# *SCREVEN COUNTY, GEORGIA*

## *AUDITED FINANCIAL STATEMENTS*

## *FOR THE FISCAL YEAR ENDED JUNE 30, 2022*

Screven County, Georgia
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For the Year Ended June 30, 2022


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## INDEPENDENT AUDITORS' REPORT

Honorable Chairman and Members of the
Board of Commissioners of Screven County
Sylvania, Georgia

### Report on the Audit of the Financial Statements

***Opinions***

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Screven County, Georgia, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Screven County, Georgia's basic financial statements as listed in the index.

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 Screven County, Georgia, as of June 30, 2022, and the respective changes in financial position, 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 Screven County Developoment Authority or Screven County Department of Health, which represent 96.4 percent, 99.4 percent, and 58.5% percent, respectively, of the assets, net position, and revenues of the descretely presented component units as of June 30, 2022, and the respective changes in financial position for year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Screven County Development Authority or Screven County Department of Health, 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 General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Screven County, Georgia and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Screven County, Georgia's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Screven 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 Screven 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 on pages 47 to 50, and the schedules of proportionate share of net pension liability/OPEB liability and schedules of contributions on pages 51 to 58 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors 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.

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

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Screven County, Georgia's basic financial statements. The accompanying combining and individual nonmajor fund statements and schedules, as listed in the index, the schedule of expenditures of federal awards as required ty Title 2 U.S. *Code of Federal Regulations* Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, and the schedules of expenditures of special purpose local option sales tax proceeds as required by Official Code of Georgia ("O.C.G.A.") section 48-8-121, are presented for additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements 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 April 11, 2023, on our consideration of Screven County, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on Screven 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 Screven County, Georgia's internal control over financial reporting and compliance.

Caines, Hodges & Company, P.C.

April 11, 2023

Screven County, Georgia
*Statement of Net Position*
*June 30, 2022*

| | Primary Governmental | |
|---|---|---|
| | Governmental Activities | Component Units |
| **Assets** | | |
| **Current assets** | | |
| Cash and cash equivalents | | |
| Unrestricted | $ 11,244,521 | $ 2,342,434 |
| Restricted | 3,809,879 | |
| Receivables: | | |
| Accounts | 340,309 | 23,540 |
| From primary government | | 200,000 |
| Property taxes | 254,418 | 4,502 |
| Sales taxes | 262,960 | |
| Intergovernmental | 1,438,171 | 3,641 |
| Prepaid items | 59,312 | |
| Noncurrent assets | | |
| Proportionate share of collective net SEAD-OPEB asset | | 76,042 |
| Capital assets (Note 7) | | |
| Nondepreciable capital assets | 255,665 | 1,158,067 |
| Depreciable capital assets, net | 21,012,481 | 2,524,839 |
| **Total assets** | 38,677,716 | 6,333,065 |
| **Deferred outflows of resources** | | |
| Related to pension plan | | 120,175 |
| Related to state OPEB fund | | 18,076 |
| **Total deferred outflows of resources** | 0 | 138,251 |
| **Liabilities** | | |
| **Current liabilities** | | |
| Accounts payable | 360,034 | 223,721 |
| Accrued expenses | 178,643 | |
| Accrued interest payable | 7,416 | |
| Compensated absences payable | 117,911 | |
| Financed purchases payable | 224,313 | |
| Leases payable | 23,346 | |
| Payable to component unit - Screven County Hospital Authority | 200,000 | |
| Landfill postclosure care costs payable | 73,387 | |
| Other | | 2,101 |
| **Long-term liabilities:** (Note 9) | | |
| Compensated absences payable (net of current portion) | 116,479 | 17,028 |
| Financed purchases payable (net of current portion) | 175,112 | |
| Leases payable (net of current portion) | 29,003 | |
| Notes payable (Note 9) | | 1,554,272 |
| Proportionate share of: | | |
| Collective net pension liability | | 186,528 |
| Net state OPEB liability | | 18,894 |
| Landfill postclosure care costs payable (net of current portion) | 880,642 | |
| **Total liabilities** | 2,386,286 | 2,002,544 |
| **Deferred inflows of resources** | | |
| Related to pension plan | | 176,109 |
| Related to state OPEB fund | | 78,369 |
| Related to SEAD-OPEB fund | | 28,982 |
| **Total inflows of resources** | 0 | 283,460 |
| **Net position** | | |
| Net investment in capital assets (Note 16) | 20,816,372 | 2,128,634 |
| Restricted for: | | |
| Capital projects | 1,759,841 | |
| Program purposes | 2,254,055 | 494,502 |
| Unrestricted | 11,461,162 | 1,562,176 |
| **Total net position** | $ 36,291,430 | $ 4,185,312 |

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

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

| Function/Program | Expenses | Program Revenues: Charges for Services and Fines | Program Revenues: Operating Grants, Contributions and Interest | Program Revenues: Capital Grants and Contributions | Net (Expense) Revenue and Changes in Net Position: Primary Government Governmental Activities | Net (Expense) Revenue and Changes in Net Position: Component Unit |
|---|---|---|---|---|---|---|
| **Primary government** | | | | | | |
| **Governmental activities** | | | | | | |
| General government | $ 2,130,295 | $ 193,917 | $ 228,693 | | $ (1,707,685) | |
| Judicial | 1,086,530 | 19,205 | 116,642 | | (950,683) | |
| Public safety | 6,269,764 | 2,887,206 | 853,948 | $ 1,499,867 | (1,028,743) | |
| Public works | 3,148,107 | 878,722 | 337,957 | 751,479 | (1,179,949) | |
| Health and welfare | 163,502 | | | | (163,502) | |
| Culture and recreation | 861,835 | 142,088 | | | (719,747) | |
| Housing and development | 292,347 | 43,183 | | 581 | (248,583) | |
| Interest | 13,462 | | | | (13,462) | |
| **Total governmental activities** | $ 13,965,841 | $ 4,164,321 | $ 1,537,240 | $ 2,251,927 | (6,012,353) | |
| **Component units** | | | | | | |
| Department of Public Health | $ 402,859 | $ 224,815 | $ 314,776 | | | $ 136,732 |
| Screven County Development Authority | 375,011 | 500 | 301,074 | | | (73,437) |
| Hospital Authority | 600,000 | | 600,000 | | | 0 |
| **Total component units** | $ 1,377,870 | $ 225,315 | $ 1,215,850 | $ 0 | | 63,295 |
| | | **General revenues** | | | | |
| | | Property taxes | | | 5,047,002 | |
| | | Sales taxes | | | 2,954,472 | |
| | | Insurance premium taxes | | | 838,473 | |
| | | Other taxes | | | 2,004,447 | |
| | | Investment earnings | | | 10,989 | 5,163 |
| | | Gain on sale of assets | | | 5,927 | 443,395 |
| | | Miscellaneous | | | 50,744 | |
| | | **Total general revenues** | | | 10,912,054 | 448,558 |
| | | **Change in net position** | | | 4,899,701 | 511,853 |
| | | **Net position beginning of year - as restated** | | | 31,391,729 | 3,673,459 |
| | | **Net position end of year** | | | $ 36,291,430 | $ 4,185,312 |

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

*Screven County, Georgia*
***Balance Sheet***
***Governmental Funds***
***June 30, 2022***

| | General Fund | LMIG Fund | 2013 SPLOST Fund | 2019 SPLOST Fund | Other Governmental Funds | Total Governmental Funds |
|---|---|---|---|---|---|---|
| **Assets** | | | | | | |
| Cash | | | | | | |
| Unrestricted | $ 8,376,137 | $ 1,429,449 | | | $ 1,438,935 | $ 11,244,521 |
| Restricted | 12,661 | | $ 718,772 | $ 3,078,446 | | 3,809,879 |
| Receivables: | | | | | | |
| Accounts | 134,437 | | | | 205,872 | 340,309 |
| Property taxes | 250,003 | | | | 4,415 | 254,418 |
| Sales taxes | 114,969 | | | 147,991 | | 262,960 |
| Intergovernmental | 1,438,171 | | | | | 1,438,171 |
| Interfund balances | 2,892,640 | 200,719 | | | 51,901 | 3,145,260 |
| Prepaid items | 59,312 | | | | | 59,312 |
| **Total assets** | $ 13,278,330 | $ 1,630,168 | $ 718,772 | $ 3,226,437 | $ 1,701,123 | $ 20,554,830 |
| **Liabilities, Deferred Inflows of Resources and Fund Balances** | | | | | | |
| **Liabilities** | | | | | | |
| Accounts payable | $ 524,736 | | | $ 35,298 | | $ 560,034 |
| Accrued expenditures | 178,643 | | | | | 178,643 |
| Interfund balances | | $ 614,521 | $ 667,494 | 1,482,576 | $ 380,669 | 3,145,260 |
| **Total liabilities** | 703,379 | 614,521 | 667,494 | 1,517,874 | 380,669 | 3,883,937 |
| **Deferred inflows of resources** | | | | | | |
| Property taxes and fees | 224,528 | | | | 3,886 | 228,414 |
| Intergovernmental | 1,395,404 | | | | | 1,395,404 |
| Charges for services | | | | | 90,821 | 90,821 |
| | 1,619,932 | 0 | 0 | 0 | 94,707 | 1,714,639 |
| **Total liabilities and deferred inflows of resources** | 2,323,311 | 614,521 | 667,494 | 1,517,874 | 475,376 | 5,598,576 |
| **Fund balances** | | | | | | |
| Nonspendable | 59,312 | | | | | 59,312 |
| Restricted for: | | | | | | |
| Landfill closure and post-closure | 954,029 | | | | | 954,029 |
| Special service district-unincorporated area | | | | | 532,899 | 532,899 |
| Judicial | | | | | 24,106 | 24,106 |
| Public safety | 12,661 | | | | 668,742 | 681,403 |
| Public works | | 1,015,647 | | | | 1,015,647 |
| Capital outlays | | | 51,278 | 1,708,563 | | 1,759,841 |
| Unassigned | 9,929,017 | | | | | 9,929,017 |
| **Total fund balances** | 10,955,019 | 1,015,647 | 51,278 | 1,708,563 | 1,225,747 | 14,956,254 |
| **Total liabilities, deferred inflows of resources and fund balances** | $ 13,278,330 | $ 1,630,168 | $ 718,772 | $ 3,226,437 | $ 1,701,123 | $ 20,554,830 |

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

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

| | | |
|---|---|---|
| **Total Governmental Fund Balances** | | $ 14,956,254 |
| **Amounts reported for governmental activities in the statement of net position are different because:** | | |
| Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. | | |
| Cost | $ 41,196,818 | |
| Less accumulated depreciation | (19,974,890) | 21,221,928 |
| Leased assets used in governmental activities are not financial resources and, therefore are not reported in the funds. | | |
| Cost | 130,095 | |
| Less accumulated amortization | (83,877) | 46,218 |
| Property taxes are deferred in the governmental funds because they are not available but they are reported as revenue on the statement of activities. | | 228,414 |
| Intergovernmental revenues are deferred in the governmental funds because they are not available but are reported as revenue on the statement of activities. | | 1,395,404 |
| Charges for services are deferred in the governmental funds because they are not available but are reported as revenue on the statement of activities. | | 90,821 |
| Accrued interest on long-term debt is not reported at the fund financial reporting level, but is reported at the government-wide reporting level. | | (7,416) |
| Liabilities, including bonds, landfill postclosure costs and compensated absences, are not due and payable in the current period and therefore are not reported in the funds. | | |
| Financed purchases | (399,425) | |
| Leases | (52,349) | |
| Landfill closure and postclosure care costs | (954,029) | |
| Compensated absences | (234,390) | (1,640,193) |
| **Net Position of Governmental Activities** | | $ 36,291,430 |

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

*Screven County, Georgia*

***Statement of Revenues, Expenditures and Changes in Fund Balances***

***Governmental Funds***

***For the Year Ended June 30, 2022***

| | General Fund | LMIG Fund | 2013 SPLOST Fund | 2019 SPLOST Fund | Other Governmental Funds | Total Governmental Funds |
|---|---|---|---|---|---|---|
| **Revenues** | | | | | | |
| Taxes | $ 7,994,572 | | | $ 1,663,345 | $ 1,164,112 | $ 10,822,029 |
| Licenses and permits | 10,250 | | | | 63,433 | 73,683 |
| Intergovernmental | 1,633,855 | $ 749,544 | | | 6,796 | 2,390,195 |
| Charges for services | 2,096,183 | | | | 1,578,025 | 3,674,208 |
| Fines and forfeitures | 338,211 | | | | 58,733 | 396,944 |
| Investment earnings | 3,834 | | | 3,565 | 7,155 | 14,554 |
| Miscellaneous | 48,211 | | | | 2,533 | 50,744 |
| **Total revenues** | 12,125,116 | 749,544 | $ 0 | 1,666,910 | 2,880,787 | 17,422,357 |
| **Expenditures** | | | | | | |
| **Current:** | | | | | | |
| General government | 1,980,426 | | | | 22,172 | 2,002,598 |
| Judicial | 1,087,832 | | | | 1,788 | 1,089,620 |
| Public safety | 4,305,335 | | | | 1,477,751 | 5,783,086 |
| Public works | 972,967 | 1,333,563 | | | 1,333,019 | 3,639,549 |
| Health and welfare | 152,712 | | | | | 152,712 |
| Culture and recreation | 728,668 | | | | | 728,668 |
| Housing and development | 155,217 | | | | 123,784 | 279,001 |
| **Capital outlay - SPLOST** | | | 159,574 | 787,877 | | 947,451 |
| **Intergovernmental - SPLOST** | | | | 397,053 | | 397,053 |
| **Debt service:** | | | | | | |
| Principal retirement | 21,889 | | | 262,843 | 3,631 | 288,363 |
| Interest and fiscal charges | 3,276 | | | 13,587 | 329 | 17,192 |
| **Total expenditures** | 9,408,322 | 1,333,563 | 159,574 | 1,461,360 | 2,962,474 | 15,325,293 |
| **Excess (deficit) of revenues to expenses** | 2,716,794 | (584,019) | (159,574) | 205,550 | (81,687) | 2,097,064 |
| **Other financing sources (uses)** | | | | | | |
| Proceeds from sales of surplus | 5,927 | | | | | 5,927 |
| Proceeds from leases | 20,081 | | | | | 20,081 |
| Interfund transfers | (1,811,687) | 1,599,666 | | | 212,021 | 0 |
| **Total other financing sources (uses)** | (1,785,679) | 1,599,666 | 0 | 0 | 212,021 | 26,008 |
| **Change in fund balances** | 931,115 | 1,015,647 | (159,574) | 205,550 | 130,334 | 2,123,072 |
| **Fund balance beginning of year** | 10,023,904 | 0 | 210,852 | 1,503,013 | 1,095,413 | 12,833,182 |
| **Fund balance end of year** | $ 10,955,019 | $ 1,015,647 | $ 51,278 | $ 1,708,563 | $ 1,225,747 | $ 14,956,254 |

