund balance that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has three items that qualify for reporting in this category; unavailable revenue, which arises only under a modified accrual basis of accounting, and deferred inflows related to pensions and right to use capital asset leases. The governmental funds report unavailable revenues from property taxes and other receivables, which are deferred and will be recognized as an inflow of resources in the period in which the amounts become available. The government-wide financial statements report deferred inflows related pensions and will be recognized as a reduction of pension expense over a five-year closed period. The government-wide financial statements report deferred inflows related to right to use capital asset leases at the inception of leases in which the County is the lessor. The deferred inflow of resources is recorded in an amount equal to the corresponding lease receivable plus certain additional amounts received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The inflow of resources is recognized in a systematic and rational manner over the term of the lease.

1-E-11 Pensions

The County implemented the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. GASB Statement No. 68 establishes standards for measuring and recognizing net pension liabilities, deferred outflows of resources, deferred inflows of resources, and expenses related to pension benefits provided through defined benefit pension plans. In addition, Statement No. 68 requires disclosure of information related to pension benefits.

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-11 Pensions (Continued)

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

1-E-12 Postemployment Benefits Other Than Pensions (OPEB)

The County implemented the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. GASB Statement No. 75 establishes standards for measuring and recognizing net OPEB liabilities, deferred outflows of resources, deferred inflows of resources, and expenses related to OPEB provided through defined benefit OPEB plans. In addition, Statement No. 75 requires disclosure of information related to OPEB. For the fiscal year ended June 30, 2022, the County did not have any OPEB items that were required to be disclosed to be in compliance with GASB Statement No. 75.

1-E-13 Fund Balance

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

Fund Balance – Generally, fund balance represents the difference between the current assets and current liabilities. In the fund financial statements, governmental funds report fund 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 County Commission through the adoption of a resolution. By policy, only the Board of Commissioners may modify or rescind a 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. By policy, the County has authorized the Chairman of the County Commission to assign fund balances.

- ***Unassigned*** - Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The County reports positive unassigned fund balance only in the general fund. Negative unassigned fund balances may be reported in all other funds.

Flow Assumptions – When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the County's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the County's policy to use fund balance in the following order:

- Committed
- Assigned
- Unassigned

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-13 Fund Balance (Continued)

Net Position - Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. This net position amount also is adjusted by any bond issuance deferral amounts. Net position is 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. 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.

1-E-14 Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the County, these revenues are charges for services for water and sewer and solid waste. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of each fund. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

1-E-15 Contributions of Capital

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets, tap in fees to the extent they exceed the cost of the connection to the system, or from grants or outside contributions of resources restricted to capital acquisition and construction.

1-E-16 Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as inter-fund transfers. Inter-fund transfers are reported as other financing sources/uses in governmental funds and after the non-operating revenues/expenses section in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements (i.e., they are netted).

Transfers between governmental and business-type activities on the government-wide statement of activities are reported as general revenues. Transfers between funds reported in the governmental activities column are eliminated. Transfers between funds reported in the business type activities column are eliminated.

1-E-17 Estimates

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

1-E-18 Comparative Data

Comparative total data for the prior year have been presented only for individual funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds. Also, certain amounts presented in the prior year data may have been restated and reclassified to be consistent with the current year's presentation.

1-E-19 Tax Abatements

GASB Statement No. 77 establishes financial reporting standards for tax abatement agreements entered into by state and local governments. The disclosure will include descriptive information about the tax being abated, the gross dollar amount of taxes abated during the period and any additional comments made by the County. See Note 4-E for additional information.

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-20 Recently Adopted Accounting Pronouncements

During the fiscal year ended June 30, 2022, the County adopted GASB Statement No. 87, Leases ("GASB 87") effective July 1, 2021. GASB 87 establishes that the determination of whether an arrangement is a lease is made at the lease's inception. Under GASB Statement No. 87, a contract is (or contains) a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is defined under the standard as having both the right to obtain substantially all of the economic benefits from use of the asset and the right to direct the use of the asset. Management only reassesses its determination if the terms and conditions of the contract are changed. Right to use lease assets and the related lease liabilities are recorded on the statement of financial position.

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

During the fiscal year ended June 30, 2022, the County also adopted GASB Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32 (GASB 97). The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans.

Note 2 -- Stewardship, Compliance and Accountability

2-A. Budgetary Information

Budgetary Data – Formal budgetary accounting is employed as a management control device for the funds of the County. Annual operating budgets are adopted each fiscal year through passage of an annual budget ordinance and amended as required for all governmental funds. Budgets for capital project funds are adopted on a project basis, spanning more than one fiscal year. Proprietary budgets are prepared and utilized as a management tool to assess the operations of the enterprise funds. All budgets are adopted on a basis consistent with generally accepted accounting principles. Prior to June 1, the Chairman submits to the Board of Commissioners a proposed operating budget for the fiscal year commencing the following July 1. The Board of Commissioners holds public hearings, and prior to June 30, the Board adopts the budget.

Budgetary Control – Each fund's appropriated budget is prepared on a detailed line item basis. Revenues are budgeted by source, and expenditures are budgeted by department and character. The legal level of budgetary control is the department level. All budget revisions at this level are subject to final review by the Board of Commissioners. All annual budget appropriations lapse at the end of the year.

Note 3 -- Detailed Notes on All Funds

3-A. Deposits and Investments

Custodial Credit Risk - Deposits – Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be recovered. State statutes require all deposits and investments to be collateralized by depository insurance, obligations of the U. S. government, or bonds of public authorities, counties or municipalities, or by participation in the State of Georgia Secure Deposit Program. The County's custodial credit risk policy requires all deposits in excess of Federal Deposit Insurance be collateralized by securities equal to at least 110% of the excess deposits or to be collateralized by participation in the State of Georgia Secure Deposit Program.

Note 3 – Detailed Notes on All Funds (Continued)

3-A. Deposits and Investments (Continued)

The County participates in the pooled method with its depositors to collateralize funds as allowed by law. At June 30, 2022, the County's deposits and investments were exposed to custodial credit risk as follows:

Carrying amount of the County's deposits	$ 10,918,296
Bank balances of the County's deposits	11,160,793
Deposits covered by depository insurance	500,000
Deposits collateralized by securities	10,660,793

The County's investment assets measured at fair value on a recurring basis as of June 30, 2022 were as follows:

Certificates of deposit	$ 128,751

As of June 30, 2022, all of the deposits and investments of the County were properly insured and collateralized as required by OCGA Section 45-8-12(c) and as defined by GASB pronouncements. The County uses the pooled method to collateralize funds.

State statutes authorize the County to invest in obligations of, or obligations guaranteed by the U.S. government; obligations of any state; obligations of any political subdivision of any state; certificates of deposit of any national state bank or savings and loan which have deposits insured by the FDIC or FSLIC; prime bankers acceptances; and the Office of State Treasurer.

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.

The County had no other investments that require disclosure as to the basis of valuation other than capital assets, the basis of which are properly disclosed.

At June 30, 2022, the County's component units' bank balances were properly insured and collateralized as required by OCGA Section 45-8-12(c) and as defined by GASB pronouncements.

3-B. Receivables

Receivables at June 30, 2022, consisted of taxes, interest, accounts (billings for user charges, including unbilled utility receivables), right to use capital assets, and intergovernmental receivables arising from grants.

Receivables and payables are recorded on the County's financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation, and in the case of receivables, collectability.

3-C. Property Taxes

County property taxes are based on assessments of property values on January 1, assessed by the County Tax Assessors' office. The digest is prepared by the assessor's office and verified by the Georgia Department of Revenue. The Board of Commissioners set the property tax millage rate on September 24, 2021. Property tax bills were mailed in October 2021 and were due by December 20, 2021. Property taxes attach as an enforceable lien on property as of January 1. The County bills and collects its own property taxes and also collects property taxes for the County Board of Education and the State of Georgia. Any taxes not paid by due date are considered delinquent and are subject to a 10% penalty and an interest charge. If taxes remain delinquent by July of the following year, a fifa is issued against the property, and the county can advertise and sell the property at a tax sale.

3-D. Capital Leases Receivable

The County, as a lessor, has entered into lease arrangements for the use of communications infrastructure to multiple entities with agreements ranging from three to five years with interest rates of 3.00%. The total amount of inflows of resources, including lease revenue, interest revenue, and other lease-related inflows, recognized during the fiscal year ended was $ 45,927.

Note 3 – Detailed Notes on All Funds (Continued)

3-D. Capital Leases Receivable (Continued)

As of June 30, 2022, in accordance with GASB Statement No. 87 – Leases, the County had the following right-to-use capital leases outstanding:

$ 101,262 capital lease receivable, beginning February 1, 2021, interest at 3.00%, due in monthly principal and interest payments to January 1, 2026	$ 73,909
$32,038 capital lease receivable, beginning January 23, 2021, Interest at 3.00%, due in monthly principal and interest payments to January 23, 2024	17,267
$74,978 capital lease receivable, beginning October 1, 2019, interest at 3.00%, due in monthly principal and interest payments to September 1, 2024	35,046
Total expected future minimum lease payments receivable	126,222
Less amount due within one year	(45,929)
Total expected future minimum lease payments receivable, net	$ 80,293

3-E. Capital Assets

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

	Beginning Balance (Restated)	Additions	Deductions	Ending Balance
GOVERNMENTAL ACTIVITIES:				
Nondepreciable capital assets:				
Land	$ 431,598	$ -	$ -	$ 431,598
Total capital assets not being depreciated	431,598	-	-	431,598
Capital assets depreciated:				
Land improvements	413,571	38,329	-	451,900
Infrastructure	26,576,633	838,963	-	27,415,596
Buildings	6,324,563	152,340	-	6,476,903
Vehicles	2,631,246	377,669	-	3,008,915
Furniture, fixtures and equipment	1,651,831	227,245	30,840	1,848,236
Total capital assets depreciated:	37,597,844	1,634,546	30,840	39,201,550
Total capital assets	38,029,442	1,634,546	30,840	39,633,148
Accumulated depreciation:				
Land improvements	53,666	11,855	-	65,521
Infrastructure	16,896,886	497,395	-	17,394,281
Buildings	3,684,279	209,020	-	3,893,299
Vehicles	1,896,766	241,670	-	2,138,436
Furniture, fixtures and equipment	1,372,079	100,897	9,517	1,463,459
Total accumulated depreciation	23,903,676	1,060,837	9,517	24,954,996
Governmental activitivties capital assets, net	$ 14,125,766	$ 573,709	$ 21,323	$ 14,678,152

Note 3 - Detailed Notes on All Funds (Continued)

3-E. Capital Assets (Continued)

Governmental activities depreciation expense:

General government	$ 79,479
Public safety	349,671
Public works	528,238
Culture and recreation	90,901
Housing and development	12,548
Total governmental activities depreciation expense	$ 1,060,837

	Beginning Balance (Restated)	Additions	Deductions	Ending Balance
BUSINESS-TYPE ACTIVITIES:				
Non-depreciable capital assets:				
Land	$ 161,123	$ -	$ -	$ 161,123
Construction in progress	1,604,050	294,880		1,898,930
Total non-depreciable capital assets	1,765,173	294,880	-	2,060,053
Capital assets depreciated and amortized:				
Water system and lines	21,052,391	-	-	21,052,391
Land improvements	87,753	-	-	87,753
Vehicles	51,169	35,677	-	86,846
Furniture and equipment	204,507	19,800	-	224,307
Right to use leased assets	-	36,062	-	36,062
Total capital assets depreciated and amortized	21,395,820	91,539	-	21,487,359
Total capital assets	23,160,993	386,419	-	23,547,412
Accumulated depreciation and amortization:				
Water system and lines	7,152,269	421,048	-	7,573,317
Land improvements	68,007	4,387	-	72,394
Vehicles	51,169	4,275	-	55,444
Furniture and equipment	192,354	1,762	-	194,116
Right to use leased assets	-	300	-	300
Total accumulated depreciation and amortizaton	7,463,799	431,772	-	7,895,571
Business-type activities capital assets, net	$ 15,697,194	$ (45,353)	$ -	$ 15,651,841

Business-type activities depreciation and amortization expense:

Water	$ 423,109
Solid Waste	8,663
Total business-type activities depreciation and amortization expense	$ 431,772

Note 3 - Detailed Notes on All Funds (Continued)

3-E. Capital Assets (Continued)

	Beginning Balance	Additions	Deductions	Ending Balance
COMPONENT UNITS:				
Non-depreciable capital assets:				
Land	$ 18,877	$ -	$ -	$ 18,877
Total non-depreciable capital assets	18,877	-	-	18,877
Buildings	1,053,022	-	-	1,053,022
Land improvements	720,067	-	-	720,067
Furniture, fixtures and equipment	34,201	-	-	34,201
Total depreciable capital assets	1,807,290	-	-	1,807,290
Total capital assets	1,826,167	-	-	1,826,167
Accumulated depreciation:				
Buildings	642,142	25,374	-	667,516
Land improvements	322,683	19,460	-	342,143
Furniture, fixtures and equipment	34,201	-	-	34,201
Total accumulated depreciation	999,026	44,834	-	1,043,860
Component unit capital assets, net	$ 827,141	$ (44,834)	$ -	$ 782,307

3-F. Interfund Balances and Transfers

Interfund balances and transfers for the year ended June 30, 2022, consisted of the following:

Interfund Balances	Due From:	Due To:
General Fund	$ 99,685	$ 258,738
Water Fund	130,242	-0-
Solid Waste Fund	14,995	-0-
Workforce Development Fund	44,834	-0-
TSPLOST Fund	6,008	-0-
Non-major Governmental Funds	62,659	99,685
Total Interfund Balances	$ 358,423	$ 358,423

The interfund balance from the General Fund to the E-911 Fund is to supplement operations because the costs associated with this fund are more than the operating revenues of this fund. The interfund balances to the General Fund from the Water Fund, the Solid Waste Fund, the Workforce Development Fund, the TSPLOST Fund, and the Non-major Governmental Funds are for the reimbursement of expenses paid by the General fund on behalf of each fund.

