SUMTER COUNTY, GEORGIA

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
JUNE 30, 2020

SUMTER COUNTY, GEORGIA

Annual Financial Report
For the Year Ended June 30, 2020

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FINANCIAL SECTION

CHAMBLISS, SHEPPARD, ROLAND
& ASSOCIATES, LLP

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners of Sumter County, Georgia
Americus, Georgia

Report on the Financial Statements
We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Sumter County, Georgia (the "County"), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Sumter County, Georgia's basic financial statements as listed in the table of contents.

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

Auditor's Responsibility
Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Sumter County Department of Public Health, which statements reflect total assets and deferred outflow of resources of $1,633,881, as of June 30, 2020, and total revenues of $1,253,803, for the year then ended. These 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 the Sumter County Department of Public Health is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

CERTIFIED PUBLIC ACCOUNTANTS
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Opinions

In our opinion, based on our audit and the report of the other auditors, 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 Sumter County, Georgia as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparisons for the General Fund and Fire Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (on pages 4 through 13) and the Schedule of Changes in the County's Net Pension Liability and Related Ratios and Schedule of County Contributions (on pages 49 and 50) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Sumter County, Georgia's basic financial statements. The combining and individual nonmajor fund financial statements and schedules, and the schedule of expenditures of special purpose local option sales tax proceeds, as required by the Official Code of Georgia 48-8-121, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules, and the schedule of expenditures of special purpose local option sales tax proceeds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules, the schedule of expenditures of federal awards and the schedules of expenditures of special purpose local option sales tax proceeds 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 March 30, 2021, on our consideration of Sumter 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 the 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 Sumter County, Georgia's internal control over financial reporting and compliance.

Chambliss Shepard Roland & Associates LLP

Americus, Georgia
March 30, 2021

Within this section of Sumter County, Georgia (the County) is annual financial report, the County's management is pleased to provide this narrative discussion and analysis of the financial activities of the County for the fiscal year ended June 30, 2020. The County's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

Financial Highlights

- The assets of the County's governmental activities exceeded its liabilities by $63,423,561 (net position) for the fiscal year reported.
- Total net position is comprised of the following:
  (1) Net investment in capital assets of $56,483,590 include property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets.
  (2) Net position of $5,366,483 is restricted by constraints imposed from outside the County such as debt covenants, grantors, laws, or regulations.
  (3) Unrestricted net position of $1,573,488.
- The County's governmental funds reported total ending fund balance of $20,325,606 this year. This compares to the prior year ending fund balance of $12,824,507 showing an increase of $7,501,099 during the current year. Unassigned fund balance of $7,472,892 at June 30, 2020, shows a $713,723 increase over the prior year.
- At the end of the current fiscal year, unassigned fund balance for the general fund was $7,539,826 or 38.91% of the total general fund expenditures. Overall, the County continues to maintain their financial position.

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

Overview of the Financial Statements

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

Government-wide Financial Statements

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

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

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

The government-wide financial statements distinguish governmental activities of the County that are principally supported by property and sales taxes, from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, judicial, public safety, public works, health and welfare, culture and housing and development. The business-type activities include the solid waste management

The government-wide financial statements are presented on pages 14 & 15 of this report.

Fund Financial Statements

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

The County has three kinds of funds:

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

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

The basic governmental fund financial statements are presented on pages 16-22 of this report.

Individual fund information for nonmajor governmental funds is found in the supplementary section of this report.

The *proprietary fund* is reported in the fund financial statements and include a statement of net position, an operating statement and a cash flow statement. These statements are presented on pages 23-25 of this report.

The *fiduciary funds* are reported in the fund financial statements. Statement of fiduciary assets and liabilities for its agency funds is presented on page 26.

Notes to the Basic Financial Statements

The accompanying notes to the basic financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the basic financial statements begin on page 27 of this report.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the County's defined benefit pension plan on pages 49 and 50.

Other Supplementary Information

This section includes combining and individual comparative statements and schedules for the nonmajor governmental funds and the fiduciary funds. These funds are added together by fund type and presented in single columns in the basic financial statements, but are not reported individually, as major funds are, on the governmental funds financial statements. The combining and individual statements and schedules can be found on pages 51-59.