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

Screven 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** | | $ 2,123,072 |
| **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 depreciation expense exceeds capital outlay in the current period. | | |
| Depreciation expense | $ (1,209,823) | |
| Capital outlay | 2,312,910 | 1,103,087 |
| Governmental funds report new leased assets as expenditures. However, in the statement of activities, the cost of those leased assets is allocated over the shorter of their estimated useful life or the lease term as amortization expense. This is the amount by which leased asset additions exceeded amortization expense in the current period. | | |
| Amortization expense | (27,389) | |
| Leased asset additions | 20,081 | (7,308) |
| Property taxes in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. | | |
| Deferred at 6/30/22 | 228,414 | |
| Deferred at 6/30/21 | (206,049) | 22,365 |
| Intergovernmental revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. | | |
| Deferred at 6/30/22 | 1,395,404 | |
| Deferred at 6/30/21 | 0 | 1,395,404 |
| Charges for services in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. | | |
| Deferred at 6/30/22 | 90,821 | |
| Deferred at 6/30/21 | (71,332) | 19,489 |
| Repayment of financed purchase liabiilies is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. | | 262,843 |
| Repayment of lease liabilities is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. | | 25,520 |
| Proceeds from the disposition of capital assets is an other financing source in the governmental funds, but sales proceeds less the carrying value of the disposed assets is recognized as a gain (loss) in the statement of activities. | | |
| Cost of assets disposed | (97,204) | |
| Accumulated depreciation of assets disposed | 97,204 | 0 |
| The issuance of long-term debt (e.g., bonds, notes, leases) provides current financial resources to governmental funds, but the receipt of proceeds from long-term debt increases long-term liabilities in the statement of net assets. | | (20,081) |
| Interest expense reported in the statement of activities does not require the use of current financial resources and therefore is not reported as expenditures in governmental funds. | | |
| Liability at 6/30/22 | (7,416) | |
| Liability at 6/30/21 | 11,146 | 3,730 |
| Landfill closure and post closure care reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. | | |
| Liability at 6/30/22 | (954,029) | |
| Liability at 6/30/21 | 916,454 | (37,575) |
| Compensated absences reported in the statement of activities, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. | | |
| Liability at 6/30/22 | (234,390) | |
| Liability at 6/30/21 | 243,545 | 9,155 |
| **Change In Net Position of Governmental Activities** | | $ 4,899,701 |

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

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

| | Custodial Funds |
|---|---|
| **Assets** | |
| Cash and cash equivalents | $ 383,006 |
| **Liabilities and Net Position** | |
| **Liabilities** | |
| Due to others | $ 39,921 |
| **Net Position** | |
| Restricted for individuals, organizations and other governments | 343,085 |
| **Total liabilities and net position** | $ 383,006 |

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

**Screven County, Georgia**
***Statement of Changes in Fiduciary Net Position***
***Fiduciary Funds***
***For the Year Ended June 30, 2022***

| | Custodial Funds |
|---|---|
| **Revenues** | |
| Taxes | $ 16,908,351 |
| Fines and forfeitures | 1,217,263 |
| **Total revenues** | 18,125,614 |
| | |
| **Expenditures** | |
| Taxes disbursed | 16,834,994 |
| Fines and fees disbursed | 1,194,756 |
| **Total expenditures** | 18,029,750 |
| | |
| **Net increase in fiduciary net position** | 95,864 |
| | |
| **Net position - beginning of year** | 247,221 |
| | |
| **Net position - end of year** | $ 343,085 |

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

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

| | Screven County Department of Health | Screven County Development Authority | Screven County Hospital Authority | Total |
|---|---|---|---|---|
| **Assets** | | | | |
| **Current assets** | | | | |
| Cash | $ 681,016 | $ 1,635,628 | $ 25,790 | $ 2,342,434 |
| Receivables: | | | | |
| Accounts | 23,540 | | | 23,540 |
| From primary government | | | 200,000 | 200,000 |
| Taxes | | 4,502 | | 4,502 |
| Intergovernmental | | 3,641 | | 3,641 |
| **Noncurrent assets** | | | | |
| Proportionate share of collective net SEAD-OPEB asset | 76,042 | | | 76,042 |
| Capital assets | | | | |
| Nondepreciable capital assets | | 1,158,067 | | 1,158,067 |
| Depreciable capital assets, net | | 2,524,839 | | 2,524,839 |
| **Total assets** | 780,598 | 5,326,677 | 225,790 | 6,333,065 |
| **Deferred outflows of resources** | | | | |
| Related to pension contribution | 120,175 | | | 120,175 |
| Related to state OPEB contributions | 18,076 | | | 18,076 |
| **Total deferred outflows of resources** | 138,251 | 0 | 0 | 138,251 |
| **Liabilities** | | | | |
| **Current liabilities** | | | | |
| Accounts payable | 22,510 | 1,211 | 200,000 | 223,721 |
| Other liabilities | | 2,101 | | 2,101 |
| Notes payable | | 1,554,272 | | 1,554,272 |
| **Long-term liabilities** | | | | |
| Compensated absences | 17,028 | | | 17,028 |
| Proportionate share of: | | | | |
| Collective net pension liability | 186,528 | | | 186,528 |
| Net state OPEB liability | 18,894 | | | 18,894 |
| **Total liabilities** | 244,960 | 1,557,584 | 200,000 | 2,002,544 |
| **Deferred inflows of resources** | | | | |
| Related to pension plan | 176,109 | | | 176,109 |
| Related to state OPEB fund | 78,369 | | | 78,369 |
| Related to SEAD-OPEB fund | 28,982 | | | 28,982 |
| **Total deferred inflows of resources** | 283,460 | 0 | 0 | 283,460 |
| **Net position** | | | | |
| Investment in capital assets | | 2,128,634 | | 2,128,634 |
| Restricted for health and welfare programs | 494,502 | | | 494,502 |
| Unrestricted | (104,073) | 1,640,459 | 25,790 | 1,562,176 |
| **Total net position** | $ 390,429 | $ 3,769,093 | $ 25,790 | $ 4,185,312 |

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

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

| | Screven County Department of Health | Screven County Development Authority | Screven County Hospital Authority | Total |
|---|---|---|---|---|
| **Expenses** | | | | |
| Health and welfare | $ 402,859 | | $ 600,000 | $ 1,002,859 |
| General government | | $ 332,840 | | 332,840 |
| Interest | | 42,171 | | 42,171 |
| **Total expenses** | 402,859 | 375,011 | 600,000 | 1,377,870 |
| **Revenues** | | | | |
| Program revenues | | | | |
| Charges for services | 224,815 | 500 | | 225,315 |
| Operating grants and contributions | 314,776 | 301,074 | 600,000 | 1,215,850 |
| **Total program revenues** | 539,591 | 301,574 | 600,000 | 1,441,165 |
| **Net program revenue (expense)** | 136,732 | (73,437) | 0 | 63,295 |
| **General revenues** | | | | |
| Gain on sale of property | | 443,395 | | 443,395 |
| Investment earnings | 874 | 4,289 | | 5,163 |
| **Total general revenues** | 874 | 447,684 | 0 | 448,558 |
| **Change in net position** | 137,606 | 374,247 | 0 | 511,853 |
| **Net position beginning of year** | 252,823 | 3,394,846 | 25,790 | 3,673,459 |
| **Net position end of year** | $ 390,429 | $ 3,769,093 | $ 25,790 | $ 4,185,312 |

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

## *Note 1 - Summary of Significant Accounting Policies*

Screven County, Georgia (the County) is a political subdivision of the State of Georgia. The County is governed by a seven-member elected board of commissioners which is governed by state statutes and regulations.

***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 offices including the Sheriff, Tax Commissioner, Probate Court, Magistrate Court, and Clerk of 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 columns included on the government-wide financial statements identify 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.

A brief description of the discretely presented component units follows:

**Screven County Industrial Development Authority** (the Development Authority) - The Development Authority is responsible for encouraging economic development within the County. All of the members of the board of the Development Authority are appointed by the County Commission. The Development Authority is fiscally dependent upon the County due to the fact that the Development Authority has received operating subsidies from the County for several years, and thus a pattern of financial burden upon the County has been established. Separately issued financial statements for the Development Authority may be obtained from its administrative office.

**Screven County Department of Health (the Department of Health)** - The Department of Health works to promote and preserve the health of the citizens of Screven County. The board of directors of the Department of Health consists of seven members, a majority of which are appointed by the County Commission. 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 Department of Health and such funding is significant to the overall operations of the Department of Health. Separately issued financial statements are available from the Department of Health's administrative offices.

*Note 1 - Summary of Significant Accounting Policies (continued)*

**Screven County Hospital Authority** - (the Hospital Authority) The Hospital Authority is a public corporation that was created on September 23, 1947, by the Board of County Commissioners of Screven County, Georgia, to operate, control, and manage all matters concerning the county's health care functions. The County nominates a voting majority of the Authority Board members and one County Commissioner serves as a member of the Hospital Authority. Prior to December 7, 2010, the Hospital Authority operated an acute care hospital, Screven County Hospital, and two physician practices, Screven Medical Associates and Screven County Family Medicine. On December 6, 2010, the Hospital Authority entered an Asset Purchase Agreement to sell substantially all of the assets and liabilities of its operating hospital to Screven County Hospital, LLC, a subsidiary of Optim Healthcare. The agreement became effective at 12:01 AM on the following day. Additionally, the County has agreed to reimburse the new owners for indigent care in an amount up to $800,000 per calendar year. The Hospital Authority does not issue separate financial statements.

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

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

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

***Government-wide Financial Statements*** - The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the County as a whole. The primary government and the component units are presented separately within these financial statements with the focus on the primary government. All funds other than fiduciary activities are included at the government-wide reporting level. Individual funds are not displayed but the statements distinguish between governmental activities and business-type activities. Governmental activities are generally supported by taxes, intergovernmental revenues and other nonexchange revenues. The County does not have any business-type activities.

The statement of net position presents the financial position of the governmental 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. 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.

*Note 1 - Summary of Significant Accounting Policies (continued)*

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 governmental and fiduciary funds.

Major individual governmental funds 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 two categories of funds: governmental and fiduciary.

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

***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 the State of Georgia.

***Special Revenue Fund - LMIG Fund*** - This fund is used to account for financial resources received from the State of Georgia under the Local Maintenance Improvement Grant to be used for the construction, repair and improvement of roads and bridges in the County.

*Note 1 - Summary of Significant Accounting Policies (continued)*

***Capital Projects Fund - 2013 SPLOST Fund -*** This fund is used to account for financial resources to be used for the acquisition or construction of capital projects authorized and funded by the 2013 special purpose local option sales tax. This special purpose local option sales tax was approved in November 2011 and went into effect January 1, 2013.

***Capital Projects Fund - 2019 SPLOST Fund -*** This fund is used to account for financial resources to be used for the acquisition or construction of capital projects authorized and funded by the 2019 special purpose local option sales tax. This special purpose local option sales tax was approved in November 2018 and went into effect January 1, 2019.

***Fiduciary Funds*** – The County's fiduciary fund reporting focuses on changes in assets and liabilities. The County's fiduciary funds are all custodial funds used by the various constitutional offices to report collections and disbursements of property taxes, fees, and fines.

***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.

***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. Fiduciary funds use the accrual basis of accounting. 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.

*Note 1 - Summary of Significant Accounting Policies (continued)*

***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 6). 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, interest and federal and state grants.

***Unearned Revenue*** - Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

On both the government-fund financial statements and the government-wide financial statements, revenues are deferred for grants and entitlements received before the eligibility requirements are met (e.g., cash advances).

***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.

***Assets, Liabilities and Fund Equity***

***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.

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

***Note 1 - Summary of Significant Accounting Policies (continued)***

***Receivables***
All trade and property tax receivables are reported net of an allowance for uncollectibles, where applicable.

***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 activities column of the statement of net position.

***Prepaid Items***
Payments made to vendors for services that will benefit periods beyond the current year end are recorded as prepaid items 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. Prepaid items consist of prepayments of insurance. Premiums paid for insurance coverage are allocated between the periods for which coverage is obtained.

***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 governmental fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The County maintains a capitalization threshold of five thousand dollars or at management's discretion for items less than this threshold. The County capitalizes all infrastructure constructed after July 1, 2003, and it consists of roads and bridges. 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.

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 are 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:

| | Governmental Activities | Component Units |
|---|---|---|
| Buildings | 20 - 40 years | 20-40 years |
| Equipment | 5 - 25 years | 7 years |
| Computers and peripherals | 3 - 5 years | |
| Transportation equipment | 5 years | 10 years |
| Right to use leased equipment | 5 years | |
| Roads and infrastructure | 40 -50 years | |

***Note 1 - Summary of Significant Accounting Policies (continued)***

***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 estimated 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. Governmental funds report the compensated absence liability at the fund reporting level only "when due."

***Postemployment Benefits other then Pensions (OPEB) - Component Unit - Department of Health***
The Department of Health implemented the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.* GASB Statement No. 75 established 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 purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Georgia State Employees Postemployment Benefit Fund (State OPEB Fund) and additions to/deductions from the State OPEB Fund fiduciary net position have been determined on the same basis as they are reported by the State OPEB Fund. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the State Employee's Assurance Department Retired and vested Inactive Members Trust Fund (SEAD-OPEB) Plan (the Plan) and additions to/deductions from the SEAD-OPEB's fiduciary net position have been determined on the same basis as they are reported by SEAD-OPEB. For this purpose, death benefits are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

***Accrued Liabilities and Long-term Obligations***
All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

*The remainder of this page has been intentionally left blank.*

***Note 1 - Summary of Significant Accounting Policies (continued)***

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.

***Deferred Outflows/Inflows of Resources***

In addition to assets, the financial statements of the County will sometimes report a separate section for deferred outflows of resources. This separate element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources in the form of expenditures until that time. The Component Units report deferred outflows for pension related items.

In addition to liabilities, the financial statements of the County will sometimes report a separate section for deferred inflows of resources. This separate element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources in the form of revenue until that time. The governmental funds reports deferred inflows for property taxes, intergovernmental revenues and charges for services. The Component Units report deferred inflows for pension related items.

***Fund Equity***

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

***Fund Balance*** – Generally, fund balance represents the difference between the current assets and current liabilities. In the fund financial statements, governmental funds report fund classifications that compose a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

*Nonspendable fund balance* - amounts that are not in spendable form (such as inventory or prepaid items) or are required to be maintained intact.

*Restricted fund balance* - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government) through constitutional provisions, or by enabling legislation.

*Committed fund balance* - amounts constrained to specific purposes by the County itself, using its highest level of decision-making authority (i.e., County Commission). To be reported as committed, amounts cannot be used for any other purpose unless the County takes the same highest level action to remove or change the constraint.

*Assigned fund balance* - amounts the County intends to use for a specific purpose. Intent can be expressed by the County or by an official or body to which the County Commission delegates the authority.

*Unassigned fund balance* - amounts that are available for any purpose. Positive amounts are reported only in the general fund.