Note 3 - Detailed Notes on All Funds (Continued)

3-F. Interfund Balances and Transfers (Continued)

Interfund Transfers

	Transfers From:		
Transfers to:	General Fund	Solid Waste Fund	Total
General Fund	$ -0-	$ 57,422	$ 57,422
Non-Major Governmental Funds	116,862	-0-	116,862
Total	$ 116,862	$ 57,422	$ 174,284

The transfers from the General Fund to the Non-Major Governmental Funds are necessary because the costs associated with these funds are more than the operating revenues of these funds. The operating transfers from the Solid Waste Fund were to fund a portion of the General Fund budget.

3-G. Compensated Absences

The following is a breakdown of compensated absences by department for the year ended June 30, 2022:

General administration	$ 25,248
Court system	10,660
Public safety	71,884
Public works	17,083
Housing and development	4,963
Culture and recreation	2,969
Total Governmental Activities	$ 132,807
Water Fund	$ 8,649
Total Business-type Activities	$ 8,649

(Continued on the following page)

Note 3 - Detailed Notes on All Funds (Continued)

3-H. Long-term Debt

Changes in Long-Term Debt

The following is a summary of changes in long-term liabilities reported in the government-wide financial statements for the year ended June 30, 2022:

Governmental Activities	Outstanding 6/30/21	Additions	Reductions	Outstanding 6/30/22	Amounts Due in One Year
Notes payable	$ 427,392	$ 264,200	$ 195,456	$ 496,136	$ 62,019
Compensated Absences	59,869	122,209	49,271	132,807	33,202
Net pension liability	961,188	-	356,546	604,642	-
Total Governmental Activities	$ 1,448,449	$ 386,409	$ 601,273	$ 1,233,585	$ 95,221
Business-type Activities					
Revenue bonds	$ 2,605,000	$ 1,570,000	$ 132,784	$ 4,042,216	$ 145,704
Unamortized discount	(7,657)	-	(1,016)	(6,641)	-
Total revenue bonds	2,597,343	1,570,000	131,768	4,035,575	145,704
Leases payable	-	36,062	220	35,842	1,343
Notes payable	2,398,770	-	1,544,446	854,324	88,644
Landfill postclosure	59,100	9,850	9,850	59,100	9,850
Compensated absences	3,345	9,559	4,255	8,649	-
Net pension liability	40,050	-	14,857	25,193	-
Total Business-type Activities	$ 5,098,608	$ 1,625,471	$ 1,705,396	$ 5,018,683	$ 245,541
Component Units					
Net pension liability	$ 116,881	$ -	$ 71,600	$ 45,281	$ -
Net state OPEB liability	39,479	-	31,626	7,853	-
Compensated Absences	10,997	6,972	3,818	14,151	-
Total Component Units	$ 167,357	$ 6,972	$ 107,044	$ 67,285	$ -

All long-term obligations of the County's governmental funds will be financed through future general fund expendable and available financial sources as they become due. Principal and interest payments related to the County's water enterprise fund are financed from income derived from the operation of the water system and transfers from other funds.

The compensated absences liabilities and net pension liabilities will be paid from the funds from which the employees' salaries are paid. For governmental activities, compensated absences and pension liabilities are liquidated by the General Fund. For business-type activities, compensated absences and pension liabilities are liquidated by the Water Fund.

Governmental Activities Long-Term Debt

The County entered into notes payable agreements with local financial institutions in December 2016 and June 2019 to finance the purchase of equipment and the construction of public safety capital improvements. The original amount of $ 376,668 in notes payable were financed and were due in bi-monthly and annual installments with interest rates between 4.25% and 4.50%. The County made the final payments on these notes payable agreements and satisfied the outstanding balances during the fiscal year ended June 30, 2022.

The County entered into a note payable agreement with a local financial institution in February 2020 to finance the purchase of public safety equipment. The original amount of $100,524 was financed and was due in monthly installments with an interest rate of 5.00%. The County made the final payment on this note payable agreement and satisfied the outstanding balance during the fiscal year ended June 30, 2022.

Note 3 - Detailed Notes on All Funds (Continued)

3-H. Long-term Debt (Continued)

The County also entered into a note payable agreement in June 2020 with the United States Department of Agriculture Rural Development in the amount of $65,000 to finance public safety equipment. The note is due in annual installments with an interest rate of 2.375%. Final payment is due on June 19, 2027. The outstanding balance of the note at June 30, 2022 was $ 47,505.

The County entered into a note payable agreement in June 2021 with the United States Department of Agriculture Rural Development in the amount of $213,200 to finance public safety equipment. The note is due in annual installments with an interest rate of 2.125%. Final payment is due on June 19, 2028. The outstanding balance of the note at June 30, 2022 was $ 184,431.

During the fiscal year, the County entered into a note payable agreement in October 2021 with the United States Department of Agriculture Rural Development in the amount of $264,200 to finance public safety equipment. The note is due in annual installments with an interest rate of 2.125%. Final payment is due on October 8, 2031. The outstanding balance of the note at June 30, 2022 was $ 264,200.

Annual debt service requirements to maturity on the notes payable described above are as follows:

YEAR	PRINCIPAL	INTEREST	TOTALS
2023	$ 62,019	$ 10,879	$ 72,898
2024	63,564	9,334	72,898
2025	64,941	7,957	72,898
2026	66,347	6,551	72,898
2027	67,857	5,041	72,898
2028 - 2032	171,408	9,781	181,189
Total	$ 496,136	$ 49,543	$ 545,679

Business-type Activities Long-Term Debt

Capital Lease Arrangements – During the fiscal year, the County entered into a lease arrangement for the right to use of water system infrastructure. The total of the County's right to use lease assets are included in the business-type activities capital assets in the amount of $ 35,762 (cost of $ 36,062 less accumulated amortization of $ 300). As of June 30, 2022 in accordance with GASB Statement No. 87 – Leases, the Right-To-Use Lease asset estimated future liabilities are as follows:

YEAR	PRINCIPAL	INTEREST	TOTALS
2023	$ 1,343	$ 1,057	$ 2,400
2024	1,384	1,016	2,400
2025	1,426	974	2,400
2026	1,469	931	2,400
2027	1,514	886	2,400
2028-2032	8,290	3,710	12,000
2033-2037	9,630	2,370	12,000
2038-2042	10,786	814	11,600
Total	$ 35,842	$ 11,758	$ 47,600

Revenue Bonds – The County's Water Revenue Bonds constitute special obligations of the County secured by the revenue from the operation of the water system. The proceeds of the Water and Sewerage System Revenue Refunding Bonds, Series 2015, were used for the purpose of expansion of the water and sewer system and infrastructure. During the fiscal year ended, the County issued the $1,570,000 Water and Sewerage Revenue Bonds, Series 2021, with an interest rate of 1.25%. These bonds were issued to finance the costs of expansion of the County's water and sewer infrastructure. Interest and principal is to be paid monthly. Revenue bonds outstanding as of June 30, 2022 are as follows:

Note 3 - Detailed Notes on All Funds (Continued)

3-H. Long-term Debt (Continued)

Series 2015 $ 3,235,000 Water and Sewerage System Revenue Refunding Bonds, interest due in semiannual installments on April 1st and October 1st at 2.00% - 3.25% and principal due annually on April 1st. Final payment is due April 1, 2035.	$ 2,490,000
Less: Unamortized discount	(6,641)
Series 2021 $ 1,570,000 Water and Sewerage System Revenue Bonds, principal and interest due in monthly installments Beginning on December 24th at 1.25%. Final payment is due November 24, 2061.	1,552,216
Total Revenue Bonds	$ 4,035,575

Debt service requirements to maturity on the revenue bonds outstanding, as of June 30, 2022, are as follows:

YEAR	PRINCIPAL	INTEREST	TOTALS
2023	$ 145,704	$ 92,729	$ 238,433
2024	151,039	89,806	240,845
2025	151,480	86,664	238,144
2026	156,876	83,568	240,444
2027	162,277	79,730	242,007
2028-2032	1,272,482	314,483	1,586,966
2033-2037	953,333	122,190	1,075,522
2038-2042	189,833	59,827	249,660
2043-2047	202,075	47,585	249,660
2048-2052	215,090	34,570	249,660
2053-2057	228,984	20,676	249,660
2058-2061	213,043	6,011	219,054
Total	$ 4,042,216	$1,037,839	$ 5,080,055

Notes Payable -- The County entered into notes payable agreements with the United States Department of Agriculture Rural Development in the amount of $470,000 to finance various water and sewer system projects. The notes are due in annual installments with varying interest rates between 2.000% and 2.125%. Final payment is due on March 24, 2054. The outstanding balance of the notes at June 30, 2022 was $ 401,625.

Annual debt service requirements to maturity on the notes payable described above are as follows:

YEAR	PRINCIPAL	INTEREST	TOTALS
2023	$ 8,894	$ 8,338	$ 17,232
2024	9,247	7,985	17,232
2025	9,460	7,772	17,232
2026	9,656	7,576	17,232
2027	9,856	7,376	17,232
2028-2032	52,382	33,778	86,160
2033-2037	58,053	28,107	86,160
2038-2042	64,314	21,846	86,160
2043-2047	71,251	14,909	86,160
2048-2052	78,936	7,224	86,160
2053-2054	29,576	580	30,156
Total	$ 401,625	$ 145,491	$ 547,116

Note 3 - Detailed Notes on All Funds (Continued)

3-H. Long-term Debt (Continued)

The County also incurred debt to the Georgia Environmental Facilities Authority (GEFA) for various water and sewer system projects. These notes are as follows at June 30, 2022:

Interest Rate	Term	Due Date	Original Amount	Outstanding Amount
1.50%	20 years	2028	$ 1,449,967	$ 452,699

Additionally, the County has a construction line of credit agreement with a financial institution to be used as needed for the construction or expansion of the County's water and sewer infrastructure. As of June 30, 2022, $0 had been drawn on the line of credit.

Annual debt service requirements to maturity on the water fund notes payable described above are as follows:

YEAR	PRINCIPAL	INTEREST	TOTALS
2023	$ 79,750	$ 6,058	$ 85,808
2024	80,776	5,032	85,808
2025	81,996	3,812	85,808
2026	83,223	2,585	85,808
2027	84,480	1,328	85,808
2028	42,474	187	42,661
Total	$ 452,699	$ 19,002	$ 471,701

3-I. Landfill Post-closure Care Cost

The County landfill closed in April 1994. Currently, the County has a contract with a private waste disposal facility, whereby all county waste will be transferred and disposed of by the private company. According to state and federal laws and regulations, the County must perform certain maintenance and monitoring functions at the landfill site for a period of 30 years. As of June 30, 2022, the County has 8 years of monitoring remaining. The liability for the landfill post-closure care costs is estimated to be $59,100 as of June 30, 2022. These estimated costs are based on what it would cost to perform all post-closure care in fiscal year 2022. However, the actual cost of post-closure care may be higher due to inflation, changes in technology, or changes in landfill laws and 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.

3-J. Pensions

The County, as authorized by the County Commission, has established a non-contributory defined benefit pension plan, The Lincoln County Defined Benefit Plan (the Plan), covering substantially all of the County's employees. The County's pension plan is administered through the Association County Commissioners of Georgia Third Restated Defined Benefit Plan (the ACCG Plan), an agent multiple-employer pension plan administered by GEBCorp and affiliated with the Association of County Commissioners of Georgia (ACCG). The Plan provides retirement, disability, and death benefits to plan participants and beneficiaries. The ACCG, in its role as the Plan Sponsor, has the sole authority to amend the provisions of The ACCG 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.

Eligibility - All full-time County employees are eligible to participate in the Plan after completing three years of service. Benefits vest after five years of service. Participants become eligible to retire at age 65 with five years of participation in the Plan. Covered earnings of active participants for the year ended December 31, 2021 totaled $ 2,041,456. Total payroll for all employees totaled $ 3,998,244 for the same period.

Benefits Provided – Participants become eligible to retire at age 65 with at least five years of participation in the Plan. Upon eligibility to retire, participants who participated in the Plan before January 1, 2004 are entitled to an annual compensation of 1.00% - 1.75% of average annual compensation multiplied by the average of the highest five consecutive years of earnings multiplied by the credited service. Participants who participated in the Plan on or after January 1, 2004 are entitled to an annual compensation of 1.00% of average annual compensation multiplied by the average of the highest five consecutive years of earnings multiplied by the credited service.

Note 3 - Detailed Notes on All Funds (Continued)

3-J. Pensions (Continued)

These benefit provisions were established by an adoption agreement executed by the County Board of Commissioners.

Funding Policy - The County is required to contribute an actuarially determined amount annually to the Plan's trust. The contribution amount is determined using actuarial methods and assumptions approved by The ACCG Plan trustees and must satisfy the minimum contribution requirement contained in the State of Georgia statues. County employees are not required to contribute to the Plan. The County contributes the entire cost of the Plan using the actuarial basis described in the annual valuation report.

Contributions – The County is required to contribute at an actuarially determined rate. Section 47-20 of the Georgia Code sets forth minimum funding standards for state and local governmental pension plans. Administrative expenses are based on total covered compensation of active plan participants and are added to the state-required annual funding requirement. The Georgia Constitution enables the governing authority of the County, the Board of Commissioners, to establish, and amend from time to time the contribution rates for the County and its plan participants. For the year ended June 30, 2022, the County was required to contribute $ 303,053, or 14.84% of the covered employee payroll.

Employees covered by benefit terms – At January 1, 2021, the following employees were covered by the benefit terms:

Retirees, Beneficiaries and Disables receiving benefits	38
Terminated plan participants entitled to, but not yet receiving benefits	67
Active employees participating in the Plan	60
Total number of Plan Participants	165
Covered compensation for active participants	$ 2,041,456

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2022, the County reported a liability for its net pension liability. The net pension liability was measured as of December 31, 2021. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of January 1, 2021. An expected total pension liability as of December 31, 2021 was determined using standard roll-forward techniques. The County's net pension liability was based on contributions to the Plan during the fiscal year ended December 31, 2021.

Actuarial assumptions - The total pension liability as of December 31, 2021 was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Annul return on invested plan assets	7.00%
Projected annual salary increases	2.50%-4.50% based on age
Expected annual inflation	2.00%

Mortality rates were based on the RP-2000 Combined Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements.

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

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

Note 3 - Detailed Notes on All Funds (Continued)

3-J. Pensions (Continued)

Asset class	Target allocation	Long-term expected real rate of return
U. S. Fixed Income	30.00%	1.17%
U. S. Equity Lareg Core	30.00%	2.31%
International Core	15.00%	1.25%
SMid Cap Core	10.00%	0.78%
Private Real Estate	5.00%	0.41%
Global Care	5.00%	0.42%
U. S. Equity Core	5.00%	0.39%
Total	100.00%	

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

For the year ended June 30, 2022, the County recognized pension expense of $ 191,418. At June 30, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 98,773	$ -0-
Changes of assumptions	12,986	-0-
Net difference between projected and actual earnings on pension plan investments	85,771	621,794
Changes in proportion and differences between County contributions and proportionate share of contributions	-0-	-0-
County contributions subsequent to the measurement date	-0-	-0-
Total	$ 197,530	$ 621,794

County contributions subsequent to the measurement date of December 31, 2021 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2023	$ (54,965)
2024	(171,788)
2025	(123,205)
2026	(74,306)
2027	-0-
Thereafter	-0-

Note 3 - Detailed Notes on All Funds (Continued)

3-J. Pensions (Continued)

Sensitivity of the County's net pension liability to changes in the discount rate: The following presents the County's net pension liability 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% Decrease (6.00%)	Current discount rate (7.00%)	1% Increase (8.00%)
County's net pension liability	$ 1,441,274	$ 629,835	$(39,686)

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at December 31, 2020	$ 5,740,022	$ 4,738,784	$ 1,001,238
Changes for the year:			
Service Cost	119,023	-	119,023
Interest on Total Pension Liability	393,902	-	393,902
Differences between expected and actual experience	106,550	-	106,550
Assumption Change	6,873	-	6,873
Contributions - employer	-	332,400	(332,400)
Contributions - employee	-	-	-
Net investment income	-	715,571	(715,571)
Benefit payments (Adjusted for interest)	(225,711)	(225,711)	-
Administrative expenses	-	(27,372)	27,372
Other charges	-	(22,848)	22,848
Net Changes	400,637	772,040	(371,403)
Balances at December 31, 2021	$ 6,140,659	$ 5,510,824	$ 629,835

Pension plan fiduciary net position:

Detailed information about the pension plan's fiduciary net position may be obtained from:

Association Count Commissioners of Georgia Retirement Services
191 Peachtree Street Northeast, Suite 700
Atlanta, Georgia 30303

Note 3 - Detailed Notes on All Funds (Continued)

3-J. Pensions (Continued)

Deferred Compensation Plan

The County has adopted a deferred compensation plan, the Lincoln County Deferred Compensation Plan, in accordance with Section 457 of the Internal Revenue Code. All full-time county employees meeting eligibility requirements are eligible to participate in the plan. The plan, administered by GEB Corp., is open to all full-time employees with more than 90 days of service not including elected officials who may be eligible for state provided retirement benefits. The County does not contribute to the plan. The plan allows any employee participant to defer gross compensation in an amount not to exceed $18,500 per year. Any employee participant who reaches age 50 before the end of the calendar year is eligible to contribute an additional amount not to exceed $6,000 per year. All administration costs of the plan are deducted from the participants' accounts. Benefit payments are payable upon termination of employment, unforeseeable emergency, retirement or death. The Custodial Account Agreement requires the County set aside assets and income from the plan in trust for the exclusive benefit of the participants and their beneficiaries. The County is in compliance with the agreement.

The County believes that it has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. At June 30, 2022, 4.51% or 7 of the County's 155 employees were participants in the deferred compensation plan. The employees of the County contributed $ 6,595 to the deferred compensation plan during the year ended June 30, 2022. No other contributions are made into this plan.

The County has amended its plan to comply with the requirements of subsection (g) of Internal Revenue Code Section 457 and it has adopted GASB Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32 (GASB 97). All assets and income of the plan described in subsection (b)(6) are held in trust for the exclusive benefit of the participants and their beneficiaries. Pursuant to GASB Statement No. 97, the County does not have a fiduciary relationship with the Plan. Accordingly, the balances and transactions of the County's plan are not reported in the County's financial statements.

Other State of Georgia Pension Plans:

The Sheriff, Clerk of Court, Probate Judge, Magistrate Judge, Tax Commissioner, and various other employees of the County are covered by the State of Georgia retirement plans and are not included as part of the County's plan described above. These State Plans are funded, in part, through County fines and forfeitures collections. Information on each of these plans may be found at the following:

Georgia Sheriffs Association Retirement Fund
Post Office Box 1000
Stockbridge, Georgia 30281

Judges of the Probate Courts Retirement Fund of Georgia
Post Office Box 56
Griffin, Georgia 30224

Employee Retirement System
Two Northside 75, Suite 300
Atlanta, Georgia 30318

Superior Court of Clerk's Retirement Fund of Georgia
124 N. McDonough Street #3
Jonesboro, Georgia 30236

Magistrates Retirement Fund
Post Office Box 56
Griffin, Georgia 30224

Peace Officers' Annuity and Benefit Fund
Post Office Box 56
Griffin, Georgia 30224

Note 3 - Detailed Notes on All Funds (Continued)

3-K. Net Investment in Capital Assets

Net investment of capital assets on the government-wide statement of net position as of June 30, 2022, is as follows:

	Governmental Activities	Business Type Activities	Component Units
Cost of capital assets	$ 39,633,148	$ 23,547,112	$ 1,826,167
Less accumulated depreciation	(24,954,996)	(7,895,271)	(1,043,860)
Book value	14,678,152	15,651,841	782,307
Less capital related debt	(496,136)	(4,925,741)	-
Net Investment in Capital Assets	$ 14,182,016	$ 10,726,100	$ 782,307

3-L. Fund Balances

The County's fund balance designations are summarized as follows:

Non-spendable – The following fund balances are non-spendable because they are allocated to:

General Fund:	
Prepaid items	$ 226,788
Inventory	14,035

Restricted –The following fund balances are restricted for:

General Fund:	
Culture and recreation	128,751
Special Revenue Funds:	
Hotel/Motel Tax Fund	53,410
Jail Fund	16,812
Drug Education Fund	35,378
Family Connection Fund	6,926
Law Library Fund	8,380
E-911 Fund	157,774
Condemned Funds Fund	16,781
American Rescue Plan Grant Fund	335
Capital Projects Funds:	
SPLOST VI Fund	707,809
SPLOST VII Fund	428,005
TSPLOST Fund	706,328

Assigned - The following fund balances are assigned for:

General Fund:	
Capital projects	307,752

Unassigned

General Fund:	5,908,538
Total Fund Balances	$ 8,723,802

Note 4 - Other Notes

4-A. Risk Management

The County is exposed to potential risk of loss in the areas of: theft, damage or destruction of County assets; errors and omission; natural disasters; and injuries to employees. Significant losses in these areas are covered by commercial insurance with the exception of workers' compensation. There have been no significant reductions in the amount of insurance coverage in the past year in any major category of risk. There have been no insurance settlements that exceeded coverage over the past year.

Note 4 - Other Notes (Continued)

4-A. Risk Management (Continued)

Insurance Risk - The County has its property and liability insurance with the ACCG-Inter-local Risk Management Agency, a self-insurance pool and a risk financing mechanism, whereby the members join together to provide a source of coverage for their property, automobiles, general liability, law enforcement liability, public officials liability, crime, and boiler and machinery exposures. The Fund is owned by its members and is managed by a seven-member board of trustees who are representatives from participating counties. The Fund is operated under the authority of OCGA 36-85-20 et seq. The ACCG-IRMA estimates the anticipated losses for its members and self-funds a portion of that exposure. The funds which are allocated for the anticipated losses are deposited and invested until such time that they are needed to pay claims. The ACCG-IRMA purchases appropriate reinsurance coverage to provide for catastrophic losses or for an unanticipated increase in frequency of smaller claims.

The County is a member of the Association County Commissioners of Georgia Group Self-Insurance Workers' Compensation Fund, a risk sharing public entity risk pool currently operating as a common risk management and insurance program for member local governments. This fund was created to provide its members with an alternative method in which to finance their workers' compensation coverage. The County pays an annual premium to the fund for its workers' compensation coverage. The fund purchases excess insurance to protect the fund from catastrophic losses and for any unexpected increase in frequency of smaller claims.

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 pool's 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 pool's agents and attorneys to represent the County in investigation, settlement discussions and all levels of litigation arising out of any claim made against the County within the scope of loss protection furnished by the funds.

The 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.

4-B. Contingent Liabilities

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

The County was a defendant in several lawsuits as of June 30, 2022. In the opinion of County management, the outcome of these contingencies will not have a material effect on the financial position of the County.