***Note 1 - Summary of Significant Accounting Policies (continued)***

The County Commission establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance or resolution. This is typically done through the adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund (such as for special incentives). Assigned fund balance is established by the County Commission through adoption or amendment of the budget as intended for specific purposes (such as the purchase of capital assets, construction, debt service, or other purposes). Additionally, assigned fund balance may reflect management's intended use of resources to be set forth in current or future annual budgets and any amendments thereto.

***Net Position*** - Net position represents the difference between assets and liabilities. The net position component "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 is also 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 fund balances are available unless there are legal documents or contracts that prohibit doing this. Additionally, the County would first use committed fund balance, followed by assigned fund balance, then unassigned fund balance when expenditures are incurred for purposes for which amounts in any of the "unrestricted" fund balance classifications could be used.

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

***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.

***Recent Accounting Prounouncement Adopted in Current Year***

In June 2017, GASB issued Statement No. 87, Leases. This statement establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and deferred inflow of resources, for leases that previously were classified as operating leases and recognized as inflows or outflows of resources based on the payment provisions of the contract.

### *Note 2 - Stewardship, Compliance and Accountability*

***Budgetary Information***

The County is required to adopt an annual operating budget for the general fund and each special revenue fund. A project-length budget is adopted for the capital projects funds (2013 SPLOST Fund, 2019 SPLOST Fund and LMIG Fund). The County adopted a budget for all required funds. All budgets are adopted on a basis consistent with GAAP.

The legal level of control (the level at which expenditures may not legally exceed appropriations) for each adopted annual operating budget generally is the department level within each individual fund. Any change in total to a fund or departmental appropriation within a fund requires approval of the County Commission. The department director may approve budget transfers within departments, with certain exceptions. All unexpended annual appropriations lapse at year-end.

### *Note 3 - Restatement for Change in Accounting Principle*

Pursuant to the adoption of GASB Statement No. 87 (see Note 1), the County is required to reevaluate the accounting treatment of leases. The new standard requires that the following restatement be made to account for the right to use leased assets and the commitment to make future lease payments existing at the beginning of the year.

| | Governmental Activities Net Position |
|---|---|
| As previously stated | $ 31,395,991 |
| Right to use leased assets, June 30, 2021 | 124,535 |
| Accumulated amortization | (71,009) |
| Lease liability | (57,788) |
| As restated | $ 31,391,729 |

### *Note 4 - Cash and Cash Equivalents*

***Custodial Credit Risk*** – Custodial credit risk is the risk that in the event of a financial institution failure, the County will not be able to recover the deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statute requires all deposits (other than federal or state instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties or municipalities. The County is not exposed to custodial credit risk.

### *Note 5 - Receivables*

Receivables at June 30, 2022, consisted of taxes, interest, accounts (billings for user charges), and intergovernmental receivables arising from grants.

Receivables 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, collectibility.

### *Note 6 - Property Taxes*

The Board of Commissioners levy property taxes on or about August 15th of each year. Property taxes attach as an enforceable lien on property as of January 1. Property taxes are billed on or about October 15th of each year and are payable within sixty days. The county bills and collects its own property taxes and also collects property taxes for the County Board of Education, the County Hospital Authority, and the County Industrial Development Authority. Collection of the County's taxes and for the other governmental agencies is the responsibility of the Tax Commissioner's Office, which is accounted for in a custodial fund. County property tax revenues at the fund reporting level are recognized when levied to the extent that they result in current receivables (i.e., collectible in 60 days). For 2022, property taxes were levied on September 14, 2021; the tax bills were mailed on September 24, 2021; and property taxes were due December 20, 2021. The lien date is December 20, 2021.

### *Note 7 - Capital Assets*

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

| | Balance 6/30/2021 | Additions | Disposals | Balance 6/30/2022 |
|---|---|---|---|---|
| **Governmental activities:** | | | | |
| Nondepreciable capital assets | | | | |
| Land | $ 255,665 | | | $ 255,665 |
| Depreciable capital assets: | | | | |
| Buildings and improvements | 13,250,514 | $ 272,980 | | 13,523,494 |
| Transportation equipment | 3,119,766 | | $ 97,204 | 3,022,562 |
| Machinery and equipment | 8,984,391 | 48,000 | | 9,032,391 |
| Computers and peripherals | 183,182 | | | 183,182 |
| Roads and infrastructure | 13,187,594 | 1,991,930 | | 15,179,524 |
| Right to use leased assets | 124,535 | 20,081 | 14,521 | 130,095 |
| Total other capital assets | 38,849,982 | 2,332,991 | 111,725 | 41,071,248 |
| Total capital assets | 39,105,647 | 2,332,991 | 111,725 | 41,326,913 |

***Note 7 - Capital Assets (continued)***

| | Balance 6/30/2021 | Additions | Disposals | Balance 6/30/2022 |
|---|---|---|---|---|
| Accumulated depreciation: | | | | |
| Buildings and improvements | 5,702,716 | 329,648 | | 6,032,364 |
| Transportation equipment | 2,147,768 | 202,346 | 97,204 | 2,252,910 |
| Machinery and equipment | 7,868,185 | 327,130 | | 8,195,315 |
| Computers and peripherals | 183,181 | | | 183,181 |
| Roads and infrastructure | 2,960,421 | 350,699 | | 3,311,120 |
| Right to use leased assets | 71,009 | 27,389 | 14,521 | 83,877 |
| Total accumulated depreciation | 18,933,280 | 1,237,212 | 111,725 | 20,058,767 |
| Governmental activities capital assets, net | $ 20,172,367 | $ 1,095,779 | $ 0 | $ 21,268,146 |

| | |
|---|---|
| Governmental activities depreciation expense | |
| General government | $ 92,255 |
| Judicial | 6,766 |
| Public safety | 446,826 |
| Public works | 542,135 |
| Health and welfare | 10,790 |
| Culture and recreation | 126,448 |
| Housing and development | 11,992 |
| Total governmental activities depreciation expense | $ 1,237,212 |

| | Balance 6/30/2021 | Additions | Deductions | Balance 6/30/2022 |
|---|---|---|---|---|
| **Component unit:** | | | | |
| Nondepreciable capital assets | | | | |
| Land | $ 1,214,647 | | $ 56,580 | $ 1,158,067 |
| Depreciable capital assets: | | | | |
| Buildings | 2,655,300 | | | 2,655,300 |
| Machinery and equipment | 126,465 | | | 126,465 |
| Transportation equipment | 11,646 | | | 11,646 |
| Total other capital assets | 2,793,411 | $ 0 | 0 | 2,793,411 |
| Total capital assets | 4,008,058 | 0 | 56,580 | 3,951,478 |
| Accumulated depreciation: | | | | |
| Machinery and equipment | 189,524 | 67,402 | | 256,926 |
| Transportation equipment | 11,646 | | | 11,646 |
| | 201,170 | 67,402 | 0 | 268,572 |
| Component unit capital assets, net | $ 3,806,888 | $ (67,402) | $ 56,580 | $ 3,682,906 |

### *Note 8 - Interfund Balances and Transfers*

Interfund balances at June 30, 2022, consisted of the following amounts and represent charges for services or reimbursable expenses. These remaining balances resulted from the time lag between the dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting period, and (3) payments between funds are made. The County expects to repay all interfund balances within one year.

| | |
|---|---|
| Payable to General Fund from: | |
| 2013 SPLOST Fund | $ 667,494 |
| 2019 SPLOST Fund | 1,229,956 |
| LMIG Fund | 614,521 |
| Special Services District - Unincorporated and Jointly Funded - Fund | |
| Fire Protection Special Service District Fund | 4,924 |
| Solid Waste Collection and Disposal Special Service District Fund | 115,405 |
| E-911 Fund | 75,078 |
| Jail Improvement Fund | 183,167 |
| Drug Abuse T & E Fund | 950 |
| Hotel/Motel Tax Fund | 1,145 |
| Payable to Solid Waste Collection and Disposal Special Service District Fund from 2019 SPLOST Fund | 51,901 |
| Payable to LMIG Fund from 2019 SPLOST Fund | 200,719 |

Transfers are used to report revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to segregate money for anticipated capital projects; to provide additional resources for current operations or debt service; and to return money to the fund from which it was originally provided once a project is completed.

All County transfers either occur on a regular basis or are consistent with the purpose of the fund making the transfer. Interfund transfers for the year ended June 30, 2022, consisted of the following:

| | |
|---|---|
| General fund to: | |
| E-911 Fund to supplement finances | $ 207,432 |
| LMIG Fund to establish fund | 1,599,666 |
| Jail Improvement Fund to supplement finances | 4,589 |
| Special Services District - Unincorporated and Jointly Funded to: | |
| Fire Protection Special Service District Fund to supplement its finances | 533,780 |
| Solid Waste Collection and Disposal Special Service District Fund to supplement its finances | 462,472 |

*The remainder of this page has been intentionally left blank.*

### *Note 9 - Long-Term Liabilities*

***Governmental Activities***

*Financed Purchases* - From time to time, the County enters into financed purchase agreements for various pieces of property and equipment. These agreements qualify as financed purchases for accounting purposes (titles transfer at the end of the agreement).

Financed purchase agreement with Branch Banking and Trust Company with an original amount of $870,000, bearing interest at 2.10%, payable in 5 annual installments of approximately $185,114 beginning in December 2018 through December 2022. This proceeds were used to purchase emergency medical services equipment with a cost totaling $142,285, roads and bridges equipment with a cost totaling $484,681, and sanitation equipment with a cost totaling $199,500. The equipment acquired by the lease is included in the governmental activities general capital assets in the amount of $444,965 (cost of $826,466 less accumulated depreciation of $381,501). Annual debt service requirements to amortize this finance purchase agreement as of June 30, 2022, is as follows:

| Year | Principal | Interest | Total |
|---|---|---|---|
| 2023 | $ 140,379 | $ 2,951 | $ 143,330 |

Financed purchase agreement with Branch Banking and Trust Company with an original amount of $420,000, bearing interest at 2.85%, payable in 5 annual installments of approximately $91,317 beginning in September 2020 through September 2024. These proceeds were used to purchase four fire engines for the fire fund with a cost totaling $255,000 and an ambulance and related equipment for emergency medical services with cost totaling $165,000. The equipment acquired by the lease is included in the governmental activities general capital assets in the amount of $286,696 (cost of $420,000 less accumulated depreciation of $133,304). Annual debt service requirements to amortize this financed purchase agreement as of June 30, 2022, is as follows:

| Year | Principal | Interest | Total |
|---|---|---|---|
| 2023 | $ 83,934 | $ 7,383 | $ 91,317 |
| 2024 | 86,326 | 4,991 | 91,317 |
| 2025 | 88,786 | 2,531 | 91,317 |
| Total | $ 259,046 | $ 14,905 | $ 273,951 |

Leases - The County has entered into various lease agreements for the rights to use various pieces of office equipment. As the arrangements meet the criteria of a lease under GASB Statement No. 87, adopted in the current year (see Note 1 and Note 3), they are required to be recorded as intangible right to lease assets and lease liabilities. The right to use assets are amortized over the shorter of the lease terms or the useful life of the underlying assets and the County is not taking ownership of the underlying assets. All of the lease terms are 5 years, The imputed interest rates range from 1.8% to 3.0%, with payments made monthly or quarterly. Th following is a schedule of lease payments to maturity as of June 30, 2022:

***Note 9 - Long-Term Liabilities (continued)***

| Year | Principal | Interest | Total |
|---|---|---|---|
| 2023 | $ 23,346 | $ 2,197 | $ 25,543 |
| 2024 | 15,124 | 1,138 | 16,262 |
| 2025 | 7,294 | 523 | 7,817 |
| 2026 | 4,222 | 261 | 4,483 |
| 2027 | 2,363 | 46 | 2,409 |
| Total | $ 52,349 | $ 4,165 | $ 56,514 |

Changes in Long-term Debt - Changes in the County's long-term obligations consisted of the following for the year ended June 30, 2022:

| | Outstanding 7/1/2021 | Additions | Reductions | Outstanding 6/30/2022 | Amounts Due in One Year |
|---|---|---|---|---|---|
| **Governmental Activities** | | | | | |
| Financed purchase agreements | $ 662,268 | | $ 262,843 | $ 399,425 | $ 224,313 |
| Other leases | 57,788 | 20,081 | 25,520 | 52,349 | 23,346 |
| Landfill postclosure | 916,454 | $ 37,575 | | 954,029 | 73,387 |
| Compensated absences | 243,545 | 113,361 | 122,516 | 234,390 | 117,911 |
| Total Governmental Activities | $ 1,880,055 | $ 171,017 | $ 410,879 | $ 1,640,193 | $ 438,957 |

The landfill obligation will be repaid from the general fund. The compensated absences liability is being paid from the fund paying each affected employee's wages.

The total interest incurred for the year ended June 30, 2022, was $13,462, all of which was charged to expense.

***Component Units***

The Development Authority

At June 30, 2022, the Development Authority's long-term debt was composed of two notes payable as detailed below:

Note payable to Farmers & Merchants Bank having a principal balance of $1,054,272. The note is a renewal of a construction note with an interest rate of 4%. The debt is secured by real estate. Annual debt service requirements to amortize this notes payable as of June 30, 2022, are as follows:

| Year | Principal | Interest | Total |
|---|---|---|---|
| 2023 | | $ 42,171 | $ 42,171 |
| 2024 | $ 1,054,272 | 7,028 | 1,061,300 |
| Total | $ 1,054,272 | $ 49,199 | $ 1,103,471 |

***Note 9 - Long-Term Liabilities (continued)***

Note payable to OneGeorgia Authority having a principal balance of $500,000. The note is interest free and is payable in quarterly installments of $6,250. Repayment is deferred for five years or until certain actions occur. The debt is secured by real estate. Annual debt service requirements to amortize this note payable as of June 30, 2022, are as follows:

| Year | Principal | Interest | Total |
|---|---|---|---|
| 2027-2031 | $ 125,000 | | $ 125,000 |
| 2032-2036 | 125,000 | | 125,000 |
| 2037-2041 | 125,000 | | 125,000 |
| 2042-2046 | 125,000 | | 125,000 |
| Total | $ 500,000 | $ 0 | $ 500,000 |

Changes in Long-term Debt - Changes in the County's long-term obligations consisted of the following for the year ended June 30, 2022:

| | Outstanding 7/1/2021 | Additions | Reductions | Outstanding 6/30/2022 | Amounts Due in One Year |
|---|---|---|---|---|---|
| **Component Unit:** | | | | | |
| The Development Authority | | | | | |
| Note payable | $ 1,054,272 | | | $ 1,054,272 | |
| Note payable | 500,000 | | | 500,000 | |
| The Department of Health | | | | | |
| Compensated absences | 24,227 | $ 18,000 | $ 25,199 | 17,028 | |
| Net pension liability | 315,026 | | 128,498 | 186,528 | |
| Net State OPEB liability | 75,582 | | 56,688 | 18,894 | |
| Total Department of Health | $ 1,969,107 | $ 18,000 | $ 210,385 | $ 1,776,722 | $ 0 |

***Note 10 - Landfill Closure and Postclosure Care***

State and federal laws and regulations require the County to place a final cover on its landfill when it stops accepting waste, and to perform certain maintenance and monitoring functions at the landfill for thirty years after closure. Recognition of a liability for landfill closure and postclosure costs is based upon the capacity used to date of the County's landfill. The County's landfill has been closed and 100% of the unexpended postclosure care costs for the landfill are recognized. The liability recognized in the financial statements for estimated postclosure care costs is $954,029.