4-C. Joint Ventures

Under Georgia law, the County, in conjunction with other cities and counties in the fourteen county east central Georgia area, is a member of the Central Savannah River Area Regional Commission (RC) and is required to pay annual dues thereto. Membership in an RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the RC in Georgia. The RC Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC. Separate financial statements of the CSRA RC may be obtained from:

Central Savannah River Area Regional Commission
3023 Riverwatch Parkway, Suite A
Augusta, Georgia 30907

Note 4 - Other Notes (Continued)

4-D Lodging Tax

The County has levied a 5.00% lodging tax. The Official Code of Georgia Annotated 48-13-50 requires that all lodging taxes levied of 5.00% or more be expended or obligated contractually for the promotion of tourism, conventions, or trade shows. For the fiscal year ended June 30, 2022, the County collected $ 55,845 of hotel/motel taxes. Management represents that 100% of the lodging tax received during the year ended June 30, 2022 was used for the promotion of tourism.

4-E Tax Abatements

Lincoln County grants various tax incentives that are negotiated on an individual basis. Additionally, the County is subject to tax abatements granted by other authorities in addition to state and federal tax abatement programs.

Tax incentives provided by the County include a reduction of property taxes based on the percentage negotiated and have the stated purpose of increasing employment and business investment in the County. Each of the incentive agreements contain a recapture provision that requires repayment of a portion of the abatement if the business fails to meet its job and/or investment thresholds. For the fiscal year ended June 30, 2022, the County did not have any tax incentive agreements to disclose to be in compliance with GASB 77.

4-F Subsequent Events

In preparing the financial statements, the County has evaluated events and transactions for potential recognition or disclosure through December 21, 2022. Management has not identified any items requiring recognition or disclosure.

4-G. Prior Period Adjustments

Governmental Activities: The County has determined that a restatement of beginning net position of the governmental activities is necessary as a result of the adjustments to the County's net position. Adjustments were made to restate the beginning net position of the governmental activities, as indicated on the Statement of Activities. The beginning net position of the governmental activities has been restated from the prior year as follows:

Net position, June 30, 2021, as previously reported	$ 19,990,012
Prior period adjustments:	
Implementation of GASB Statement No. 87 Leases	1,648
Capital assets adjustment	(43,910)
Net position, June 30, 2021, restated	$ 19,947,750

Business-Type Activities: The County has determined that a restatement of beginning net position of the business-type activities is necessary as a result of the adjustments to the County's net position. Adjustments were made to restate the beginning net position of the business-type activities, as indicated on the Statement of Activities. The beginning net position of the business-type activities has been restated from the prior year as follows:

Net position, June 30, 2021, as previously reported	$ 10,990,821
Prior period adjustments:	
Capital assets adjustment - Water Fund	79,639
Capital assets adjustment - Solid Waste Fund	62,000
Net position, June 30, 2021, restated	$ 11,132,460

Lincoln County, Georgia
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Taxes	$ 4,601,417	$ 4,602,617	$ 4,909,904	$ 307,287
Licenses and permits	85,100	85,100	145,267	60,167
Intergovernmental	943,883	958,883	1,098,052	139,169
Charges for services	1,161,224	1,161,224	1,064,436	(96,788)
Fines, forfeitures and fees	224,200	223,000	325,507	102,507
Investment earnings	2,000	2,000	2,870	870
Miscellaneous	44,525	44,525	56,763	12,238
Total Revenues	7,062,349	7,077,349	7,602,799	525,450
Expenditures				
Current:				
General government	2,398,149	2,041,672	2,000,851	40,821
Judicial	443,373	448,950	444,553	4,397
Public safety	2,592,518	3,041,218	2,968,551	72,667
Public works	994,800	1,000,100	614,878	385,222
Health and welfare	301,804	303,004	248,578	54,426
Culture and recreation	321,231	336,231	306,581	29,650
Conservation of natural resources	79,439	79,439	76,750	2,689
Housing and development	198,335	238,935	238,801	134
Debt Service:				
Principal retirement	-	37,620	37,619	1
Interest and fiscal charges	-	5,680	5,672	8
Total Expenditures	7,329,649	7,532,849	6,942,834	590,015
Excess (Deficiency) of Revenues Over (Under) Expenditures	(267,300)	(455,500)	659,965	1,115,465
Other Financing Sources (Uses)				
Transfers in (out)	267,300	267,300	(59,440)	(326,740)
Inception of capital lease obligation	-	-	264,200	264,200
Total Other Financing Sources (Uses)	267,300	267,300	204,760	(62,540)
Special Items				
Gain on disposition of assets	-	-	23,769	23,769
Net Change in Fund Balances	$ -	$ (188,200)	888,494	$ 1,076,694
Fund Balance, Beginning of Year			5,697,370	
Fund Balances, End of Year			$ 6,585,864	

Lincoln County, Georgia
Workforce Development Grant Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Intergovernmental	$ 1,500,000	$ 2,140,000	$ 2,139,151	$ (849)
Total Revenues	1,500,000	2,140,000	2,139,151	(849)
Expenditures				
Health and welfare	1,500,000	2,140,000	2,139,151	849
Total Expenditures	1,500,000	2,140,000	2,139,151	849
Net Change in Fund Balance	$ -	$ -	-	$ -
Fund Balance, Beginning of Year			-	
Fund Balance, End of Year			$ -	

Lincoln County, Georgia
American Rescue Plan Federal Grant Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Intergovernmental	$ -	$ 8,825	$ 8,825	$ -
Investment earnings	-	-	313	313
Total Revenues	-	8,825	9,138	-
Expenditures				
Public safety	-	8,825	8,825	-
Total Expenditures	-	8,825	8,825	-
Net Change in Fund Balance	$ -	$ -	313	$ 313
Fund Balance, Beginning of Year			-	
Fund Balance, End of Year			$ 313	

Lincoln County, Georgia

Schedule of Changes in Net Pension Liability and Related Ratios

For the Year Ended June 30, 2022

	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability								
Service cost	$ 119,023	$ 114,141	$ 97,053	$ 105,452	$ 102,656	$ 103,765	$ 116,094	$ 113,794
Interest on total pension liability	393,902	369,474	338,805	318,317	297,151	286,554	258,060	238,565
Differences between expected and actual experience	106,550	75,457	20,704	39,822	61,560	11,381	13,770	-
Assumption change	6,873	6,970	181,912	171,997	7,210	121,650	105,312	-
Benefit payments (Adjusted for interest)	(225,711)	(208,432)	(192,264)	(179,936)	(173,322)	(158,771)	(113,326)	(92,421)
Net change in total pension liability	400,637	357,610	446,210	455,652	295,255	364,579	379,910	259,938
Total pension liability, Beginning	5,740,022	5,382,412	4,936,202	4,480,550	4,185,295	3,820,716	3,440,806	3,180,868
Total pension liability, Ending	$ 6,140,659	$ 5,740,022	$ 5,382,412	$ 4,936,202	$ 4,480,550	$ 4,185,295	$ 3,820,716	$ 3,440,806
Plan fiduciary net position								
Contributions - employer	$ 332,400	$ 299,407	$ 254,216	$ 226,748	$ 242,457	$ 237,611	$ 240,241	$ 243,643
Net investment income	715,571	545,283	697,463	(158,091)	487,713	211,062	23,152	180,521
Benefit payments (Adjusted for interest)	(225,711)	(208,432)	(192,264)	(179,936)	(173,322)	(153,032)	(109,230)	(89,081)
Administrative expenses	(27,372)	(26,756)	(24,820)	(14,029)	(11,211)	(14,499)	(11,882)	(11,371)
Other charges	(22,848)	(44,309)	(33,954)	(17,024)	(49,249)	(24,908)	(37,989)	(36,718)
Net change in plan fiduciary net position	772,040	565,193	700,641	(142,332)	496,388	256,234	104,292	286,994
Plan fiduciary net position, Beginning	4,738,784	4,173,591	3,472,950	3,615,282	3,118,894	2,862,660	2,758,368	2,471,374
Plan fiduciary net position, Ending	$ 5,510,824	$ 4,738,784	$ 4,173,591	$ 3,472,950	$ 3,615,282	$ 3,118,894	$ 2,862,660	$ 2,758,368
County's net pension liability	$ 629,835	$ 1,001,238	$ 1,208,821	$ 1,463,252	$ 865,268	$ 1,066,401	$ 958,056	$ 682,438
Plan fiduciary net position as a percentage of the total pension liability	89.74%	82.56%	77.54%	70.36%	80.69%	74.52%	74.92%	80.17%
Covered-employee payroll	$ 2,041,456	$ 1,993,977	$ 1,791,168	$ 1,813,592	$ 1,644,501	$ 1,599,926	$ 1,725,201	$ 1,703,881
County's net pension liability as a percentage of covered-employee payroll	30.85%	50.21%	67.49%	80.68%	52.62%	66.65%	55.53%	40.05%

Lincoln County, Georgia
Schedule of Pension Contributions
For the Year Ended June 30, 2022

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	$ 332,400	$ 299,407	$ 236,419	$ 214,718	$ 238,914	$ 233,124	$ 235,060	$ 233,483	$ 236,710
Contributions in relation to the contractually required contribution	332,400	299,407	254,216	226,748	242,457	237,611	240,241	243,643	242,391
Contribution deficiency (excess)	$ -	$ -	$ (17,797)	$ (12,030)	$ (3,543)	$ (4,487)	$ (5,181)	$ (10,160)	$ (5,681)
County's covered-employee payroll	$ 2,041,456	$ 1,993,977	$ 1,791,168	$ 1,813,592	$ 1,644,501	$ 1,599,926	$ 1,725,201	$ 1,703,881	$ 1,595,505
Contributions as a percentage of covered-employee payroll	16.28%	15.02%	14.19%	12.50%	14.74%	14.85%	13.93%	14.30%	15.19%

Note 1 - Budgetary Information

Budgets for the general fund and special revenue funds are adopted on a basis that is consistent with accounting principles generally accepted in the United States as applied to governments.

The County's financial statements did not reflect any expenditures in excess of budgeted amounts.

Note 2 - Schedule of Changes in Net Pension Liability and Related Ratios

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

Note 3 - Schedule of Pension Contributions

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

Method and assumptions used in calculations of actuarially determined contributions: The following actuarial methods and assumptions were used to determine the contractually required contributions for year ended June 30, 2022 reported in that schedule:

Valuation date	January 1, 2021
Actuarial cost method	Entry Age Normal
Amortization method	Level percentage of payroll, open
Remaining amortization method	18.20 years
Asset valuation period	Five-year smoothed market
Inflation rate	2.00%
Salary increases	2.50 - 4.50% per year, adjusted for age
Investment rate of return	7.00%, net of pension plan investment expense, including inflation

Lincoln County, Georgia
General Fund
Comparative Balance Sheet
June 30, 2022 and 2021

	2022	2021
Assets		
Cash and cash equivalents	$ 5,795,976	$ 4,566,599
Investments	128,751	128,270
Receivables:		
Accounts, net	234,516	333,262
Property taxes, net	83,951	78,898
Intergovernmental	192,632	132,370
Interfund	258,738	757,696
Other	136,434	125,616
Prepaid items	226,788	219,547
Inventory	14,035	18,670
Total Assets	$ 7,071,821	$ 6,360,928
Liabilities, Deferred Inflows of Resources and Fund Balances		
Liabilities		
Accounts payable	$ 125,305	$ 126,633
Accrued expenses	186,286	297,626
Interfund payables	99,685	153,796
Due to others	4,608	22,889
Total Liabilities	415,884	600,944
Deferred Inflows of Resources		
Unavailable revenue: property taxes	70,073	62,614
Total Liabilities and Deferred Inflows of Resources	485,957	663,558
Fund Balances		
Nonspendable		
Inventory	14,035	18,670
Prepaid items	226,788	219,547
Restricted		
Culture and recreation	128,751	128,270
Assigned		
Capital projects	307,752	307,752
Unassigned	5,908,538	5,023,131
Total Fund Balances	6,585,864	5,697,370
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 7,071,821	$ 6,360,928