The estimate of postclosure care activities will be revised on an annual basis, with the total estimated liability reduced as these costs are incurred. The estimated costs are the engineer's best estimate of future costs and could increase or decrease due to changes in inflation or deflation, technology or applicable laws and regulations.

### *Note 11 - Defined Contribution Plan*

The County has a defined contribution plan administered by GEBCorp (an Association County Commissioners of Georgia company). This plan is a combined 457 and 401(a) plan. The County makes a basic contribution to the 401(a) plan in the amount of 3% of qualified compensation. In addition the County matches participant contributions on a 1:2 ratio up to 1% of compensation. For the year ended June 30, 2022, the County contributed $147,157, and participants contributed $131,463. Plan provisions and contribution requirements are established and amended by a resolution of the County Commission. Participants vest in the 401(a) plan over 5 years and become fully vested after 5 years of service. Participants become fully vested at age 65 (the normal retirement age).

All amounts of compensation deferred under the Plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the employees. Investments are managed by the Plan's trustees under one of the investment options or a combination thereof. The choice of investment options is made by the participants.

### *Note 12 - Retirement Benefits - Component Unit - The Department of Health*

***General Information about the Employees' Retirement System of Georgia (ERS)***

***Plan description:*** The Department of Health participates in the Employees' Retirement System of Georgia (ERS). ERS is a cost-sharing multiple-employer defined benefit pension plan established by the Georgia General Assembly during the 1949 Legislative Session for the purpose of providing retirement allowances for employees of the State of Georgia and its political subdivisions. ERS is directed by a Board of Trustees. Title 47 of the O.C.G.A. assigns the authority to establish and amend the benefit provisions to the State Legislature. ERS issues a publicly available financial report that can be obtained at www.ers.ga.gov/financials.

***Benefits provided:*** The ERS Plan supports three benefit tiers: Old Plan, New Plan, and Georgia State Employee's Pension and Savings Plan (GSEPSP). Employees under the old plan started membership prior to July 1, 1982, and are subject to plan provisions in effect prior to July 1, 1982. Members hired on or after July 1, 1982, but prior to January 1, 2009, are new plan members subject to modified plan provisions. Effective January 1, 2009, new state employees and rehired state employees who did not retain membership rights under the Old or New Plans are members of GSEPS. ERS members hired prior to January 1, 2009, also have the option to irrevocably change their membership to GSEPS.

Under the old plan, the new plan, and GSEPS, a member may retire and receive normal retirement benefits after completion of 10 years of creditable service and attainment of age 60 or 30 years of creditable service regardless of age. Additionally, there are some provisions allowing for early retirement after 25 years of creditable service for members under age 60.

***Note 12 - Retirement Benefits - Component Unit - The Department of Health (continued)***

Retirement benefits paid to members are based upon the monthly average of the member's highest 24 consecutive calendar months, multiplied by the number of years of creditable service, multiplied by the applicable benefit factor. Annually, postretirement cost-of-living adjustments may also be made to member's benefits, provided the members were hired prior to July 1, 2009. The normal retirement pension is payable monthly for life; however, options are available for distribution of the member's monthly pension, at reduced rates, to a designated beneficiary upon the member's death. Death and disability benefits are also available through ERS.

***Contributions:*** Member contributions under the old plan are 4% of annual compensation, up to $4,200, plus 6% of annual compensation in excess of $4,200. Under the old plan, the state pays member contributions in excess of 1.25% of annual compensation. Under the old plan, these state contributions are included in the members' accounts for refund purposes and are used in the computation of the members' earnable compensation for the purpose of computing retirement benefits. Member contributions under the new plan and GSEPS are 1.25% of annual compensation.

The Department of Health's total required contribution rate, actuarially determined annually, for the year ended June 30, 2022, was 24.63% of annual covered payroll for old and new plan members and 21.57% for GSEPS members. The Department of Health's contributions to ERS totaled $50,052 for the year ended June 30, 2022. Contributions are expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

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

At June 30, 2022, the Department of Health reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021. The total pension liability used to calculate the pension liability was based on an actuarial valuation as of June 30, 2020. The expected total pension liability of June 30, 2021, was determined using standard roll-forward techniques. The Department of Health's proportion of the net pension liability was based on contributions to ERS during the fiscal year ended June 30, 2021. At June 30, 2021, the Employer's proportion was 0.007975%, which was a increase of 0.000501% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2020, the Department of Health recognized pension expense of $23,880. At June 30, 2022, the Department of Health 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 | $ 4,414 | |
| Change of assumptions | 53,715 | |
| Net difference between projected and actual earnings on pension plan investment | | $ 172,396 |
| Changes in proportion and differences between employer contributions and proportionate share of contributions | 11,994 | 3,713 |
| Employer contributions subsequent to measurement date | 50,052 | |
| | $ 120,175 | $ 176,109 |

***Note 12 - Retirement Benefits - Component Unit - The Department of Health (continued)***

Department of Health contributions subsequent to the measurement date of $50,052 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 | $ 2,578 |
| 2024 | (20,620) |
| 2025 | (41,896) |
| 2026 | (46,048) |
| | $ (105,986) |

***Actuarial assumptions:*** The total pension liability as of June 30, 2021, was determined by an actuarial valuation as of June 30, 2020, using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|---|---|
| Inflation | 2.50% |
| Salary increases | 3.00-6.75%, including inflation |
| Investment rate of return | 7.00%, net of pension plan investment expense, including inflation |

Mortality rates are as follows:

- The Pub-2010 General Employee Table, with no adjustments, projected generationally with the MP-2019 scale is used for both males and females while in active service.

- The Pub-2010 Family of Tables projected generationally with the MP-2019 Scale and with further adjustments are used for post-retirement mortality assumptions as follows:

| Participant Type | Membership Table | Set Forward (+)/ Setback(-) | Adjustments to Rates |
|---|---|---|---|
| Service Retirees | General Healthy Annuitant | Male: +1<br>Female: +1 | Male: 105%<br>Female: 108% |
| Disability Retirees | General Disabled | Male: -3<br>Female: 0 | Male: 103%<br>Female: 106% |
| Beneficiaries | General Contingent Survivors | Male: +2<br>Female: +2 | Male: 106%<br>Female: 105% |

The actuarial assumptions used in the June 30, 2020, valuation were based on the results of an actuarial experience study for the period July 1, 2014 - June 30, 2019.

***Note 12 - Retirement Benefits - Component Unit - The Department of Health (continued)***

The long-term expected rate of return on pension plan investments was determined using a long-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected 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 asset class are summarized in the following table:

| Asset Class | Target Allocation | Long-term expected real rate of return* |
|---|---|---|
| Fixed income | 30.00% | -1.50% |
| Domestic large equities | 46.40% | 9.20% |
| Domestic small equities | 1.10% | 13.40% |
| International developed market equities | 11.70% | 9.20% |
| International emerging market equities | 5.80% | 10.40% |
| Alternatives | 5.00% | 10.60% |
| | 100.00% | |

*Rates shown net of inflation

***Discount rate:*** The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and State of Georgia contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

***Sensitivity of the Department of Health's proportionate share of the net pension liability to changes in the discount rate:*** The following presents the Department of Health's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the Department of Health's proportionate share of the 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%) |
|---|---|---|---|
| Employer's proportionate share of the net pension liability | $ 341,807 | $ 186,528 | $ 55,204 |

***Pension plan fiduciary net position:*** Detailed information about the pension plan's fiduciary net position is available in the separately issued ERS financial report which is publicly available at www.ers.ga.gov/financials.

### *Note 13 - State OPEB Fund - Component Unit - The Department of Health*

***General Information about the State OPEB Fund***

***Plan description:*** Employees of State organizations as defined in 45-18-25 of the *Official Code of Georgia Annotated* (O.C.G.A) are provided OPEB through the State OPEB fund - a cost-sharing multiple-employer defined benefit postemployment healthcare plan, reported as an employee trust fund and administered by a Board of Community Health (Board). Title 45 of the O.C.G.A assigns the authority to establish and amend the benefit terms of the group health plan to the Board.

***Benefits provided:*** The State OPEB fund provides healthcare benefits for retirees and their dependents due under the group health plan for employees of state organization (including technical colleges) and other entities authorized by law to contract with the Department of Community Health (DCH) for inclusion in the plan. Retiree medical eligibility is attained when an employee retires and is immediately eligible to draw a retirement annuity from Employees' Retirement System (ERS), Georgia Judicial Retirement System (JRS), Legislative Retirement System (LRS), Teachers Retirement System (TRS) or Public School Employees Retirement System (PERS). If elected, dependent coverage starts on the same day as retiree coverage. Medicare-eligible retirees are offered Standard and Premium Medicare Advantage plan options. Non-Medicare eligible retiree plan options include Health Reimbursement Arrangement (HRA), Health Maintenance Organization (HMO) and High Deductible Plan (HDHP). The State OPEB fund also pays for administrative expenses for the fund. By law, no other use of the assets of the State OPEB Fund is permitted.

***Contributions:*** As established by the Board, the State OPEB fund is substantially funded on a pay-as-you-go basis; that is, annual cost of providing benefits will be financed in the same year as claims occur. Contributions to the State OPEB Fund from the Department of Health were $11,385 for the year ended June 30, 2022. Active employees are not required to contribute to the State OPEB Fund.

***OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB***

At June 30, 2022, the Department of Health reported a liability of $18,894 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2021. The total OPEB liability used to calculate the net OPEB liability was based on an actuarial valuation as of June 30, 2020. An expected total OPEB liability as of June 30, 2021, was determined using standard roll-forward techniques. The Department of Health's proportion of the net OPEB liability was actuarially determined based on employer contributions during the fiscal year ended June 30, 2021. At June 30, 2021, the Department of Health's proportion was .006874%, which was an increase of 0.000158% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the Department of Health recognized OPEB expense of $55,489. At June 30, 2022, the Department of Health reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

***Note 13 - State OPEB Fund - Component Unit - The Department of Health (continued)***

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Differences between expected and actual experience | | $ 50,872 |
| Changes in assumptions | $ 976 | 19,917 |
| Net difference between projected and actual earnings on OPEB investments | | 3,303 |
| Changes in proportion and differences between Department of Health contributions and proportionate share of contributions | 5,715 | 4,277 |
| Employer contributions subsequent to measurement date | 11,385 | |
| | $ 18,076 | $ 78,369 |

The Department of Health's contributions subsequent to the measurement date of $11,385 are reported as deferred outflows of resources and will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

| Year ended June 30,: | |
|---|---|
| 2023 | $ (35,650) |
| 2024 | (18,945) |
| 2025 | (12,093) |
| 2026 | (4,990) |
| | $ (71,678) |

***Actuarial assumptions:*** The total OPEB liability as of June 30, 2021, was determined by an actuarial valuation as of June 30, 2020, using the following actuarial assumptions and other inputs, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2021:

| | |
|---|---|
| Inflation | 2.50% |
| Salary increases | 3.25%-6.75%, includes inflation |
| Long-term expected rates of return | 7.00%, compounded annually, net of investment expense, and including inflation |
| Healthcare cost trend rate | |
| Pre-Medicare eligible | 6.75% |
| Medicare eligible | 5.13% |
| Ultimate trend rate | |
| Pre-Medicare eligible | 4.50% |
| Medicare eligible | 4.50% |
| Year of Ultimate trend rate | |
| Pre-Medicare eligible | 2029 |
| Medicare eligible | 2023 |

***Note 13 - State OPEB Fund - Component Unit - The Department of Health (continued)***

Mortality rates were based on the Pub-2010 General Employee Mortality Table for Males or Females, as appropriate, with no adjustments and with the MP-2019 Projection scale applied generationally as follows:

For ERS, JRS and LRS members: Post-retirement mortality rates for service retirements were based on the Pub-2010 General Healthy Annuitant Mortality Table (ages set forward one year and adjusted 105% for males and 108% for females) with the MP-2019 Projection scale applied generationally. Post-retirement mortality rates for disability retirements were based on the Pub-2010 General Disabled Mortality Table (ages set back three years for males and adjusted 103 % for males and 106% for females) with the MP-2019 Projection scale applied generationally. Post-retirement mortality rates for beneficiaries were based on the Pub-2010 General Contingent Survivor Mortality Table (ages set forward two years and adjusted 106% for males and 158% for females) with the MP-2019 Projection scale applied generationally.

The actuarial assumptions used in the June 30, 2020, valuation were based on the results of the most recent actuarial experience studies for the pension systems, which covered the five-year period ending June 30, 2019, and adopted by the pension Board on December 17, 2020.

The remaining actuarial assumptions (e.g., initial per capita costs, health care cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2020, valuation were based on a review of recent plan experience done concurrently with the June 30, 2020, valuation.

Projection of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculation.

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

| Asset Class | Target Allocation | Long-term expected real rate of return* |
|---|---|---|
| Fixed income | 30.00% | 0.14% |
| Equities | 70.00% | 9.20% |
| | 100.00% | |

*Rates shown are net of inflation

*Note 13 - State OPEB Fund - Component Unit - The Department of Health (continued)*

***Discount rate:*** In order to measure the total OPEB liability as of June 30, 2021, for the State OPEB Fund, a single equivalent interest rate of 7.00% was used, as compared with last year's discount rate of 7.06%. This is comprised of the yield or index rate for 20 year tax-exempt general obligation bonds with an average rate of AA or highter (2.16% per the Municipal Bond Index Rate) along with other factors. The projection of cash flows used to determine the discount rate assumed that contributions from members and from the employer will be made at the current level as averaged over the last five years, adjusted for annual projected changes in headcount. Projected future benefit payments for all current plan members were projected through 2145.

***Sensitivity of the Employer's proportionate share of the net OPEB liability to changes in the discount rate:*** The following presents the Department of Health's proportionate share of the net OPEB liability calculated using the discount rate of 7.00%, as well as what the Department of Health's proportionate share of the net OPEB 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 discount rate:

| | 1% Decrease (6.00%) | Current discount rate (7.00%) | 1% Increase (8.00%) |
|---|---|---|---|
| Employer's proportionate share of the net OPEB liability | $ 33,249 | $ 18,894 | $ 6,488 |

***Sensitivity of the Employer's proportionate share of the net OPEB liability to changes in the healthcare cost trend rates:*** The following presents the collective net OPEB liability of the participating employers, as well as what the collective net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or I-percentage-point higher than the current healthcare cost trend rates:

| | 1% Decrease (6.00%) | Current discount rate (7.00%) | 1% Increase (8.00%) |
|---|---|---|---|
| Employer's proportionate share of the net OPEB liability | $ 4,411 | $ 18,894 | $ 35,876 |

***OPEB plan fiduciary net position:*** Detailed information about the OPEB plan's fiduciary net position is available in the 2021 Comprehensive Annual Financial Report (CAFR) which is publically available at https://sao.georgia.gov/ comprehensive-annual-financial-reports.

***General Information about the SEAD-OPEB Fund***

***Plan description:*** SEAD-OPED was created in 2007 by the Georgia General Assembly to amend Title 47 of the O.C.G.A., relating to retirement, so as to establish a fund for the provision of term life insurance to retired and vested inactive members of the Employees Retirement System of Georgia (ERS), the Legislative Retirement System (LRS), and the Georgia Judicial Retirement System (GJRS). The plan is a cost-sharing multiple-employer defined benefit other postemployment benefit plan as defined in Governmental Accounting Standards Board (GASB) Statement No. 74, *Financial Reporting for Postemployment Benefit Plans other than OPEB Plans.* The SEAD-OPEB trust fund accumulated the premiums received from the aforementioned retirement plans, including interest earned on deposits and investments of such payments.

***Note 13 - State OPEB Fund - Component Unit - The Department of Health (continued)***

***Benefits provided:*** The amount of insurance for a retiree with creditable service prior to April 1, 1964, is the full amount of insurance in effect on the date of retirement. The amount of insurance for a service retiree with no creditable service prior to April 1, 1964, is 70% of the amount of insurance in effect at age 60 or at termination, if earlier. Life insurance proceeds are paid in a lump sum to the beneficiary upon death of the retiree.

***Contributions:*** Georgia law provides that employee contribution to the plan shall be in an amount established by the Board of Trustees not to exceed one-half of 1% of the member's earnable compensation. There was no employer contribution required for the fiscal year ended June 30, 2022.

***Note 14 - SEAD OPEB Fund - Component Unit - The Department of Health***

***OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB***

At June 30, 2022, the Department of Health reported an asset of $76,042 for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2021. The total OPEB asset used to calculate the net OPEB asset was based on an actuarial valuation as of June 30, 2020. An expected total OPEB asset as of June 30, 2021, was determined using standard roll-forward techniques. The Department of Health's proportion of the net OPEB asset was based on actual member salaries reported to the SEAD-OPEB plan during the fiscal year ended June 30, 2021. As of June 30, 2021, the Department of Health's proportion was .012348%, which was an decrease of 0.000442% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the Department of Health recognized OPEB expense reduction of $14,181. At June 30, 2022, the Department of Health reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Difference between expected and actual experience | | $ 227 |
| Changes in assumptions | | 2,371 |
| Net difference between projected and actual earnings on OPEB investments | | 25,375 |
| Changes in proportion and differences between Department of Health contributions and proportionate share of contributions | | 1,009 |
| | $ 0 | $ 28,982 |

***Note 14 - SEAD OPEB Fund - Component Unit - The Department of Health (continued)***

Amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

| | |
|---|---|
| Year ended June 30,: | |
| 2023 | $ (9,784) |
| 2024 | (6,296) |
| 2025 | (6,163) |
| 2026 | (6,739) |
| | $ (28,982) |

***Actuarial assumptions:*** The total OPEB liability as of June 30, 2021 was determined by an actuarial valuation as of June 30, 2020, using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|---|---|
| Inflation | 2.55% |
| Salary increases | |
| ERS | 3.00-6.75%, |
| GJRS | 3.75% |
| LRS | N/A |
| Investment rate of return | 7.00%, net of OPEB plan investment expense, including inflation |
| Healthcare cost trend rate | N/A |

Mortality rates are as follows:

- The Pub-2010 General Employee Table, with no adjustments, projected generationally with the MP-2019 scale is used for both males and females while in active service.

- The Pub-2010 Family of Tables projected generationally with the MP-2019 Scale and with further adjustments are used for post-retirement mortality assumptions as follows:

| Participant Type | Membership Table | Set Forward (+)/ Setback(-) | Adjustments to Rates |
|---|---|---|---|
| Service Retirees | General Healthy Annuitant | Male: +1<br>Female: +1 | Male: 105%<br>Female: 108% |
| Disability Retirees | General Disabled | Male: -3<br>Female: 0 | Male: 103%<br>Female: 106% |
| Beneficiaries | General Contingent Survivors | Male: +2<br>Female: +2 | Male: 106%<br>Female: 105% |

The actuarial assumptions used in the June 30, 2020, valuation were based on the results of an actuarial experience study for the period July 1, 2014 - June 30, 2019.

***Note 14 - SEAD OPEB Fund - Component Unit - The Department of Health (continued)***

The long-term expected rate of return on OPEB plan investments was determined using a long-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected nominal returns, net of 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 asset allocation and estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

| Asset Class | Target Allocation | Long-term expected real rate of return* |
|---|---|---|
| Fixed income | 30.00% | -1.50% |
| Domestic large equities | 46.40% | 9.20% |
| Domestic small equities | 1.10% | 13.40% |
| International developed market equities | 11.70% | 9.20% |
| International emerging market equities | 5.80% | 10.40% |
| Alternatives | 5.00% | 10.60% |
| | 100.00% | |

*Rates shown net of inflation

***Discount rate:*** The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and State of Georgia contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

***Sensitivity of the Department of Health's proportionate share of the net OPEB asset to changes in the discount rate:*** The following presents the Department of Health's proportionate share of the net OPEB asset calculated using the discount rate of 7.00%, as well as what the Department of Health's proportionate share of the net OPEB asset 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%) |
|---|---|---|---|
| Employer's proportionate share of the net OPEB asset | $ 59,807 | $ 76,042 | $ 89,299 |

***OPEB plan fiduciary net position:*** Detailed information about the pension plan's fiduciary net position is available in the separately issued ERS comprehensive annual financial report which is publicly available at www.ers.ga.gov/financials.

### *Note 15 - Deferred Inflows of Resources*

Deferred inflows of resources are composed of property taxes and charges for services receivables because they are recognized as receivables in excess of the amount collected within the available period. Deferred inflows of resources related to property taxes, intergovernmental revenues and charges for services are reported on the governmental funds balance sheet as of June 30, 2022, in the amount of $206,049, $1,395,404 and $71,332,

### *Note 16 - Net Investment in Capital Assets*

Net position on the Government-wide statement ofnet position as of June 30, 2022, is as follows:

| | Governmental Activities | Component Units |
|---|---|---|
| Cost of capital assets | $ 41,326,913 | $ 3,951,478 |
| Less accumulated depreciation | 20,058,767 | 268,572 |
| Book value | 21,268,146 | 3,682,906 |
| Less capital related debt: | | |
| Notes payable and leases | 451,774 | 1,554,272 |
| Investment in capital assets, net of related debt | $ 20,816,372 | $ 2,128,634 |

### *Note 17 - Risk Management*

The County is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors or omissions; and workers compensation for which the County carries the following insurance coverage.

There were no significant reductions of insurance coverage compared to the prior year. Settled claims have not exceeded the commercial excess coverage in any of the past three fiscal years.

The County joined with other counties in the state as part of the Association County Commissioners of Georgia - Interlocal Risk Management Agency (IRMA). Insurance coverage and deductible options for property, casualty and crime under the policy are selected by the County's management based on the anticipated needs. The County is required to pay all premiums, applicable deductibles and assessments billed by IRMA, as well as following loss reduction and prevention procedures established by IRMA. IRMA's responsibility includes paying claims, and representing the County in defense and settlement of claims. IRMA's basis for estimating the liabilities for unpaid claims is "IBNR" established by an actuary. The County has not compiled a record of claims paid up to the applicable deductible for the prior year or the current fiscal year. The County is unaware of any claims for which the County is liable (up to the applicable deductible) which were outstanding and unpaid at June 30, 2022. No provisions have been made in the financial statements for the year ended June 30, 2022, for any estimate of potential unpaid claims.

### *Note 17 - Risk Management (continued)*

The County has elected to be a member of the ACCG Group Self Insurance Workers' Compensation Fund (the Fund). As a participant in the Fund, the County has no legal obligation to pay its own workers' compensation claims. The County is required to make an annual contribution to the Fund in an amount that is determined on the basis of actuarial projections of losses. With payment of the County's annual contribution, the County has effectively transferred the risk and responsibility for payment of its workers' compensation claims. However, the enabling statute creating the Fund permits the Fund to levy an assessment upon its members to make up any deficiency the Fund may have in surplus or reserves. No amount has been recorded in the financial statements for this contingency as management believes the likelihood for assessment is remote.

### *Note 18 - Commitments and Contingencies*

***State and Federal Grants*** - 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.

### *Note 19 - Joint Ventures*

Under Georgia law, the County in conjunction with other cities and counties in the coastal Georgia area, is a member of the Coastal Regional Commission (CRC) and is required to pay annual dues thereto. Membership in a regional commission is required by OCGA Section 5-8-34 which provides for the organizational structure of regional commissions in Georgia. The CRC board membership includes the chief elected official of each county or municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of the regional commission. Separate financial statements may be obtained from Coastal Regional Commission, 127 F Street, Brunswick, Georgia 31520.

### *Note 20 - Hotel/Motel Lodging Tax*

Screven County has levied a 5% lodging tax. The County collects the hotel/motel lodging tax and distributes the funds to the Screven County Chamber of Commerce (100%) which uses this to fund tourism promotion and beautification projects. The tax collected for the year ended June 30, 2022, totaled $7,909. The County remitted $7,909 to the Screven County Chamber of Commerce. All expenditures were for the promotion of tourism as required by O.C.G.A. 48-13-51. A summary of the transactions for the year ended June 30, 2022, follows:

| | |
|---|---|
| Lodging tax receipts for current fiscal year | 7,909 |
| Disbursements to Screven County Chamber of Commerce for tourism/industry promotion | 7,909 |

***Note 21 - Subsequent Events***

The County has evaluated subsequent events through April 11, 2023, the date on which the financial statements were available to be issued.

*Required Supplementary Information*

Screven County, Georgia
*General 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 Positive (Negative) |
|---|---|---|---|---|
| **Revenues** | | | | |
| Taxes | $ 7,445,000 | $ 7,445,000 | $ 7,994,572 | $ 549,572 |
| Licenses and permits | 15,450 | 15,450 | 10,250 | (5,200) |
| Intergovernmental | 769,459 | 769,459 | 1,633,855 | 864,396 |
| Charges for services | 2,431,602 | 2,645,366 | 2,096,183 | (549,183) |
| Fines and forfeitures | 350,300 | 350,300 | 338,211 | (12,089) |
| Investment earnings | 4,520 | 4,520 | 3,834 | (686) |
| Miscellaneous | 7,700 | 7,700 | 48,211 | 40,511 |
| **Total revenues** | 11,024,031 | 11,237,795 | 12,125,116 | 887,321 |
| **Expenditures** | | | | |
| **Current** | | | | |
| General government | | | | |
| Board of Commissioners | 325,571 | 450,004 | 450,004 | 0 |
| Elections/Registrar | 43,426 | 44,127 | 38,638 | 5,489 |
| Tax commissioner | 278,648 | 278,648 | 272,093 | 6,555 |
| Tax assessor | 301,310 | 301,310 | 291,287 | 10,023 |
| Buildings and grounds | 279,149 | 279,149 | 255,105 | 24,044 |
| Other general government | 963,400 | 845,584 | 673,299 | 172,285 |
| | 2,191,504 | 2,198,822 | 1,980,426 | 218,396 |
| Judicial | | | | |
| Superior court | 286,588 | 287,724 | 287,724 | 0 |
| Clerk of court | 319,174 | 319,174 | 303,039 | 16,135 |
| State court | 100,771 | 100,771 | 92,593 | 8,178 |
| Magistrate court | 135,737 | 135,737 | 133,506 | 2,231 |
| Probate court | 251,117 | 273,972 | 246,085 | 27,887 |
| Juvenile court | 29,380 | 29,380 | 24,885 | 4,495 |
| Total judicial | 1,122,767 | 1,146,758 | 1,087,832 | 58,926 |
| Public safety | | | | |
| Sheriff and jail | 1,092,936 | 1,133,099 | 1,133,099 | 0 |
| Patrol/traffic | 658,650 | 618,487 | 585,401 | 33,086 |
| Correctional institute | 1,316,474 | 1,316,474 | 1,212,757 | 103,717 |
| Emergency medical services | 1,166,516 | 1,166,516 | 1,125,240 | 41,276 |
| Coroner | 17,271 | 22,729 | 22,729 | 0 |
| Animal control | 114,775 | 170,441 | 170,441 | 0 |
| Civil defense/emergency management | 58,989 | 58,989 | 55,668 | 3,321 |
| Total public safety | 4,425,611 | 4,486,735 | 4,305,335 | 181,400 |
| Public works - roads and streets | 2,055,909 | 2,055,909 | 972,967 | 1,082,942 |

See the accompanying notes to the required supplementary information.

Screven County, Georgia
*General 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 Positive (Negative) |
|---|---|---|---|---|
| Health and welfare | | | | |
| Health department | 63,278 | 63,278 | 63,178 | 100 |
| Department of Family and Children's Services | 8,962 | 8,962 | 8,962 | 0 |
| Senior Citizens | | 64,965 | 64,965 | 0 |
| Keep Screven Beautiful | 16,518 | 16,518 | 13,207 | 3,311 |
| WEE care center | 2,400 | 2,400 | 2,400 | 0 |
| Total health and welfare | 91,158 | 156,123 | 152,712 | 3,411 |
| Culture and recreation | | | | |
| Recreation department | 549,531 | 549,531 | 536,595 | 12,936 |
| Library | 192,073 | 192,073 | 192,073 | 0 |
| Total culture and recreation | 741,604 | 741,604 | 728,668 | 12,936 |
| Housing and development | | | | |
| Extension Service - County Agent | 90,662 | 90,662 | 69,534 | 21,128 |
| Coastal Regional Commission | 26,000 | 32,234 | 32,234 | 0 |
| Conservation - Forestry | 50,385 | 50,403 | 49,197 | 1,206 |
| Livestock association | 4,252 | 4,252 | 4,252 | 0 |
| Total housing and development | 171,299 | 177,551 | 155,217 | 22,334 |
| **Debt service** | 0 | 45,225 | 25,165 | 20,060 |
| **Total expenditures** | 10,799,852 | 11,008,727 | 9,408,322 | 1,600,405 |
| **Excess of revenues to expenditures** | 224,179 | 229,068 | 2,716,794 | 2,487,726 |
| **Other financing sources (uses)** | | | | |
| Proceeds from sale of surplus | 10,000 | 10,000 | 5,927 | (4,073) |
| Proceeds from leases | | | 20,081 | 20,081 |
| Transfer to LMIG fund | | 1,599,666 | (1,599,666) | (3,199,332) |
| Transfer to E-911 fund | (230,022) | (185,433) | (207,432) | (21,999) |
| Transfer to Jail Improvement fund | | | (4,589) | (4,589) |
| **Total other financing uses** | (220,022) | 1,424,233 | (1,785,679) | (3,209,912) |
| **Net change in fund balance** | $ 4,157 | $ 1,653,301 | 931,115 | $ (722,186) |
| **Fund balance - beginning of year** | | | 10,023,904 | |
| **Fund balance - end of year** | | | $ 10,955,019 | |

See the accompanying notes to the required supplementary information.