Lincoln County, Georgia
General Fund
Schedule of Revenues - Budget and Actual
For the Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	2022				
	Original Budget	Final Budget	Actual	Variance Over (Under)	2021 Actual
REVENUES					
Taxes					
General property tax	$ 3,024,417	$ 3,025,617	$ 2,898,796	$ (126,821)	$ 2,950,429
Vehicle property tax	-	-	39,013	39,013	49,845
Title ad valorem tax	455,000	455,000	488,549	33,549	546,931
Mobile home property tax	-	-	14,108	14,108	27,751
Recording intangible tax	35,000	35,000	77,190	42,190	79,420
Real estate transfer tax	11,000	11,000	27,788	16,788	24,224
Timber tax	-	-	27,920	27,920	22,846
Other taxes	500	500	274	(226)	30
Insurance premium tax	470,000	470,000	491,358	21,358	472,391
Local option sales tax	550,000	550,000	772,689	222,689	669,360
Bank licenses and taxes	10,000	10,000	10,686	686	10,377
Franchise taxes	18,000	18,000	25,670	7,670	18,478
Alcoholic beverage licenses/taxes	27,500	27,500	35,863	8,363	29,633
Total Taxes	4,601,417	4,602,617	4,909,904	307,287	4,901,715
Licenses and Permits	85,100	85,100	145,267	60,167	109,057
Intergovernmental					
Federal grant funds	44,467	59,467	200,265	140,798	464,362
Federal P.I.L.O.T.	151,000	151,000	154,901	3,901	151,208
Road paving contracts	401,573	401,573	423,236	21,663	316,573
Forest Land Protection Grant	10,000	10,000	14,653	4,653	8,110
Columbia County library supplement	48,000	48,000	55,834	7,834	55,168
Nutrition Program	49,000	49,000	32,760	(16,240)	58,081
DOT transit program revenues	60,694	60,694	48,861	(11,833)	109,827
State grant funds	-	-	20,533	20,533	42,893
Juvenile Offenders Program	1,200	1,200	2,310	1,110	743
Other local funds	177,949	177,949	144,699	(33,250)	108,910
Total Intergovernmental	943,883	958,883	1,098,052	139,169	1,315,875
Charges for Services					
Commissions on tax collections	153,000	153,000	171,115	18,115	206,460
Ambulance fees	301,000	301,000	381,431	80,431	292,570
Correction Institute-inmate cost rebate	366,500	366,500	312,603	(53,897)	409,589
Civil defense	-	-	8,500	8,500	-
Rental income	96,251	96,251	102,312	6,061	97,262
Administrative fees	230,000	230,000	70,000	(160,000)	124,310
Library fees	2,940	2,940	5,878	2,938	2,082
Transportation program fares	2,500	2,500	3,248	748	2,784
Recreation fees and sponsorships	9,033	9,033	9,349	316	9,928
Total Charges for Services	1,161,224	1,161,224	1,064,436	(96,788)	1,144,985

(Continued)

Lincoln County, Georgia
General Fund
Schedule of Revenues - Budget and Actual
For the Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	2022				
	Original Budget	Final Budget	Actual	Variance Over (Under)	2021 Actual
REVENUES					
Fines, Forfeitures and Fees					
State and superior courts	$ 61,600	$ 60,400	$ 106,514	$ 46,114	$ 87,082
Sheriff's fees	76,600	76,600	70,203	(6,397)	96,180
Magistrate court	5,500	5,500	4,684	(816)	4,395
Probate court	80,500	80,500	144,106	63,606	92,929
Total Fines, Forfeitures and Fees	224,200	223,000	325,507	102,507	280,586
Investment Earnings	2,000	2,000	2,870	870	3,144
Miscellaneous					
Penalties & interest/costs	33,275	33,275	20,984	(12,291)	34,869
Sale of surplus property	7,000	7,000	5,732	(1,268)	18,369
Other	4,250	4,250	30,047	25,797	16,537
Total Miscellaneous	44,525	44,525	56,763	12,238	69,775
TOTAL REVENUES	$ 7,062,349	$ 7,077,349	$ 7,602,799	$ 525,450	$ 7,825,137

Lincoln County, Georgia
General Fund
Schedule of Expenditures - Budget and Actual
For the Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	2022				
	Original Budget	Final Budget	Actual	Variance Over (Under)	2021 Actual
EXPENDITURES					
General Government					
Board of commissioners	$ 181,970	$ 187,570	$ 187,519	$ 51	$ 164,441
Tax commissioner	206,674	206,674	206,172	502	195,858
Tax assessor	193,745	193,745	189,183	4,562	154,184
General administration	1,424,407	1,000,730	978,090	22,640	1,159,971
Finance office	158,526	168,026	167,997	29	128,429
County attorney	34,320	34,320	29,987	4,333	28,738
Information technology	68,722	83,322	83,277	45	66,766
Record retention	12,594	12,594	9,513	3,081	9,768
Board of equalization	8,125	8,125	2,598	5,527	2,151
Elections and registrar	109,066	146,566	146,515	51	131,625
Total General Government	2,398,149	2,041,672	2,000,851	40,821	2,041,931
Judicial					
State and superior courts	217,913	218,990	214,789	4,201	189,624
District attorney	24,000	24,000	23,917	83	16,095
Juvenile court	4,000	4,000	3,887	113	3,649
Probate court	197,460	201,960	201,960	-	179,932
Total Judicial	443,373	448,950	444,553	4,397	389,300
Public Safety					
Sheriff	795,453	885,153	885,142	11	831,646
County jail	770,514	770,514	705,562	64,952	762,562
Office of emergency services	981,465	1,340,465	1,340,311	154	947,516
County fire departments	30,273	30,273	24,291	5,982	10,846
Coroner	14,813	14,813	13,245	1,568	14,812
Total Public Safety	2,592,518	3,041,218	2,968,551	72,667	2,567,382
Public Works					
Roads department	900,519	900,519	515,370	385,149	1,049,175
Shop	94,281	99,581	99,508	73	92,294
Total Public Works	994,800	1,000,100	614,878	385,222	1,141,469

(Continued)

Lincoln County, Georgia
General Fund
Schedule of Expenditures - Budget and Actual
For the Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	2022				
	Original Budget	Final Budget	Actual	Variance Over (Under)	2021 Actual
EXPENDITURES					
Health and Welfare					
Health department	$ 39,370	$ 40,570	$ 40,497	$ 73	$ 39,713
Transportation program	118,835	118,835	113,838	4,997	96,847
Senior citizens program	108,250	108,250	74,768	33,482	74,631
Lincoln center	16,946	16,946	9,883	7,063	8,681
PAWS program	8,000	8,000	8,000	-	8,000
Family and children services	10,403	10,403	1,592	8,811	4,522
Total Health and Welfare	301,804	303,004	248,578	54,426	232,394
Culture and Recreation					
Art and recreation	164,775	164,775	144,658	20,117	126,996
Library	156,456	171,456	161,923	9,533	139,444
Total Culture and Recreation	321,231	336,231	306,581	29,650	266,440
Conservation of Natural Resources					
Agriculture resources	71,281	71,281	68,592	2,689	50,820
Forestry resources	8,158	8,158	8,158	-	8,158
Total Conservation of Natural Resources	79,439	79,439	76,750	2,689	58,978
Housing and Development					
Planning and permits	28,861	44,461	44,389	72	25,676
Code enforcement	87,166	101,266	101,244	22	81,362
Economic development	82,308	93,208	93,168	40	49,141
Total Housing and Development	198,335	238,935	238,801	134	156,179
Debt Service					
Principal	-	37,620	37,619	1	-
Interest	-	5,680	5,672	8	-
Total Debt Service	-	43,300	43,291	9	-
TOTAL EXPENDITURES	$ 7,329,649	$ 7,532,849	$ 6,942,834	$ 590,015	$ 6,854,073

Lincoln County, Georgia
SPLOST VI Fund
Comparative Balance Sheet
June 30, 2022 and 2021

	2022	2021
Assets		
Cash and cash equivalents	$ 712,779	$ 1,018,994
Other receivable	-	4,000
Intergovernmental receivable	-	78,722
Total Assets	$ 712,779	$ 1,101,716
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 4,970	$ 558
Intergovernmental payable	-	25,176
Interfund payable	-	21,168
Total Liabilities	4,970	46,902
Fund Balances		
Restricted for capital projects	707,809	1,054,814
Total Fund Balances	707,809	1,054,814
Total Liabilities and Fund Balances	$ 712,779	$ 1,101,716

Lincoln County, Georgia
SPLOST VI Fund
Comparative Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	2022	2021
Revenues		
Sales taxes	$ 459,859	$ 836,700
Investment earnings	377	334
Total Revenues	460,236	837,034
Expenditures		
Intergovernmental	72,952	132,734
Capital outlay		
General government	304,467	25,395
Public works	217,191	157,055
Public safety	16,184	72,961
Culture and recreation	29,574	48,899
Debt service:		
Principal	157,837	49,216
Interest	9,036	10,873
Total Expenditures	807,241	497,133
(Deficiency) of Revenues (Under) Expenditures	(347,005)	339,901
Other Financing Sources		
Transfers in (out)	-	10,188
Net Change in Fund Balance	(347,005)	350,089
Fund Balance, Beginning of Year	1,054,814	704,725
Fund Balance, End of Year	$ 707,809	$ 1,054,814

Lincoln County, Georgia
TSPLOST Fund
Comparative Balance Sheet
June 30, 2022 and 2021

	2022	2021
Assets		
Cash and cash equivalents	$ 640,630	$ 287,029
Intergovernmental receivable	71,706	65,573
Total Assets	$ 712,336	$ 352,602
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ -	$ -
Interfund payables	6,008	-
Total Liabilities	6,008	-
Fund Balances		
Restricted for public works	706,328	352,602
Total Liabilities and Fund Balances	$ 712,336	$ 352,602

Lincoln County, Georgia
TSPLOST Fund
Comparative Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	2022	2021
Revenues		
Taxes - TSPLOST	$ 831,336	$ 767,482
Investment income	200	364
Miscellaneous	-	800
Total Revenues	831,536	768,646
Expenditures		
Current:		
Public works	9,271	-
Capital outlay		
Public works	468,539	1,143,276
Total Expenditures	477,810	1,143,276
Net Change in Fund Balances	353,726	(374,630)
Fund Balances, Beginning of Year	352,602	727,232
Fund Balances, End of Year	$ 706,328	$ 352,602

Lincoln County, Georgia
Workforce Development Grant Fund
Comparative Balance Sheet
June 30, 2022 and 2021

	2022	2021
Assets		
Cash and cash equivalents	$ 55,229	$ 55,189
Intergovernmental receivable	132,374	333,931
Total Assets	$ 187,603	$ 389,120
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 142,769	$ 347,949
Interfund payables	44,834	41,171
Total Liabilities	187,603	389,120
Fund Balances		
Restricted for program purposes	-	-
Total Liabilities and Fund Balances	$ 187,603	$ 389,120

Lincoln County, Georgia
Workforce Development Grant Fund
Comparative Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	2022	2021
Revenues		
Intergovernmental	$ 2,139,151	$ 1,870,609
Total Revenues	2,139,151	1,870,609
Expenditures		
Health and welfare	2,139,151	1,870,609
Total Expenditures	2,139,151	1,870,609
Net Change in Fund Balance	-	-
Fund Balance, Beginning of Year	-	-
Fund Balance, End of Year	$ -	$ -

Lincoln County, Georgia
American Rescue Plan Federal Grant Fund
Comparative Balance Sheet
June 30, 2022 and 2021

	2022	2021
Assets		
Cash and cash equivalents	$ 1,297,315	$ 769,141
Total Assets	$ 1,297,315	$ 769,141
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ -	$ -
Interfund payables	-	232,595
Unearned revenues	1,296,980	536,524
Total Liabilities	1,296,980	769,119
Fund Balances		
Restricted for program purposes	335	22
Total Liabilities and Fund Balances	$ 1,297,315	$ 769,141

Lincoln County, Georgia
American Rescue Plan Federal Grant Fund
Comparative Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	2022	2021
Revenues		
Intergovernmental	$ 8,825	$ 232,756
Investment earnings	313	22
Total Revenues	9,138	232,778
Expenditures		
Public safety	8,825	232,756
Total Expenditures	8,825	232,756
Net Change in Fund Balance	313	22
Fund Balance, Beginning of Year	22	-
Fund Balance, End of Year	$ 335	$ 22

Lincoln County, Georgia
Combining Balance Sheet
Non-major Governmental Funds
June 30, 2022

	Special Revenue Funds							Capital Project Funds	
	Hotel/Motel Tax Fund	E-911 Fund	Law Library	Family Connection Fund	Drug Education Fund	Jail Fund	Condemned Funds Fund	SPLOST VII Fund	Total
Assets									
Cash and cash equivalents	$ 56,734	$ 41,170	$ 7,535	$ 44,040	$ 35,152	$ 24,606	$ 16,781	$ 346,514	$ 572,532
Receivables:									
Accounts, net	-	-	845	173	-	-	-	-	1,018
Intergovernmental	4,209	29,824	-	26,007	-	-	-	95,752	155,792
Interfund receivables	-	99,685	-	-	-	-	-	-	99,685
Other	3,139	-	-	-	226	2,206	-	-	5,571
Total Assets	$ 64,082	$ 170,679	$ 8,380	$ 70,220	$ 35,378	$ 26,812	$ 16,781	$ 442,266	$ 834,598
Liabilities									
Accounts payable	$ 4,209	$ 10,197	$ -	$ -	$ -	$ 10,000	$ -	$ -	$ 24,406
Accrued expenses	-	2,708	-	635	-	-	-	-	3,343
Intergovernmental payable	6,463	-	-	-	-	-	-	14,261	20,724
Interfund payables	-	-	-	62,659	-	-	-	-	62,659
Total Liabilities	10,672	12,905	-	63,294	-	10,000	-	14,261	111,132
Fund Balances									
Restricted for program purposes	53,410	157,774	8,380	6,926	35,378	16,812	16,781	428,005	723,466
Total Fund Balances	53,410	157,774	8,380	6,926	35,378	16,812	16,781	428,005	723,466
Total Liabilities and Fund Balances	$ 64,082	$ 170,679	$ 8,380	$ 70,220	$ 35,378	$ 26,812	$ 16,781	$ 442,266	$ 834,598

Lincoln County, Georgia

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Non-major Governmental Funds

For the Year Ended June 30, 2022

	Special Revenue Funds							Capital Project Fund	
	Hotel/Motel Tax Fund	E-911 Fund	Law Library	Family Connection Fund	Drug Education Fund	Jail Fund	Condemned Funds Fund	SPLOST VII Fund	Total
Revenues									
Taxes	$ 55,845	$ -	$ -	$ -	$ -	$ -	$ -	$ 506,000	$ 561,845
Intergovernmental	-	50,934	-	81,689	-	-	-	-	132,623
Charges for services	-	175,238	-	-	-	-	-	-	175,238
Fines, forfeitures and fees	-	-	5,414	-	2,418	15,730	2,104	-	25,666
Investment earnings	21	39	-	-	15	11	-	14	100
Total Revenues	55,866	226,211	5,414	81,689	2,433	15,741	2,104	506,014	895,472
Expenditures									
Current:									
Judicial	-	-	3,600	-	-	-	-	-	3,600
Public safety	-	351,088	-	-	-	-	4,835	-	355,923
Health and welfare	-	-	-	86,066	-	-	-	-	86,066
Housing and development	42,724	-	-	-	-	-	-	-	42,724
Intergovernmental	-	-	-	-	-	-	-	78,009	78,009
Capital Outlay	-	-	-	-	-	10,000	-	-	10,000
Total Expenditures	42,724	351,088	3,600	86,066	-	10,000	4,835	78,009	576,322
Excess (Deficiency) of Revenues Over (Under) Expenditures	13,142	(124,877)	1,814	(4,377)	2,433	5,741	(2,731)	428,005	319,150
Other Financing (Uses)									
Transfers in (out), net	-	116,862	-	-	-	-	-	-	116,862
Net Change in Fund Balances	13,142	(8,015)	1,814	(4,377)	2,433	5,741	(2,731)	428,005	436,012
Fund Balances, Beginning	40,268	165,789	6,566	11,303	32,945	11,071	19,512	-	287,454
Fund Balances, Ending	$ 53,410	$ 157,774	$ 8,380	$ 6,926	$ 35,378	$ 16,812	$ 16,781	$ 428,005	$ 723,466

Lincoln County, Georgia
Hotel/Motel Tax Fund
Comparative Balance Sheet
June 30, 2022 and 2021

	2022	2021
Assets		
Cash and cash equivalents	$ 56,734	$ 39,390
Intergovernmental receivable	4,209	2,841
Other receivable	3,139	-
Total Assets	$ 64,082	$ 42,231
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 4,209	$ -
Intergovernmental payable	6,463	1,963
Total Liabilities	10,672	1,963
Fund Balances		
Restricted for program purposes	53,410	40,268
Total Liabilities and Fund Balances	$ 64,082	$ 42,231

Lincoln County, Georgia
Hotel/Motel Tax Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	2022				2021
	Original Budget	Final Budget	Actual	Variance Over (Under)	Actual
Revenues					
Taxes	$ 33,518	$ 33,518	$ 55,845	$ 22,327	$ 32,749
Investment income	-	-	21	21	19
Total Revenues	33,518	33,518	55,866	22,348	32,768
Expenditures					
Housing and development	33,518	42,728	42,724	4	24,989
Net Change in Fund Balances	$ -	$ (9,210)	13,142	$ 22,352	7,779
Fund Balances, Beginning of Year			40,268		32,489
Fund Balances, End of Year			$ 53,410		$ 40,268

Lincoln County, Georgia
E-911 Fund
Comparative Balance Sheet
June 30, 2022 and 2021

	2022	2021
Assets		
Cash and cash equivalents	$ 41,170	$ 102,657
Intergovernmental receivable	29,824	32,626
Interfund receivable	99,685	41,041
Total Assets	$ 170,679	$ 176,324
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 10,197	$ 476
Accrued expenses	2,708	10,059
Total Liabilities	12,905	10,535
Fund Balances		
Restricted for program purposes	157,774	165,789
Total Liabilities and Fund Balances	$ 170,679	$ 176,324

Lincoln County, Georgia
E-911 Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	2022				2021
	Original Budget	Final Budget	Actual	Variance Over (Under)	Actual
Revenues					
Intergovernmental revenue	$ 43,632	$ 43,632	$ 50,934	$ 7,302	$ 43,632
Charges for services	136,000	136,000	175,238	39,238	186,307
Investment earnings	75	75	39	(36)	74
Total Revenues	179,707	179,707	226,211	46,504	230,013
Expenditures					
Current:					
Public safety	270,267	351,167	351,088	79	273,116
Capital Outlay	20,905	14,605	-	14,605	6,810
Total Expenditures	291,172	365,772	351,088	14,684	279,926
Excess (Deficiency) of Revenues Over (Under) Expenditures	(111,465)	(186,065)	(124,877)	61,188	(49,913)
Other Financing Sources (Uses)					
Transfers in	111,465	186,065	116,862	(69,203)	36,004
Net Change in Fund Balances	$ -	$ -	(8,015)	$ (8,015)	(13,909)
Fund Balances, Beginning of Year			165,789		179,698
Fund Balances, End of Year			$ 157,774		$ 165,789

Lincoln County, Georgia
Law Library Fund
Comparative Balance Sheet
June 30, 2022 and 2021

	2022	2021
Assets		
Cash and cash equivalents	$ 7,535	$ 6,221
Accounts receivable	845	345
Total Assets	$ 8,380	$ 6,566
Fund Balance		
Restricted for program purposes	$ 8,380	$ 6,566

Lincoln County, Georgia
Law Library Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	2022				2021
	Original Budget	Final Budget	Actual	Variance Over (Under)	Actual
Revenues					
Fines, forfeitures and fees	$ 2,800	$ 2,800	$ 5,414	$ 2,614	$ 4,153
Expenditures					
Current:					
Judicial	2,800	3,600	3,600	-	1,360
Net Change in Fund Balance	$ -	$ (800)	1,814	$ 2,614	2,793
Fund Balance, Beginning of Year			6,566		3,773
Fund Balance, End of Year			$ 8,380		$ 6,566

Lincoln County, Georgia
Family Connection Fund
Comparative Balance Sheet
June 30, 2022 and 2021

	2022	2021
Assets		
Cash and cash equivalents	$ 44,040	$ 50,508
Accounts receivable	173	173
Intergovernmental receivable	26,007	22,788
Total Assets	$ 70,220	$ 73,469
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ -	$ -
Accrued expenses	635	2,751
Interfund payables	62,659	59,415
Total Liabilities	63,294	62,166
Fund Balances		
Restricted for program purposes	6,926	11,303
Total Liabilities and Fund Balances	$ 70,220	$ 73,469

Lincoln County, Georgia
Family Connection Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	2022				2021
	Original Budget	Final Budget	Actual	Variance Over (Under)	Actual
Revenues					
Intergovernmental revenue	$ 82,600	$ 82,600	$ 81,689	$ (911)	$ 88,718
Total Revenues	82,600	82,600	81,689	(911)	88,718
Expenditures					
Current:					
Health and welfare	82,600	86,100	86,066	34	80,509
Total Expenditures	82,600	86,100	86,066	34	80,509
Net Change in Fund Balances	$ -	$ (3,500)	(4,377)	$ (877)	8,209
Fund Balances, Beginning of Year			11,303		3,094
Fund Balances, End of Year			$ 6,926		$ 11,303

Lincoln County, Georgia
Drug Education Fund
Comparative Balance Sheet
June 30, 2022 and 2021

	2022	2021
Assets		
Cash and cash equivalents	$ 35,152	$ 32,799
Other receivables	226	146
Total Assets	$ 35,378	$ 32,945
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ -	$ -
Total Liabilities	-	-
Fund Balances		
Restricted for program purposes	35,378	32,945
Total Fund Balances	35,378	32,945
Total Liabilities and Fund Balances	$ 35,378	$ 32,945

Lincoln County, Georgia
Drug Education Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	2022				2021
	Original Budget	Final Budget	Actual	Variance Over (Under)	Actual
Revenues					
Fines, forfeitures and fees	$ 1,500	$ 1,500	$ 2,418	$ 918	$ 1,310
Investment earnings	-	-	15	15	17
Total Revenues	1,500	1,500	2,433	933	1,327
Expenditures					
Current:					
Public safety	1,500	1,500	-	1,500	-
Net Change in Fund Balances	$ -	$ -	2,433	$ 2,433	1,327
Fund Balances, Beginning of Year			32,945		31,618
Fund Balances, End of Year			$ 35,378		$ 32,945

Lincoln County, Georgia
Jail Fund
Comparative Balance Sheet
June 30, 2022 and 2021

	2022	2021
Assets		
Cash and cash equivalents	$ 24,606	$ 9,570
Other receivables	2,206	1,501
Total Assets	$ 26,812	$ 11,071
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 10,000	$ -
Total liabilities	10,000	-
Fund Balances		
Restricted for program purposes	16,812	11,071
Total Liabilities and Fund Balances	$ 26,812	$ 11,071

Lincoln County, Georgia
Jail Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	2022				2021
	Original Budget	Final Budget	Actual	Variance Over (Under)	Actual
Revenues					
Fines, forfeitures and fees	$ 6,700	$ 10,000	$ 15,730	$ 5,730	$ 8,220
Investment earnings	-	-	11	11	-
Total Revenues	6,700	10,000	15,741	5,741	8,220
Expenditures					
Current:					
Public safety	-	-	-	-	4,463
Capital Outlay					
Public safety	6,700	10,000	10,000	-	-
Total Expenditures	6,700	10,000	10,000	-	4,463
Net Change in Fund Balances	$ -	$ -	5,741	$ 5,741	3,757
Fund Balances, Beginning of Year			11,071		7,314
Fund Balances, End of Year			$ 16,812		$ 11,071

Lincoln County, Georgia
Condemned Funds Fund
Comparative Balance Sheet
June 30, 2022 and 2021

	2022	2021
Assets		
Cash and cash equivalents	$ 16,781	$ 19,512
Total Assets	$ 16,781	$ 19,512
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ -	$ -
Total liabilities	-	-
Fund Balances		
Restricted for program purposes	16,781	19,512
Total Liabilities and Fund Balances	$ 16,781	$ 19,512

Lincoln County, Georgia
Condemned Funds Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	2022				2021
	Original Budget	Final Budget	Actual	Variance Over (Under)	Actual
Revenues					
Fines, forfeitures and fees	$ 5,000	$ 5,000	$ 2,104	$ (2,896)	$ 15,549
Total Revenues	5,000	5,000	2,104	(2,896)	15,549
Expenditures					
Current:					
Public safety	5,000	5,000	4,835	165	4,363
Net Change in Fund Balances	$ -	$ -	(2,731)	$ (2,731)	11,186
Fund Balances, Beginning of Year			19,512		8,326
Fund Balances, End of Year			$ 16,781		$ 19,512

Lincoln County, Georgia
SPLOST VII Fund
Balance Sheet
June 30, 2022

Assets		
Cash and cash equivalents	$	346,514
Intergovernmental receivable		95,752
Total Assets	$	442,266
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$	-
Intergovernmental payable		14,261
Total Liabilities		14,261
Fund Balances		
Restricted for capital projects		428,005
Total Fund Balances		428,005
Total Liabilities and Fund Balances	$	442,266