*Screven County, Georgia*
***LMIG Fnd***
***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 Positive (Negative) |
|---|---|---|---|---|
| **Revenues** | | | | |
| Intergovernmental | $ 0 | $ 749,544 | $ 749,544 | $ 0 |
| **Expenditures** | | | | |
| **Current** | | | | |
| Public works - roads and bridges | 0 | 1,333,563 | 1,333,563 | 0 |
| **Deficit of revenues to expenditures** | 0 | (584,019) | (584,019) | 0 |
| **Other financing sources** | | | | |
| Transfers in | 0 | 584,019 | 1,599,666 | 1,015,647 |
| **Net change in fund balance** | $ 0 | $ 0 | 1,015,647 | $ 1,015,647 |
| **Fund balances beginning of year** | | | 0 | |
| **Funds balances end of year** | | | $ 1,015,647 | |

***Note 1 - Budgetary Information***

The County adopts an annual operating budget for the general fund and each special revenue fund.

All budgets are adopted on a basis consistent with GAAP.

The legal level of control (the level at which expenditures may not legally exceed appropriations) for the general fund budget generally is the department level. Any change in total to a departmental appropriation within the general fund requires approval of the County Commission. The department director may approve budget transfers within departments, with certain exceptions. For the fiscal year ended June 30, 2022, the County Commission approved one budget revision. All unexpended annual appropriations lapse at year-end.

**SCREVEN COUNTY, GEORGIA**
**SCREVEN COUNTY DEPARTMENT OF HEALTH (COMPONENT UNIT)**
**SCHEDULE OF PROPORTIONATE SHARE**
**OF THE NET PENSION LIABILITY**
**EMPLOYEES' RETIREMENT SYSTEM**
**FOR THE YEAR ENDED JUNE 30, 2022**

| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|---|---|---|---|
| Department of Health's proportion of the net net pension liability | 0.007975% | 0.007474% | 0.007933% | 0.007453% | 0.008020% | 0.007822% | 0.008397% | 0.011212% |
| Department of Health's proportionate share of the net pension liability | $ 186,528 | $ 315,026 | $ 327,358 | $ 306,395 | $ 325,719 | $ 370,013 | $ 340,196 | $ 420,519 |
| Department of Health's covered-employee payroll | $ 188,858 | $ 193,271 | $ 208,357 | $ 193,540 | $ 200,100 | $ 185,024 | $ 186,403 | $ 241,069 |
| Department of Health's proportionate share of the net pension liability as a percentage of its covered-employee payroll | 98.77% | 163.00% | 157.11% | 158.31% | 162.78% | 199.98% | 182.51% | 174.44% |
| Plan fiduciary net position as a percentage of the total pension liability | 87.62% | 76.21% | 76.74% | 76.68% | 76.33% | 72.34% | 76.20% | 77.99% |

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

See the accompanying notes to the required supplementary information.

**SCREVEN COUNTY, GEORGIA**
**SCREVEN COUNTY DEPARTMENT OF HEALTH (COMPONENT UNIT)**
**SCHEDULE OF CONTRIBUTIONS**
**EMPLOYEES' RETIREMENT SYSTEM**
**FOR THE YEAR ENDED JUNE 30, 2022**

| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|---|---|---|---|---|---|---|---|---|---|
| Contractually required contribution | $ 50,052 | $ 44,942 | $ 46,782 | $ 50,011 | $ 47,363 | $ 48,803 | $ 44,958 | $ 43,401 | $ 46,606 |
| Contributions in relation to the contractually required contribution | 50,052 | 44,942 | 46,782 | 50,011 | 47,363 | 48,803 | 44,958 | 43,401 | 46,606 |
| Contribution deficiency (excess) | $ 0 | $ 0 | $ 0 | $ 0 | $ 0 | $ 0 | $ 0 | $ 0 | $ 0 |
| Department of Health's covered-employee payroll | $ 188,858 | $ 193,271 | $ 208,357 | $ 193,540 | $ 200,100 | $ 185,024 | $ 186,403 | $ 241,069 | $ 241,069 |
| Contributions as a percentage of covered-employee payroll | 26.50% | 23.25% | 22.45% | 25.84% | 23.67% | 26.38% | 24.12% | 18.00% | 19.33% |

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

See the accompanying notes to the required supplementary information.

**SCREVEN COUNTY, GEORGIA**
**SCREVEN COUNTY DEPARTMENT OF HEALTH (COMPONENT UNIT)**
**SCHEDULE OF PROPORTIONATE SHARE**
**OF THE NET OPEB LIABILITY**
**STATE OF GEORGIA OPEB FUND**
**FOR THE YEAR ENDED JUNE 30, 2022**

| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 |
|---|---|---|---|---|---|---|
| Department of Health's proportion of the collective net OPEB liability | 0.006874% | 0.006716% | 0.006917% | 0.006641% | 0.007017% | 0.006854% |
| Department of Health's proportionate share of the collective net OPEB liability | $ 18,894 | $ 75,582 | $ 85,862 | $ 173,701 | $ 285,887 | $ 320,848 |
| Department of Health's covered-employee payroll | $ 133,857 | $ 141,864 | $ 139,082 | $ 158,492 | $ 172,048 | $ 159,302 |
| Department of Health's proportionate share of the collective net OPEB asset as a percentage of it's covered-employee payroll | 14.12% | 53.28% | 61.73% | 109.60% | 166.17% | 201.41% |
| Plan fiduciary net position as a percentage of the total collective OPEB liability | 87.58% | 59.71% | 56.57% | 31.48% | 17.34% | 9.93% |

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

See the accompanying notes to the required supplementary information.

**SCREVEN COUNTY, GEORGIA**
**SCREVEN COUNTY DEPARTMENT OF HEALTH (COMPONENT UNIT)**
**SCHEDULE OF CONTRIBUTIONS**
**STATE OF GEORGIA OPEB FUND**
**FOR THE YEAR ENDED JUNE 30, 2022**

| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 |
|---|---|---|---|---|---|---|
| Contractually required contribution | $ 11,385 | $ 10,429 | $ 10,107 | $ 36,986 | $ 33,311 | $ 28,783 |
| Contributions in relation to the contractually required contribution | 11,385 | 10,429 | 10,107 | 36,986 | 33,311 | 28,783 |
| Contribution deficiency (excess) | $ 0 | $ 0 | $ 0 | $ 0 | $ 0 | $ 0 |
| Department of Health's covered-employee payroll | $ 133,857 | $ 141,864 | $ 139,082 | $ 158,492 | $ 172,048 | $ 159,302 |
| Contributions as a percentage of covered-employee payroll | 8.51% | 7.35% | 7.27% | 23.34% | 19.36% | 18.07% |

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

See the accompanying notes to the required supplementary information.

**SCREVEN COUNTY, GEORGIA**
**SCREVEN COUNTY DEPARTMENT OF HEALTH (COMPONENT UNIT)**
**SCHEDULE OF PROPORTIONATE SHARE**
**OF THE NET OPEB LIABILITY (ASSET)**
**SEAD-OPEB FUND**
**FOR THE YEAR ENDED JUNE 30, 2022**

| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 |
|---|---|---|---|---|---|---|
| Department of Health's proportion of the net OPEB liability | 0.012348% | 0.011906% | 0.010904% | 0.011449% | 0.011814% | 0.010617% |
| Department of Health's proportionate share of the net OPEB liability (asset) | $ (76,042) | $ (33,815) | $ (30,833) | $ (30,986) | $ (30,705) | $ (20,828) |
| Department of Health's covered-employee payroll | $ 133,857 | $ 141,864 | $ 139,082 | $ 158,492 | $ 172,048 | $ 159,302 |
| Department of Health's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll | -56.81% | -23.84% | -22.17% | -19.55% | -17.85% | -13.07% |
| Plan fiduciary net position as a percentage of the total collective OPEB liability | 164.76% | 129.20% | 129.73% | 129.46% | 130.17% | 123.56% |

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

See the accompanying notes to the required supplementary information.

**SCREVEN COUNTY, GEORGIA**
**SCREVEN COUNTY DEPARTMENT OF HEALTH (COMPONENT UNIT)**
**SCHEDULE OF CONTRIBUTIONS**
**SEAD-OPEB FUND**
**FOR THE YEAR ENDED JUNE 30, 2022**

| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 |
|---|---|---|---|---|---|---|
| Contractually required contribution | $ 0 | $ 0 | $ 0 | $ 0 | $ 0 | $ 0 |
| Contributions in relation to the contractually required contribution | 0 | 0 | 0 | 0 | 0 | 0 |
| Contribution deficiency (excess) | $ 0 | $ 0 | $ 0 | $ 0 | $ 0 | $ 0 |
| Department of Health's covered-employee payroll | $ 133,857 | $ 141,864 | $ 139,082 | $ 158,492 | $ 172,048 | $ 159,302 |
| Contributions as a percentage of covered-employee payroll | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |

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

See the accompanying notes to the required supplementary information.

**Employees' Retirement System (ERS)**

**Changes of assumptions:** On December 17, 2015, the Board adopted recommended changes to the economic and demographic assumptions utilized by the System. Primary among the changes were the updates to rates of mortality, retirement, disability, withdrawal and salary increases. The expectation of retired life mortality was changed to the RP-2000 Combined Mortality Table projected to 2025 with projection scale BB(set forward 2 years for both males and females).

A new funding policy was initially adopted by the Board on March 15, 2018, and most recently amended on June 18, 2020. Because of this new funding policy, the assumed investment rate of return was reduced from 7.50% to 7.40% for June 30, 2017, actuarial valuation and further reduced 7.40% to 7.30% as of the June 30, 2018, actuarial valuation.

On December 17, 2020, the Board adopted recommended changes to the economic and demographic assumptions utilized by the System based on the experience study prepared for the five-year period ending June 30, 2019. Primary among the changes were the updates to rates of mortality, retirement, withdrawal, and salary increases. This also included a change to the long-term assumed investment rate of return to 7.00%. These assumption changes are reflected in the calculation of the June 30, 2021, Total Pension Liability.

**Method and assumptions used in calculations of actuarially determined contributions:** The actuarially determined contribution rates in the schedule of contributions are calculated as of June 30, three years prior to the end of the fiscal year in which contributions are reported. The following actuarial methods and assumptions were used to determine the contractually required contribution for the year ended June 30, 2021, reported in the schedule:

| | |
|---|---|
| Valuation date | June 30, 2020 |
| Actuarial cost method | Entry age |
| Amortization method | Level dollar, closed |
| Remaining amortization period | 15.3 years |
| Asset valuation method | Five-year smoothed market |
| Inflation rate | 2.50% |
| Salary increases | 3.00%-7.75%, include inflation |
| Investment rate of return | 7.00%, net of pension plan investment expense, including inflation |

**Georgia State Employees Postemployment Benefit Fund (State OPEB Fund)**

**Changes of benefit terms:** In the June 30, 2010, actuarial valuation, there was a change of benefits terms to require Medicare-eligible recipients to enroll in a Medicare Advantage plan to receive the State subsidy.

**Changes of assumptions:** The June 30, 2017, actuarial valuation was revised for various factors, including the methodology used to determine how employees and retirees were assigned to each of the OPEB Funds and anticipated participation percentages. Current and former employees of state organizations (including technical colleges, community service boards and public health departments) are now assigned to the state OPEB fund based on their last employer payroll location, without regard to retirement affiliation.

The discount rate was updated from 3.09% as of June 30, 2016, to 3.60% as of June 30, 2017, to 5.22% as of June 30, 2018, to 7.30% as of June 30, 2019, 7.06% as of June 30, 2020, and to 7.00% as of June 30, 2021.

**State Employees' Assurance Department Retired and Vested Inactive Members Trust (SEAD-OPEB)**

**Changes of assumptions:** On December 17, 2015, the Board of Trustees adopted recommended changes to the economic and demographic assumptions utilized by the Plan. Primary among the changes were the updates to rates of mortality, retirement, disability, withdrawal and salary increases. The expectation of retired life mortality was changed to the RP-2000 Combined Mortality Table projected to 2025 with projection scale BB (set forward 2 years for both males and females).

A new funding policy was initially adopted by the Board on March 15, 2018. Because of this new funding policy, the assumed investment rate of return was reduced from 7.50% to 7.40% for June 30, 2017, actuarial valuation and further reduced from 7.40% to 7.30% for the June 30, 2018, actuarial valuation. On December 17, 2020, the Board adopted recommended changes to the economic and demographic assumptions utilized by the Systems based on the experience study prepared for the five-year period ending June 30, 2019. Primary among the changes were the updates to rates of mortality, retirement, withdrawal, and salary increases. This also included a change to the long-term assumed investment rate of return to 7.00%. These assumption changes are reflected in the calculation of the June 30, 2021, Total OPEB Liability.

*Supplementary Information*

*Screven County, Georgia*
*Combining Balance Sheet*
*Non-major Special Revenue Funds*
*June 30, 2022*

| Assets | Fire Protection Special Service District Fund | Solid Waste Collection and Disposal Special Service District Fund | Special Services District - Unincorporated and Jointly Funded - Fund | E-911 Fund | Jail Improvement Fund | Seized Funds fund | SCCI Telephone Fund | Drug Abuse T & E Fund | Law Library Fund | Hotel/ Motel Tax Fund | Total Nonmajor Special Revenue Funds |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Cash and cash equivalents | | | $ 512,835 | $ 51,748 | $ 181,184 | $ 15,814 | $ 289,193 | $ 364,055 | $ 24,106 | | $ 1,438,935 |
| Receivables: | | | | | | | | | | | |
| Accounts | $ 39,517 | $ 119,732 | 19,535 | 23,330 | 1,983 | | | 630 | | $ 1,145 | 205,872 |
| Property taxes | | | 4,415 | | | | | | | | 4,415 |
| Interfund balances | | 51,901 | | | | | | | | | 51,901 |
| **Total assets** | $ 39,517 | $ 171,633 | $ 536,785 | $ 75,078 | $ 183,167 | $ 15,814 | $ 289,193 | $ 364,685 | $ 24,106 | $ 1,145 | $ 1,701,123 |
| **Liabilities, Deferred Inflows of Resources and Fund Balances** | | | | | | | | | | | |
| **Liabilities** | | | | | | | | | | | |
| Interfund balances | $ 4,924 | $ 115,405 | | $ 75,078 | $ 183,167 | | | $ 950 | | $ 1,145 | $ 380,669 |
| **Total liabilities** | 4,924 | 115,405 | $ 0 | 75,078 | 183,167 | $ 0 | $ 0 | 950 | $ 0 | 1,145 | 380,669 |
| **Deferred inflows of resources** | | | | | | | | | | | |
| Property taxes | | | 3,886 | | | | | | | | 3,886 |
| Charges for services | 34,593 | 56,228 | | | | | | | | | 90,821 |
| **Total deferred inflows of resources** | 34,593 | 56,228 | 3,886 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 94,707 |
| **Fund balances** | | | | | | | | | | | |
| Restricted for: | | | | | | | | | | | |
| Special service district-unincorporated area | | | 532,899 | | | | | | | | 532,899 |
| Judicial | | | | | | | | | 24,106 | | 24,106 |
| Public safety | | | | | | 15,814 | 289,193 | 363,735 | | | 668,742 |
| **Total fund balances** | 0 | 0 | 532,899 | 0 | 0 | 15,814 | 289,193 | 363,735 | 24,106 | 0 | 1,225,747 |
| **Total liabilities and fund balances** | $ 39,517 | $ 171,633 | $ 536,785 | $ 75,078 | $ 183,167 | $ 15,814 | $ 289,193 | $ 364,685 | $ 24,106 | $ 1,145 | $ 1,701,123 |

*Screven County, Georgia*
*Combining Schedule of Revenues, Expenditures and Changes in Fund Balances*
*Non-major Special Revenue Funds*
*For the Year Ended June 30, 2022*

| | Fire Protection Special Service District Fund | Solid Waste Collection and Disposal Special Service District Fund | Special Services District - Unincorporated and Jointly Funded - Fund | E-911 Fund | Jail Improvement Fund | Seized Funds fund | SCCI Telephone Fund | Drug Abuse T & E Fund | Law Library Fund | Hotel/ Motel Tax Fund | Total Nonmajor Special Revenue Funds |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Revenues** | | | | | | | | | | | |
| Taxes | | | $ 1,156,203 | | | | | | | $ 7,909 | $ 1,164,112 |
| Licenses and permits | | | 63,433 | | | | | | | | 63,433 |
| Intergovernmental | $ 6,796 | | | | | | | | | | 6,796 |
| Charges for services | 370,089 | $ 869,722 | | $ 251,632 | | | $ 86,582 | | | | 1,578,025 |
| Fines and forfeitures | | | | | $ 39,519 | | | $ 13,079 | $ 6,135 | | 58,733 |
| Investment earnings | 2,093 | 1,893 | 780 | 52 | 634 | | 270 | 1,433 | | | 7,155 |
| Miscellaneous | 2,483 | | 50 | | | | | | | | 2,533 |
| **Total revenues** | 381,461 | 871,615 | 1,220,466 | 251,684 | 40,153 | $ 0 | 86,852 | 14,512 | 6,135 | 7,909 | 2,880,787 |
| **Expenditures** | | | | | | | | | | | |
| **Current:** | | | | | | | | | | | |
| General government | | | 14,263 | | | | | | | 7,909 | 22,172 |
| Judicial | | | | | | | | | 1,788 | | 1,788 |
| Public safety | 914,053 | | | 459,116 | 46,315 | 1,640 | 56,627 | | | | 1,477,751 |
| Public works | | 1,333,019 | | | | | | | | | 1,333,019 |
| Housing and development | | | 123,784 | | | | | | | | 123,784 |
| **Debt service** | 1,188 | 1,068 | 1,704 | | | | | | | | 3,960 |
| **Total expenditures** | 915,241 | 1,334,087 | 139,751 | 459,116 | 46,315 | 1,640 | 56,627 | 0 | 1,788 | 7,909 | 2,962,474 |
| **Excess (deficit) of revenues over expenditures** | (533,780) | (462,472) | 1,080,715 | (207,432) | (6,162) | (1,640) | 30,225 | 14,512 | 4,347 | 0 | (81,687) |
| **Other financing sources (uses)** | | | | | | | | | | | |
| Interfund transfers | 533,780 | 462,472 | (996,252) | 207,432 | 4,589 | | | | | | 212,021 |
| **Net change in fund balance** | 0 | 0 | 84,463 | 0 | (1,573) | (1,640) | 30,225 | 14,512 | 4,347 | 0 | 130,334 |
| **Fund balances beginning of year** | 0 | 0 | 448,436 | 0 | 1,573 | 17,454 | 258,968 | 349,223 | 19,759 | 0 | 1,095,413 |
| **Funds balances end of year** | $ 0 | $ 0 | $ 532,899 | $ 0 | $ 0 | $ 15,814 | $ 289,193 | $ 363,735 | $ 24,106 | $ 0 | $ 1,225,747 |

*Screven County, Georgia*
*Fire Protection Special Service District 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 Positive (Negative) |
|---|---|---|---|---|
| **Revenues** | | | | |
| Charges for services | $ 382,100 | $ 382,100 | $ 370,089 | $ (12,011) |
| Intergovernmental | | | 6,796 | 6,796 |
| Investment earnings | 1,500 | 1,500 | 2,093 | 593 |
| Miscellaneous | 3,000 | 3,000 | 2,483 | (517) |
| **Total revenues** | 386,600 | 386,600 | 381,461 | (5,139) |
| **Expenditures** | | | | |
| **Current** | | | | |
| Public safety - fire | 919,850 | 919,850 | 914,053 | 5,797 |
| **Debt service** | 1,750 | 1,750 | 1,188 | 562 |
| **Total expenditures** | 921,600 | 921,600 | 915,241 | 6,359 |
| **Deficit of revenues to expenditures** | (535,000) | (535,000) | (533,780) | 1,220 |
| **Other financing sources** | | | | |
| Transfers in | 535,000 | 535,000 | 533,780 | (1,220) |
| **Net change in fund balance** | $ 0 | $ 0 | 0 | $ 0 |
| **Fund balances beginning of year** | | | 0 | |
| **Funds balances end of year** | | | $ 0 | |

*Screven County, Georgia*
***Solid Waste Collection and Disposal Special Service District 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 Positive (Negative) |
|---|---|---|---|---|
| **Revenues** | | | | |
| Charges for services | $ 703,000 | $ 869,722 | $ 869,722 | $ 0 |
| Investment earnings | 500 | 1,893 | 1,893 | 0 |
| **Total revenues** | 703,500 | 871,615 | 871,615 | 0 |
| **Expenditures** | | | | |
| **Current** | | | | |
| Public works | 964,775 | 1,333,019 | 1,333,019 | 0 |
| **Debt service** | 700 | 1,068 | 1,068 | 0 |
| Total expenditures | 965,475 | 1,334,087 | 1,334,087 | 0 |
| **Deficit of revenues to expenditures** | (261,975) | (462,472) | (462,472) | 0 |
| **Other financing sources** | | | | |
| Transfers in | 265,000 | 462,472 | 462,472 | 0 |
| **Net change in fund balance** | $ 3,025 | $ 0 | 0 | $ 0 |
| **Fund balances beginning of year** | | | 0 | |
| **Funds balances end of year** | | | $ 0 | |

*Screven County, Georgia*
*Special Services District - Unincorporated and Jointly Funded - 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 Positive (Negative) |
|---|---|---|---|---|
| **Revenues** | | | | |
| Taxes | $ 1,052,372 | $ 1,052,372 | $ 1,156,203 | $ 103,831 |
| Licenses and permits | 59,700 | 59,700 | 63,433 | 3,733 |
| Investment earnings | 650 | 650 | 780 | 130 |
| Miscellaneous | | | 50 | 50 |
| **Total revenues** | 1,112,722 | 1,112,722 | 1,220,466 | 107,744 |
| **Expenditures** | | | | |
| **Current** | | | | |
| General government | 22,830 | 22,830 | 14,263 | 8,567 |
| Housing and development-Building and zoning | 151,097 | 151,097 | 123,784 | 27,313 |
| **Debt service** | 1,980 | 1,980 | 1,704 | 276 |
| **Total expenditures** | 175,907 | 175,907 | 139,751 | 36,156 |
| **Excess of revenues to expenditures** | 936,815 | 936,815 | 1,080,715 | 143,900 |
| **Other financing uses** | | | | |
| Transfer to Fire Protection Special Service District fund | (535,000) | (535,000) | (533,780) | 1,220 |
| Transfer to Solid Waste Collection and Disposal Special Service District Fund | (265,000) | (265,000) | (462,472) | (197,472) |
| Other | (116,815) | (116,815) | | 116,815 |
| **Total other financing uses** | (916,815) | (916,815) | (996,252) | (79,437) |
| **Net change in fund balance** | $ 20,000 | $ 20,000 | 84,463 | $ 64,463 |
| **Fund balances beginning of year** | | | 448,436 | |
| **Funds balances end of year** | | | $ 532,899 | |

Screven County, Georgia
*E-911 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 Positive (Negative) |
|---|---|---|---|---|
| **Revenues** | | | | |
| Intergovernmental | | | | |
| Charges for services | $ 225,000 | $ 229,019 | $ 251,632 | $ 22,613 |
| Investment earnings | 75 | 75 | 52 | (23) |
| **Total revenues** | 225,075 | 229,094 | 251,684 | 22,590 |
| **Expenditures** | | | | |
| **Current** | | | | |
| Public safety | 455,097 | 459,116 | 459,116 | 0 |
| **Deficit of revenues to expenditures** | (230,022) | (230,022) | (207,432) | 22,590 |
| **Other financing sources** | | | | |
| Transfers in | 230,022 | 230,022 | 207,432 | (22,590) |
| **Net change in fund balance** | $ 0 | $ 0 | 0 | $ 0 |
| **Fund balances beginning of year** | | | 0 | |
| **Funds balances end of year** | | | $ 0 | |

Screven County, Georgia
*Jail Improvement 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 Positive (Negative) |
|---|---|---|---|---|
| **Revenues** | | | | |
| Fines and forfeitures | $ 65,000 | $ 65,000 | $ 39,519 | $ (25,481) |
| Investment earnings | 450 | 450 | 634 | 184 |
| **Total revenues** | 65,450 | 65,450 | 40,153 | (25,297) |
| **Expenditures** | | | | |
| **Current** | | | | |
| Public safety | 58,320 | 58,320 | 46,315 | 12,005 |
| **Excess (deficit) of revenues to expenditures** | 7,130 | 7,130 | (6,162) | (13,292) |
| **Other financing sources** | | | | |
| Transfers in | 0 | 0 | 4,589 | 4,589 |
| **Net change in fund balance** | $ 7,130 | $ 7,130 | (1,573) | $ (8,703) |
| **Fund balances beginning of year** | | | 1,573 | |
| **Funds balances end of year** | | | $ 0 | |

Screven County, Georgia
*Seized Funds 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 Positive (Negative) |
|---|---|---|---|---|
| **Revenues** | | | | |
| Fines and forfeitures | $ 0 | $ 0 | $ 0 | $ 0 |
| **Expenditures** | | | | |
| **Current** | | | | |
| Public safety | 0 | 1,640 | 1,640 | 0 |
| **Net change in fund balance** | $ 0 | $ (1,640) | (1,640) | $ 0 |
| **Fund balances beginning of year** | | | 17,454 | |
| **Funds balances end of year** | | | $ 15,814 | |

Screven County, Georgia
*SCCI Telephone 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 Positive (Negative) |
|---|---|---|---|---|
| **Revenues** | | | | |
| Charges for services | 1,000 | $ 56,627 | $ 86,582 | $ 29,955 |
| Investment earnings | | | 270 | 270 |
| **Total revenues** | $ 1,000 | 56,627 | 86,852 | 30,225 |
| **Expenditures** | | | | |
| **Current** | | | | |
| Public safety | 1,000 | 56,627 | 56,627 | 0 |
| **Net change in fund balance** | $ 0 | $ 0 | 30,225 | $ 30,225 |
| **Fund balances beginning of year** | | | 258,968 | |
| **Funds balances end of year** | | | $ 289,193 | |

Screven County, Georgia
*Drug Abuse T & E 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 Positive (Negative) |
|---|---|---|---|---|
| **Revenues** | | | | |
| Fines and forfeitures | $ 35,000 | $ 35,000 | $ 13,079 | $ (21,921) |
| Investment earnings | 1,100 | 1,100 | 1,433 | 333 |
| **Total revenues** | 36,100 | 36,100 | 14,512 | (21,588) |
| **Expenditures** | | | | |
| **Current** | | | | |
| Public safety | 4,081 | 4,081 | | 4,081 |
| **Net change in fund balance** | $ 32,019 | $ 32,019 | 14,512 | $ (17,507) |
| **Fund balances beginning of year** | | | 349,223 | |
| **Funds balances end of year** | | | $ 363,735 | |

*Screven County, Georgia*
*Law Library 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 Positive (Negative) |
|---|---|---|---|---|
| **Revenues** | | | | |
| Fines and forfeitures | $ 1,000 | $ 1,788 | $ 6,135 | $ 4,347 |
| **Expenditures** | | | | |
| **Current** | | | | |
| Judicial | 1,000 | 1,788 | 1,788 | 0 |
| **Net change in fund balance** | $ 0 | $ 0 | 4,347 | $ 4,347 |
| **Fund balances beginning of year** | | | 19,759 | |
| **Funds balances end of year** | | | $ 24,106 | |

Screven 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*

| | Original Budget | Final Budget | Actual | Variance Positive (Negative) |
|---|---|---|---|---|
| **Revenues** | | | | |
| Taxes | $ 8,500 | $ 8,500 | $ 7,909 | $ (591) |
| **Expenditures** | | | | |
| **Current** | | | | |
| General government | 0 | 7,909 | 7,909 | 0 |
| **Net change in fund balance** | $ 8,500 | $ 591 | 0 | $ (591) |
| **Fund balances beginning of year** | | | 0 | |
| **Funds balances end of year** | | | $ 0 | |

*Screven County, Georgia*
*Custodial Funds*
*Combining Statement of Fiduciary Net Position*
*June 30, 2022*

| | Clerk of Courts | Probate Court | Sheriff's Office | Magistrate Court | SCCI Stores Account | Tax Commissioner | Total Custodial Funds |
|---|---|---|---|---|---|---|---|
| **Assets** | | | | | | | |
| Cash and cash equivalents | $ 25,471 | $ 2,836 | $ 136,780 | $ 4,290 | $ 140,272 | $ 73,357 | $ 383,006 |
| **Liabilities and Net Position** | | | | | | | |
| **Liabilities** | | | | | | | |
| Due to others | $ 25,471 | $ 2,836 | $ 7,324 | $ 4,290 | $ 0 | $ 0 | $ 39,921 |
| **Net position** | | | | | | | |
| Restricted for individuals, organizations and other governments | 0 | 0 | 129,456 | 0 | 140,272 | 73,357 | 343,085 |
| **Total liabilities and net position** | $ 25,471 | $ 2,836 | $ 136,780 | $ 4,290 | $ 140,272 | $ 73,357 | $ 383,006 |