Lincoln County, Georgia
SPLOST VII Fund
Statement of Revenues, Expenditures and
Changes in Fund Balances
For the Year Ended June 30, 2022

Revenues		
Sales taxes	$	506,000
Investment earnings		14
Total Revenues		506,014
Expenditures		
Intergovernmental		78,009
Capital outlay		
General government		-
Total Expenditures		78,009
Net Change in Fund Balance		428,005
Fund Balance, Beginning of Year		-
Fund Balance, End of Year	$	428,005

Lincoln County, Georgia
Water Fund
Comparative Statement of Net Position
June 30, 2022 and 2021

	2022	2021
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 222,167	$ 146,897
Restricted assets - cash	260,199	213,651
Accounts receivable, net	89,007	117,787
Total Current Assets	571,373	478,335
Noncurrent Assets:		
Prepaid bond issuance	12,246	13,188
Capital Assets:		
Nondepreciable	1,998,053	1,623,534
Depreciable, net	13,545,029	13,912,277
Total Noncurrent Assets	15,555,328	15,548,999
TOTAL ASSETS	16,126,701	16,027,334
DEFERRED OUTFLOWS OF RESOURCES		
Related to pension plan	7,901	12,775
Total Deferred Outflows of Resources	7,901	12,775
LIABILITIES		
Current Liabilities:		
Accounts payable	187,179	167,955
Accrued liabilities	28,170	35,669
Interfund payable	130,242	160,645
Lease payable	1,343	
Notes payable	88,644	1,544,411
Revenue bond payable	145,704	115,000
Total Current Liabilities	581,282	2,023,680
Long-Term Liabilities:		
Lease payable (net of current portion)	34,499	-
Notes payable (net of current portion)	765,680	854,359
Compensated absences	8,649	3,345
Net pension liability	25,193	40,050
Revenue bond payable (net of current portion)	3,889,871	2,482,343
Total Long-Term Liabilities	4,723,892	3,380,097
TOTAL LIABILITIES	5,305,174	5,403,777
DEFERRED INFLOWS OF RESOURCES		
Related to pension plan	24,871	20,528
Total Deferred Inflows of Resources	24,871	20,528
Net Position		
Net investment in capital assets	10,617,341	10,539,698
Restricted for debt service	260,199	213,651
Unrestricted	(72,983)	(137,545)
TOTAL NET POSITION	$ 10,804,557	$ 10,615,804

Lincoln County, Georgia
Water Fund
Comparative Statement of Revenues,
Expenses and Changes in Net Position
For the Year Ended June 30, 2022 and 2021

	2022	2021
Operating Revenues		
Charges for services	$ 1,145,185	$ 1,113,291
Miscellaneous	8,339	10,533
Total Operating Revenues	1,153,524	1,123,824
Operating Expenses		
Cost of water	219,219	171,201
Salaries and benefits	230,373	188,136
Materials and supplies	64,533	33,848
Repairs and maintenance	98,225	114,964
Professional and contract services	60,929	82,778
Utilities	62,006	58,144
Other operating expenses	50,413	94,580
Depreciation	422,809	429,521
Amortization	300	-
Total Operating Expenses	1,208,807	1,173,172
Operating Income (Loss)	(55,283)	(49,348)
Non-Operating Revenues (Expenses)		
Investment earnings	1,218	844
Interest and fiscal charges	(123,563)	(99,523)
Total Non-Operating Revenues (Expenses)	(122,345)	(98,679)
Income (Loss) Before Transfers and Capital Contributions	(177,628)	(148,027)
Capital contributions	286,742	-
Change in Net Position	109,114	(148,027)
Net Position, Beginning of Year	10,615,804	10,763,831
Prior Period Adjustment	79,639	-
Net Position, Beginning of Year, Restated	10,695,443	10,763,831
Net Position, End of Year	$ 10,804,557	$ 10,615,804

Lincoln County, Georgia
Solid Waste Fund
Comparative Statement of Net Position
June 30, 2022 and 2021

	2022	2021
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 736,190	$ 988,750
Accounts receivable, net of allowances	36,902	30,321
Interfund receivable	-	110,053
Total Current Assets	773,092	1,129,124
Noncurrent Assets:		
Capital Assets:		
Nondepreciable, net	62,000	-
Depreciable, net	46,759	19,744
Total Noncurrent Assets	108,759	19,744
TOTAL ASSETS	881,851	1,148,868
LIABILITIES		
Current Liabilities:		
Accounts payable	53,638	154,409
Accrued liabilities	1,532	7,587
Unearned revenues	355,860	352,755
Interfund payable	14,995	200,000
Post-closure liability, current portion	9,850	9,850
Total Current Liabilities	435,875	724,601
Long-Term Liabilities:		
Post-closure liability, net of current portion	49,250	49,250
Total Long-Term Liabilities	49,250	49,250
TOTAL LIABILITIES	485,125	773,851
Net Position		
Net investment in capital assets	108,759	19,744
Unrestricted (deficit)	287,967	355,273
Total Net Position	$ 396,726	$ 375,017

Lincoln County, Georgia
Solid Waste Fund
Comparative Statement of Revenues,
Expenses and Changes in Net Position
For the Year Ended June 30, 2022 and 2021

	2022	2021
Operating Revenues		
Charges for services	$ 839,281	$ 907,407
Total Operating Revenues	839,281	907,407
Operating Expenses		
Salaries and benefits	136,738	97,658
Repairs	1,204	8,922
Supplies	1,417	73
Utilities	5,281	2,738
Professional and contract services	668,631	672,768
Other	539	1,935
Depreciation	8,663	4,387
Total Operating Expenses	822,473	788,481
Operating Income (Loss)	16,808	118,926
Non-Operating Revenues (Expenses)		
Investment earnings	323	496
Total Non-Operating Revenues (Expenses)	323	496
Income (Loss) Before Transfers	17,131	119,422
Transfers in (out)	(57,422)	(213,700)
Change in Net Position	(40,291)	(94,278)
Net Position, Beginning of Year	375,017	469,295
Prior Period Adjustment	62,000	-
Net Position, Beginning of Year, Restated	437,017	469,295
Net Position, End of Year	$ 396,726	$ 375,017

Lincoln County, Georgia

Combining Statement of Fiduciary Net Position

Custodial Funds

June 30, 2022

	Clerk of Superior Court	Probate/ Magistrate Court	Sheriff's Department	Tax Commissioner's Office	Total
Assets					
Cash and cash equivalents	$ 163,864	$ 46,775	$ 42,537	$ 372,103	$ 625,279
Taxes receivable for other governments	-	-	-	262,268	262,268
Total Assets	163,864	46,775	42,537	634,371	887,547
Liabilities					
Funds due to others	145,757	24,434	31,111	198,551	399,853
Uncollected taxes	-	-	-	262,268	262,268
Total Liabilities	145,757	24,434	31,111	460,819	662,121
Net Position					
Restricted for individuals, organizations, and other governments	18,107	22,341	11,426	173,552	225,426
Total Net Position	$ 18,107	$ 22,341	$ 11,426	$ 173,552	$ 225,426

Lincoln County, Georgia

Combining Statement of Changes in FiduciaryNet Position

Custodial Funds

June 30, 2022

	Clerk of Superior Court	Probate/ Magistrate Court	Sheriff's Department	Tax Commissioner's Office	Total
Additions					
Taxes collected for other governments	$ -	$ -	$ -	$ 11,547,363	$ 11,547,363
Fines and fees collected	471,215	370,947	295,584	-	1,137,746
Total Additions	471,215	370,947	295,584	11,547,363	12,685,109
Deductions					
Taxes distributed to other governments	-	-	-	11,443,179	11,443,179
Fines and fees disbursed	472,954	367,254	295,074	-	1,135,282
Total Deductions	472,954	367,254	295,074	11,443,179	12,578,461
Changes in Net Position	(1,739)	3,693	510	104,184	106,648
Net Position - Beginning of Year	19,846	18,648	10,916	69,368	118,778
Net Position - End of Year	$ 18,107	$ 22,341	$ 11,426	$ 173,552	$ 225,426

Lincoln County, Georgia
SECTION 5311 TRANSPORTATION PROGRAM
STATEMENT OF REVENUES AND EXPENDITURES
For the Year Ended June 30, 2022

Contract Number T007161
Grant Number GA-2021-011-00

REVENUES		
Reimbursements received from GA Department of Transportation	$	48,861
Participant contributions		2,348
TOTAL		51,209
EXPENDITURES		
Salaries and Fringe Benefits		
Administrative and operating		72,671
Operating Expenditures		
Fuel and operational supplies		17,757
Vehicle maintenance		3,370
Services		3,199
Utilities		1,650
Other operating expenses		1,430
TOTAL		100,077
Revenues in Excess of (less than) Expenditures	$	(48,868)

* * The revenues and expenditures listed above are actual revenues and expenditures for the periods shown. In some instances, these amounts will exceed the amounts reported on the monthly reimbursement requests submitted. This occurs due to the fact that once an expenditure classification exceeds its budget, actual expenditures incurred are no longer included on the reimbursement request.

Lincoln County, Georgia
Schedule of Projects Funded
with Special Sales Tax Proceeds
For the Year Ended June 30, 2022

Special Sales Tax Imposed January 1, 2017	Original Estimated Cost	Revised Estimated Cost	Expenditures Prior Years	Expenditures Current Year	Expenditures Total	Estimated Percent Completed
Project Description						
Roads, streets and bridges	$ 888,365	$ 824,943	$ 530,886	$ 217,191	$ 748,077	90.7%
Courthouse and building renovations	636,000	590,595	454,932	48,158	503,090	85.2%
Fire protection	356,160	330,733	183,113	137,007	320,120	96.8%
General government infrastructure	432,480	401,605	249,186	296,278	545,464	135.8%
Recreation facilities	171,720	159,461	145,604	29,574	175,178	109.9%
Fleet vehicle replacement	111,427	103,472	30,604	3,616	34,220	33.1%
Rescue	79,373	73,706	37,888	2,465	40,353	54.7%
	2,675,525	2,484,515	1,632,213	734,289	2,366,502	
Intergovernmental						
City of Lincolnton	504,475	575,014	502,062	72,952	575,014	100.0%
TOTAL	$ 3,180,000	$ 3,059,529	$ 2,134,275	$ 807,241	$ 2,941,516	

Special Sales Tax Imposed January 1, 2022	Original Estimated Cost	Revised Estimated Cost	Expenditures Prior Years	Expenditures Current Year	Expenditures Total	Estimated Percent Completed
Project Description						
County-wide projects (undesignated)	$ 1,174,358	$ -	$ -	$ -	$ -	0.0%
Capital improvements for transportation, government buildings, community and recreation, public safety, public works, and general government	3,757,947	-	-	-	-	0.0%
	4,932,305	-	-	-	-	
Intergovernmental						
City of Lincolnton	939,487	-	-	78,009	78,009	8.3%
TOTAL	$ 5,871,792	$ -	$ -	$ 78,009	$ 78,009	

Lincoln County, Georgia
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2022