*Screven County, Georgia*
*Custodial Funds*
*Combining Statement of Changes in Fiduciary Net Position*
*For the Year Ended June 30, 2022*

| | Clerk of Courts | Probate Court | Sheriff's Office | Magistrate Court | SCCI Stores Account | Tax Commissioner | Total Custodial Funds |
|---|---|---|---|---|---|---|---|
| **Revenues** | | | | | | | |
| Taxes | | | | | | $ 16,908,351 | $ 16,908,351 |
| Fines and fees | $ 715,534 | $ 57,003 | $ 175,809 | $ 125,344 | $ 143,573 | | 1,217,263 |
| **Total revenues** | 715,534 | 57,003 | 175,809 | 125,344 | 143,573 | 16,908,351 | 18,125,614 |
| **Expenditures** | | | | | | | |
| Taxes disbursed | | | | | | 16,834,994 | 16,834,994 |
| Fines and fees disbursed | 715,534 | 57,003 | 156,571 | 125,344 | 140,304 | | 1,194,756 |
| **Total expenditures** | 715,534 | 57,003 | 156,571 | 125,344 | 140,304 | 16,834,994 | 18,029,750 |
| **Net increase in fiduciary net position** | 0 | 0 | 19,238 | 0 | 3,269 | 73,357 | 95,864 |
| **Net position - beginning of year** | 0 | 0 | 110,218 | 0 | 137,003 | 0 | 247,221 |
| **Net position - end of year** | $ 0 | $ 0 | $ 129,456 | $ 0 | $ 140,272 | $ 73,357 | $ 343,085 |

*See note 2 to the financial statements

SCREVEN COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

| Federal Grantor/Pass-through Grantor/Program or Cluster Title | Federal CFDA Number | Pass-through Entity Identifying Number | Federal Expenditures |
|---|---|---|---|
| **U.S. Department of Treasury** | | | |
| U.S. Department of the Treasury/Coronavirus State and Local Fiscal Recovery Funds (SLFRF) | 21.027 | NA | $ 2,712,732 |
| U.S. Department of the Treasury/Coronavirus State and Local Fiscal Recovery Funds (SLFRF)/Georgia Governor's Office of Planning and Budget/Public Safety Officials and First Responder Supplemental Grant | 21.027 | 14656 | 61,576 |
| **Total U.S. Department of Treasury** | | | 2,774,308 |
| **U.S. Department of Justice** | | | |
| Department of Justice/Comprehensive Opioid, Stimulant, and Substance Abuse Site-Based Program (COSSAP) | 16.838 | NA | 116,363 |
| **U.S. Department of Homeland Security** | | | |
| Federal Emergency Management Agency/Georgia Emergency Management Agency/Hazard Mitigation Grant Program | 97.039 | HMGP-4284-0013 | 22,378 |
| Federal Emergency Management Agency/Georgia Emergency Management Agency/Emergency Management Performance Grant | 97.042 | OEM21-126 | 19,459 |
| **Total U.S. Department of Homeland Security** | | | 41,837 |
| **Total expenditures of federal awards** | | | $ 2,932,508 |

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Screven County, Georgia (the County) and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the basic financial statements.

Note 2 - Indirect Cost Rate

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

Screven County, Georgia
**Schedule of Projects Constructed**
**With Special Sales Tax Proceeds**
**For the Year Ended June 30, 2022**

| Project | Original Estimated Cost | Revised Estimated Cost | Expenditures | | | Estimated Percentage Complete |
|---|---|---|---|---|---|---|
| | | | Prior Years | Current Period | Total | |
| **2011 Voter Approved Special Sales Tax (2013 SPLOST Fund):** | | | | | | |
| SPLOST Referendum expense | $ 10,816 | $ 10,838 | $ 10,838 | | $ 10,838 | 100.0% |
| Courthouse Renovation (level one) | 1,500,000 | 1,500,000 | 1,454,871 | | 1,454,871 | 97.0% |
| General government - buildings & equipment | | | 21,149 | | 21,149 | |
| Public Safety | | | | | | |
| Sheriff and jail | | | 32,652 | | 32,652 | |
| Emergency medical services | | | 135,810 | | 135,810 | |
| Fire | | | 934,323 | | 934,323 | |
| E-911 | | | 26,008 | | 26,008 | |
| Public works | | | | | | |
| Road projects | | | 1,032,018 | | 1,032,018 | |
| Sanitation - landfill projects | | | 383,968 | | 383,968 | |
| Parks and recreation | | | 40,550 | 159,574 | 200,124 | |
| Debt service | | | 1,166,356 | | 1,166,356 | |
| Retire debt for new jail, road department and E-911 equipment; recreation complex improvements; narrow band radio equipment; landfill improvements; mental health building roof; construction of fire stations; repairs and improvement to other county buildings; purchase of law enforcement and other county vehicles and equipment; improvements to airport infrastructure; and road construction | 6,929,357 | 4,108,335 | 3,772,834 | $ 159,574 | 3,932,408 | 95.7% |
| Other municipalities | | | | | | |
| City of Sylvania | 1,645,205 | 960,757 | 960,757 | | 960,757 | |
| Town of Rocky Ford | 90,944 | 53,109 | 53,109 | | 53,109 | |
| City of Newington | 173,046 | 101,055 | 101,055 | | 101,055 | |
| City of Hiltonia | 215,992 | 126,134 | 126,134 | | 126,134 | |
| City of Oliver | 150,942 | 88,145 | 88,145 | | 88,145 | |
| Total other municipalities | 2,276,129 | 1,329,200 | 1,329,200 | 0 | 1,329,200 | 100.0% |
| | $ 10,716,302 | $ 6,948,373 | $ 6,567,743 | $ 159,574 | $ 6,727,317 | |

Screven County, Georgia
**Schedule of Projects Constructed**
**With Special Sales Tax Proceeds**
**For the Year Ended June 30, 2022**

| Project | Original Estimated Cost | Revised Estimated Cost | Expenditures | | | Estimated Percentage Complete |
|---|---|---|---|---|---|---|
| | | | Prior Years | Current Period | Total | |
| **2018 Voter Approved Special Sales Tax (2019 SPLOST Fund):** | | | | | | |
| General government - government buildings | | | | | | |
| Public Safety | | | | | | |
| Fire | | | $ 301,636 | $ 32,745 | $ 334,381 | |
| Emergency medical services | | | 165,000 | 42,350 | 207,350 | |
| Public works | | | | | | |
| Road projects | | | 233,820 | 712,782 | 946,602 | |
| Sanitation - landfill projects | | | 51,901 | | 51,901 | |
| Housing and development - economic development project | | | 300,000 | | 300,000 | |
| Debt service | | | 40,934 | 13,587 | 54,521 | |
| Retire general obligation debt for acquisition of heavy equipment; road construction and road department equipment; construction of fire stations; repairs and improvements to other county buildings; purchase of county vehicles and heavy equipment; capital economic development project; solid waste disposal and collection | | | | | | |
| | $ 5,483,863 | $ 5,483,863 | 1,093,291 | 801,464 | 1,894,755 | 34.6% |
| Other municipalities | | | | | | |
| City of Sylvania | 1,299,978 | 1,299,978 | 661,411 | 286,445 | 947,856 | |
| City of Hiltonia | 170,669 | 170,669 | 87,136 | 37,463 | 124,599 | |
| City of Newington | 136,735 | 136,735 | 69,858 | 29,993 | 99,851 | |
| City of Oliver | 119,269 | 119,269 | 60,992 | 26,136 | 87,128 | |
| Town of Rocky Ford | 71,861 | 71,861 | 36,761 | 17,016 | 53,777 | |
| Total other municipalities | 1,798,512 | 1,798,512 | 916,158 | 397,053 | 1,313,211 | 73.0% |
| | $ 7,282,375 | $ 7,282,375 | $ 2,009,449 | $ 1,198,517 | $ 3,207,966 | |

Reconciliation of current year disbursements

| | |
|---|---|
| Total disbursements per the Schedule of Revenues, Expenditures and Changes in Fund Balance | $ 1,461,360 |
| Amount disbursed for principal payments on debt service for assets purchased in prior year | (262,843) |
| | $ 1,198,517 |

# *Other Reporting Requirements*

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

Honorable Chairman and Members of the
Board of Commissioners of Screven County
Sylvania, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Screven County, Georgia, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Screven County, Georgia's basic financial statements and have issued our report thereon dated April 11, 2023. Our report includes a reference to other auditors who audited the financial statements of Screven County Development Authority and Screven County Department of Health, as described in our report on Screven County, Georgia's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

**Internal Control Over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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 did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses at 2022-01 through 2022-05 that we consider to be material weaknesses.

**Compliance and Other Matters**

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

**Screven County, Georgia's Response to Findings**

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

**Purpose of this Report**

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

Cairns, Hodges & Company, P.C.

April 11, 2023

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# INDEPENDENT AUDITORS' 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 Screven County
Sylvania, Georgia

## Report on Compliance for Each Major Federal Program

We have audited Screven 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 Screven County, Georgia's major federal programs for the year ended June 30, 2022. Screven County, Georgia's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

## Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

## Auditor's Responsibility

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

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

**Opinion on Each Major Federal Program**

In our opinion, Screven 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.

**Report on Internal Control Over Compliance**

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

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

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

This report is intended solely for the information of the board of directors, management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Caines, Hodges & Company, P.C.

April 11, 2023

**Section 1 - Summary of Auditor's Reports**

Financial Statements

| | | | |
|---|---|---|---|
| Type of auditors' report issued | | | Unmodified |
| Internal control over financial reporting: | | | |
| Material weakness(as) identified? | X | yes | no |
| Significant deficiencies identified not considered to be material | | yes | X none reported |
| Noncompliance material to financial statements noted? | | yes | X no |

Federal Awards

| | | | |
|---|---|---|---|
| Internal control over major programs: | | | |
| Material weakness(as) identified? | | yes | X no |
| Significant deficiencies identified not considered to be material | | yes | X none reported |
| Type of auditors' report on compliance for major federal programs | | | Unmodified |
| Any audit findings disclosed that are required to be reported in accordance with 2 CRF 2500.516(a) | | yes | X no |

Identification of major programs:

| CFDA Number | Name of Federal Program or Cluster |
|---|---|
| 21.027 | Coronavirus State and Local Fiscal Recovery Funds (SLFRF) |

| | | | |
|---|---|---|---|
| Dollar threshold to distinguish between Type A and Type B programs | | | $ 750,000 |
| Auditee qualified as low-risk auditee? | | yes | X no |

*The remainder of this page has been intentionally left blank.*

**Section II - Financial Statement Findings**

**Internal Control**

**2022-01** **Lack of Segregation of Duties - (Finance Office and Custodial Fund offices - Sheriff' Office, Probate Court, Magistrate Court, Correctional Institute, Superior Court, Law Library, Tax Commissioner's Office) - (repeat finding 2021-01)**

*Condition:* There is not adequate segregation of duties between recording, processing, disbursement and reconciliation of cash accounts and other operational functions in the various funds, departments and offices maintained by the County. This condition exists in several of the constitutionally elected offices of the County.

*Criteria:* The internal control environment of an entity should allow proper segregation of duties so that an employee will not have access to overlapping duties in regards to the receipt and/or disbursements of funds, reconciliation of accounts, posting of accounting records, etc.

*Effect:* An absence of appropriate segregation of duties could increase the risk of misappropriation of assets if other controls are not in place or do not function properly.

*Recommendation:* The County should continue to monitor this situation and use alternative control measures where available to assist in safeguarding County assets.

*Management response:* We are aware of this situation. We will continue to work with agency offices, most of which are constitutional offices, to attempt implementing procedures to have adequate segregation of duties between recording, processing, disbursement, and reconciliation of cash accounts and other operational functions in various funds to safeguard County assets.

**2022-02** **Lack of segregation of duties - payroll (repeat finding 2021-02)**

*Condition:* The employee in charge of inputting payroll and processing payroll disbursements also has full access to the employee master list.

*Criteria:* The internal control environment of an entity should allow proper segregation of duties so that an employee will not have access to overlapping duties in regards to input of payroll data, the processing of payroll disbursements and the maintenance of the employee master file.

*Effect:* This lack of segregation of duties could lead to fictitious (ghost) employees, improper pay rates or other payroll related fraud.

*Recommendation:* Establish procedures to ensure that maintenance of the master employee file is performed by an individual not involved in the inputting or processing of payroll data.

*Management response:* Management agrees with the finding and will re-assign the duty of maintaining the employee master file to an employee otherwise not involved in any aspect of the payroll function and will remove all access to employee master file maintenance from all employees otherwise involved in the payroll function.

**2022-03** **Bank statements not reconciled timely (repeat finding 2021-03)**

*Condition:* During the year, bank statements for one account were not reconciled in a timely manner.

*Criteria:* Bank statements should be reconciled to the general ledger timely to ensure that omitted transactions and errors in recording are detected and corrected in a timely manner.

*Effect:* Potential for errors and omissions in the bank statement and in financial reporting may occur and not be corrected in a timely manner.

*Recommendation:* Establish procedures to ensure bank statements are reconciled to the underlying financial records in a timely manner.

*Management response:* Management agrees with the finding and will establish procedures to ensure bank statements are consistently reconciled to the general ledger on a monthly basis.

**2022-04** **Accruals not recorded (repeat finding 2021-04)**

*Condition:* Prior year accruals were not reversed in the current year, nor were several current year accruals calculated and made prior to adjustment pursuant to audit procedures performed.

*Criteria:* Procedures should be designed and implemented sufficiently to ensure that accruals are made and reversed in accordance with generally accepted accounting principles.

*Effect:* Prior to adjustment, accounts were misstated; without such adjustments, the financial statements could be materially misstated.

*Recommendation:* Establish procedures to ensure that all appropriate accruals and reversals of prior accruals are made in the appropriate periods.

*Management response:* Management agrees with finding. The County will establish procedures to ensure proper recording of revenues and expenditures in accordance with generally accepted accounting principles.

**2022-05** **Accounts receivable and accounts payable not reconciled (repeat finding 2021-05)**

*Condition:* Accounts receivable and accounts payable control accounts were not reconciled to subsidiary ledgers.

*Criteria:* Procedures should be designed and implemented sufficiently to ensure all accounts receivable and accounts payable balances are reconciled to the subsidiary ledgers.

*Effect:* Prior to adjustment, accounts receivable and accounts payable were materially misstated; without such adjustments, the financial statements would have been materially misstated.

**2022-05** **Accounts receivable and accounts payable not reconciled (repeat finding 2021-05) (continued)**

*Recommendation:* Establish procedures to ensure that all accounts receivable and accounts payable control accounts are reconciled to the subsidiary ledgers.

*Management response:* Management agrees with finding. The County will design and implement procedures to ensure that all accounts receivable and accounts payable accounts are reconciled to the detail listings of receivables and payables.

**Compliance and Other Matters**

None

**Section III - Federal Award Findings and Questioned Costs**

**Compliance and Other Matters**

None reported

**Internal Control**

None reported