Federal Grantor/Pass-through Grantor/ Program Title	Assistance Listing (AL) Number	Agency or Pass-through Number	Expenditures	Passed Through to Subrecipients
Workforce Investment Act/Workforce Investment Opportunities Act Cluster				
U.S. Department of Labor				
Passed through Georgia Department of Economic Development				
Workforce Investment Opportunities Act Adult Program	17.258	11-20-21-07-013	$ 263,897	$ 258,752
Workforce Investment Opportunities Act Adult Program	17.258	11-21-21-07-013	58,321	56,263
Workforce Investment Opportunities Act Adult Program	17.258	11-21-22-07-013	124,092	124,092
Subtotal AL 17.258			446,310	439,107
Passed through Lincoln County Community Partnership, Inc.				
Workforce Investment Opportunities Act Youth Activities Program	17.259	15-21-21-07-013	32,088	-
Passed through Georgia Department of Economic Development				
Workforce Investment Opportunities Act Youth Activities Program	17.259	AFR15a-18-18-07-013	2,680	2,680
Workforce Investment Opportunities Act Youth Activities Program	17.259	AFR15a-19-19-07-013	59,730	59,730
Workforce Investment Opportunities Act Youth Activities Program	17.259	AFR15b-19-19-07-013	10,275	10,275
Workforce Investment Opportunities Act Youth Activities Program	17.259	15-19-19-07-013	7,323	7,323
Workforce Investment Opportunities Act Youth Activities Program	17.259	15-20-20-07-013	252,165	236,866
Workforce Investment Opportunities Act Youth Activities Program	17.259	15-21-21-07-013	247,824	247,824
Subtotal AL 17.259			612,085	564,698
Passed through Georgia Department of Economic Development				
Workforce Investment Opportunities Act Adult Program	17.278	36-20-20-07-013	50,331	50,331
Workforce Investment Opportunities Act Dislocated Worker Program	17.278	HDCI-18-19-07-013	10,258	10,258
Workforce Investment Opportunities Act Dislocated Worker Program	17.278	HDCI-20-21-07-013	167,336	167,336
Workforce Investment Opportunities Act Dislocated Worker Program	17.278	31-20-21-07-013	299,297	291,799
Workforce Investment Opportunities Act Dislocated Worker Program	17.278	31-21-21-07-013	59,740	59,740
Workforce Investment Opportunities Act Dislocated Worker Program	17.278	31-21-22-07-013	61,545	61,545
Workforce Investment Opportunities Act Dislocated Worker Program	17.278	VET2-18-19-07-013	401	401
Subtotal AL 17.278			648,908	641,410
Total Workforce Investment Act/Workforce Investment Opportunities Act Cluster			1,707,303	1,645,215
477 Cluster				
U. S. Department of Health and Human Services				
Passed through CSRA Economic Opportunity Authority, Inc.				
Community Services Block Grant	93.569	N/A	10,000	-
Total 477 Cluster			10,000	-
Aging Cluster				
U. S. Department of Health and Human Services				
Passed through CSRA RC				
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	N/A	3,675	-
Subtotal AL 93.053			3,675	-
Special Programs for the Aging HCD5 HDM Nutrition Services	93.045	2010-23 20 8202.0545	2,201	-
Special Programs for the Aging Title III, Part C1, Nutrition Services	93.045	2010-16 20 8202.0545	12,631	-
Special Programs for the Aging Title III, Part C2, Nutrition Services	93.045	2010-16 20 8202.0545	6,815	-
Subtotal AL 93.045			21,647	-
Nutrition Services Incentive Program	93.053	2010-16 20 8202.0545	5,369	-
Subtotal AL 93.053			5,369	-
Total Aging Cluster			30,691	-
Community Facilities Loans and Grants Cluster				
U. S. Department of Agriculture				
Direct program				
Community Facilities Loans and Grants	10.766	RBD Loan	264,200	-
Community Facilities Loans and Grants	10.766	RBD Grant 3BLL9	100,000	-
Total Community Facilities Loans and Grants Cluster			364,200	-
Transit Services Programs Cluster				
U.S. Department of Transportation				
Passed through Georgia Department of Human Services				
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	N/A	12,484	-
Total Transit Services Programs Cluster			12,484	-

Lincoln County, Georgia
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2022

Federal Grantor/Pass-through Grantor/ Program Title	Assistance Listing (AL) Number	Agency or Pass-through Number	Expenditures	Passed Through to Subrecipients
Other Programs				
U. S. Department of Agriculture				
Direct program				
Water and Waste Disposal Systems for Rural Communities	10.760	RUS Loan	$ 1,570,000	$ -
Water and Waste Disposal Systems for Rural Communities	10.760	RUS Grant	211,742	-
Total U. S. Department of Agriculture			1,781,742	-
U.S. Department of Defense				
Passed through from Georgia Office of the State Treasurer				
Payments to States in Lieu of Real Estate Taxes	12.112	486Flood	1,222	-
Total U.S. Department of Defense			1,222	-
U.S. Department of the Interior				
Direct program				
Payment in Lieu of Real Estate Taxes	15.226	N/A	154,901	-
Total U.S. Department of the Interior			154,901	-
U.S. Department of Labor				
Passed through Georgia Department of Economic Development				
Workforce Investment Opportunities Act Adult Program/NEG	17.277	COVID-19-20-07-013	463,936	463,936
Total U.S. Department of Labor			463,936	463,936
U.S. Department of Transportation				
Passed through from Georgia Department of Transportation				
COVID-19 - Formula Grants for Rural Areas	20.509	GA-18-X034	48,861	-
Total U.S. Department of Transportation			48,861	-
U.S. Department of Treasury				
Direct Award				
COVID-19 - Coronavirus State and Local Public Safety Fiscal Recovery Funds	21.027	N/A	38,701	-
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	8,825	-
Total U.S. Department of Treasury			47,526	-
U.S. Department of Health and Human Services				
Passed through Emory University Georgia Humanities				
Promotion of the Humanities Federal/State Partnership	45.129	ARP21-41	15,000	-
Total U.S. Department of Health and Human Services			15,000	-
U. S. Department of Education				
Passed through Lincoln County Community Partnership, Inc.				
Education Stabilitzation Fund (ESF)	84.425	S425U210012	1,600	-
Total U. S. Department of Education			1,600	-
U.S. Department of Homeland Security				
Passed through State of Georgia - Emergency Management Agency				
Emergency Management Performance Grants	97.042	OEM-19-092	18,967	-
Total U.S. Department of Homeland Security			18,967	-
Total Other Programs			2,533,755	463,936
Total Expenditures of Federal Awards			$ 4,658,433	$ 2,109,151

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2022

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Lincoln County, Georgia (the County) under programs of the federal government for the year ended June 30, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U. S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the County. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE B – SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting for governmental fund types and the accrual basis of accounting for the proprietary fund types. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, where certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE C – MEASUREMENT FOCUS

The determination of when an award is expended is based on when the activity related to the award occurred.

NOTE D – PROGRAM TYPE DETERMINATION

Type A programs are defined as federal programs with federal expenditures exceeding $ 750,000 of total federal expenditures.

NOTE E – DE MINIMIS INDIRECT COST RATE

The County elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance for the fiscal year ended June 30, 2022.

NOTE F – NONCASH ASSISTANCE AND LOANS

There were no federal awards expended in the form of noncash assistance during the fiscal year. The County was approved by United States Department of Agriculture Rural Development to receive a Community Facilities grant of $ 100,000 and a loan for $ 264,200 to purchase public safety equipment. The County was also approved by United States Department of Agriculture Water and Waste Disposal System for Rural Communities to receive a Rural Utilities Service grant of $ 211,742 and a loan for $ 1,570,000 to finance the costs of expansion of the County's water and sewer infrastructure. The County received $ 311,742 in grants and $ 1,834,200 in loans during the fiscal year ended June 30, 2022. The amounts listed for these loans include the beginning of the period loan balances plus proceeds used during the year. The loan balances owed as of June 30, 2022 were $ 264,200 and $ 1,552,216, respectively. These loan balances are reported on the County's Statement of Net Position as of June 30, 2022. See Note 3-H Long-term Debt in the County's Notes to the Basic Financial Statements for further information on these loans.

NOTE G – SUBRECIPIENTS

The County passes certain federal awards received from the U. S. Department of Labor to other governments or not-for-profit agencies (subrecipients). As Note B describes, the County reports expenditures of federal awards to subrecipients on the modified accrual basis of accounting.

As a subrecipient, the County has certain compliance responsibilities, such as monitoring its subrecipients to help assure they use these subawards as authorized by laws, regulations, and the provisions of contracts or grant agreements, and that the subrecipients achieve the award's performance goals.

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

Honorable Chairman and Members of the
Board of Commissioners of Lincoln County
Lincolnton, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Lincoln County, Georgia (the County), as of and for the year ended June 30, 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 December 21, 2022. We did not audit the financial statements of the Development Authority of Lincoln County, which represents 90.2% of the assets, 92.0% of the net position, and 50.6% of the revenues of the aggregate discretely presented component units for the year ended June 30, 2022. 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 Development Authority of Lincoln County, is based solely on the report of the other 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 were not identified. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2022-01. that we consider to be a material weakness.

Report on Compliance and Other Matters

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

We noted certain additional matters that we reported to the management of Lincoln County, Georgia, in a separate letter dated December 21, 2022.

Lincoln County, Georgia's Responses to Findings

Government Auditing Standards requires the auditor to perform limited procedures on Lincoln County, Georgia's response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. Lincoln County, Georgia'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 it.

Purpose of this Report

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.



Louisville, Georgia
December 21, 2022

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

Honorable Chairman and Members of the
Board of Commissioners of Lincoln County
Lincolnton, Georgia

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Lincoln County, Georgia's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2022. Lincoln County, Georgia's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Lincoln County, Georgia complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). 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 Lincoln County, Georgia 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 Lincoln County, Georgia'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 Lincoln County, Georgia'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 Lincoln County, Georgia'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 Lincoln County, Georgia'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 Lincoln County, Georgia'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 Lincoln County, Georgia'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 Lincoln County, Georgia'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.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a

deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the 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. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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.

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.

Jenea, Jenea, Davis & Associates

Louisville, Georgia
December 21, 2022

Section 1 – Summary of Audit Results

1. The auditor's report expresses an unmodified opinion on whether the financial statements of Lincoln County, Georgia (the County) were prepared in accordance with GAAP.

2. One deficiency disclosed during the audit of the financial statements is reported in the 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*. This deficiency is reported as a material weakness.

3. There were no instances of noncompliance material to the financial statements disclosed during the audit of the financial statements reported in the 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*.

4. There were no deficiencies related to the audit of the major federal award programs reported in the Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance.

5. The auditor's report on compliance for the major federal award programs for the County expresses an unmodified opinion on all major federal programs.

6. There were no audit findings relative to the major federal award programs for the County that are required to be reported in accordance with 2 CFR section 200.516(a).

7. The programs tested as major programs were:

   U. S. Department of Agriculture

Water and Waste Disposal Systems for Rural Communities	10.760
Community Facilities Loans and Grants	10.766

8. The threshold for distinguishing between type A and type B programs was $ 750,000.

9. Lincoln County, Georgia did not qualify as a low-risk auditee for the fiscal year ended June 30, 2022.

Section 2 – Financial Statement Findings

Internal Control

Material Weakness

Finding 2022-01 Lack of Segregation of Duties (Repeat Finding of Prior Year 2021-01)

Condition: There is not adequate segregation of duties between the recording, processing, distribution and reconciliation of cash accounts and other operational functions in the various funds, departments and offices maintained by the County.

Criteria: A properly designed and effective system of internal control requires that there are a sufficient number of properly trained, skilled personnel to be able to segregate duties and responsibilities among personnel so that individuals initiating, processing, verifying, reviewing, approving, recording or processing financial transactions are not performed by the same individual.

Effect: Errors, intentional or otherwise, and fraud could occur in the processing of financial transactions and the preparation of financial statements.

Cause: The material weakness is the result of the County not having sufficient personnel to provide an optimum level of appropriate segregation of duties and responsibilities between recording, processing distribution and reconciliation of cash accounts and other operational functions in the various funds, departments, and offices maintained by the County.

Recommendation: The County should require monthly bank reconciliations to be performed by someone independent of the cash receipting and check disbursement functions. All adjusting journal entries made to cash accounts should be made monthly and approved by management and indication of approval should be noted on the records. Additionally, the County should continue to monitor this situation and use alternative control measures where available to assist in safeguarding the County's assets.

Views of Responsible Officials and Planned Corrective Action: Management concurs with the finding. Due to the limited number of personnel, we have determined it is not cost effective to fully segregate duties. Management has implemented compensating controls to the extent practical to include management supervision and review of employees' duties.

Findings - Compliance

There were no compliance findings noted for the year ended June 30, 2022 that are required to be reported in accordance with *Government Auditing Standards.*

Section 3 – Federal Award Findings and Questioned Costs

No findings on questioned costs were noted for the year ended June 30, 2022 that are required to be reported in accordance with the Uniform Guidance.

Section 1 – Prior Year Financial Statement Findings and Questioned Costs

Internal Control

Material Weakness

Finding 2021-01 Lack of Segregation of Duties

Condition: There is not adequate segregation of duties between the recording, processing, distribution and reconciliation of cash accounts and other operational functions in the various funds, departments and offices maintained by the County. This is especially prominent in the following offices: Water Department and Clerk of Superior Court.

Criteria: A properly designed and effective system of internal control requires that there are a sufficient number of properly trained, skilled personnel to be able to segregate duties and responsibilities among personnel so that individuals initiating, processing, verifying, reviewing, approving, recording or processing financial transactions are not performed by the same individual.

Status: Unresolved. See current year finding at 2022-01

Section 2 – Prior Year Federal Award Findings and Questioned Costs

No findings on questioned costs were noted for the year ended June 30, 2021 that were required to be reported in accordance with the Uniform Guidance.