Financial Analysis of the County as a Whole

The County's net position at fiscal year-end is $63,423,561. The following table provides a summary of the County's net position:

Summary of Net Position

	Governmental Activities		Business-type Activities		Total		2020
	2020	2019	2020	2019	2020	2019	% of Total
Assets							
Current assets	$ 23,459,683	$ 14,869,751	$ 2,117,413	$ 1,887,097	$ 25,577,096	$ 16,756,848	30%
Capital assets	60,317,472	63,080,110	-	-	60,317,472	63,080,110	70%
Total assets	83,777,155	77,949,861	2,117,413	1,887,097	85,894,568	79,836,958	100%
Deferred outflows of Resources-Pensions	864,408	708,963	-	-	864,408	708,963	
Liabilities							
Current liabilities	5,873,960	4,821,625	101,121	-	5,975,081	4,821,625	29%
Long-term liabilities	14,748,619	6,340,489	-	-	14,748,619	6,340,489	71%
Total liabilities	20,622,579	11,162,114	101,121	-	20,723,700	11,162,114	100%
Deferred inflows of Resources-Pensions	595,603	208,878	-	-	595,603	208,878	
Net position							
Net investment in capital assets	56,483,590	57,354,539	-	-	56,483,590	57,354,539	86%
Restricted	5,366,483	5,993,163	-	-	5,366,483	5,993,163	8%
Unrestricted	1,573,488	3,940,130	2,016,292	1,887,097	3,589,780	5,827,227	5%
Total net position	$ 63,423,561	$ 67,287,832	$ 2,016,292	$ 1,887,097	$ 65,439,853	$ 69,174,929	100%

The County maintains a high current ratio. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for governmental activities is 3.99 to 1, which compares favorably to 3.08 to 1 at June 30, 2019. The business-type activities is 20.94 to 1, which had no comparison due to no current liabilities for prior year. Overall, the total current ratio at June 30, 2020 is 4.28 to 1 as compared to 3.47 to 1 at June 30, 2019.

The County reported positive balances in net position for governmental activities. Net position decreased $3,864,271 in 2020 governmental activities or 5.7% below the stated 2019 amount. The net position for business-type activities increased $129,195 or 6.85% above the stated 2019 amount. The County's overall financial position decreased during fiscal year by $3,735,076 or .5.4% below the stated 2019 amount.

About 89.06% of the governmental activities' net position is tied up in capital assets compared to 85.24% at June 30, 2019. The County uses these capital assets to provide services to its citizens.

The following table provides a summary of the County's changes in net position:

Summary of Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues:						
Program:						
Charges for services	$ 7,705,760	$ 7,913,529	$ 1,378,375	$ 1,291,192	$ 9,084,135	$ 9,204,721
Operating grants	1,063,921	919,110	-	-	1,063,921	919,110
Capital grants & contributions	928,456	751,568	-	-	928,456	751,568
General:						
Taxes	18,812,092	17,993,895	-	-	18,812,092	17,993,895
Other	148,999	224,474	16,519	22,581	165,518	247,055
Total revenues	28,659,228	27,802,576	1,394,894	1,313,773	30,054,122	29,116,349
Program Expenses:						
General government	$ 5,248,611	$ 3,767,439	-	-	5,248,611	3,767,439
Judicial	2,409,323	2,339,796	-	-	2,409,323	2,339,796
Public safety	13,755,373	14,182,771	-	-	13,755,373	14,182,771
Public works	8,886,705	5,676,802	-	-	8,886,705	5,676,802
Health and welfare	261,387	262,320	-	-	261,387	262,320
Recreation	1,312,559	1,177,840	-	-	1,312,559	1,177,840
Housing & development	699,611	722,609	-	-	699,611	722,609
Interest	17,720	145,872	-	-	17,720	145,872
Solid waste management	-	-	1,197,909	1,139,630	1,197,909	1,139,630
Total expenses	32,591,289	28,275,449	1,197,909	1,139,630	33,789,198	29,415,079
Transfers	67,790	64,673	(67,790)	(64,673)	-	-
Excess	(3,864,271)	(408,200)	129,195	109,470	(3,735,076)	(298,730)
Beginning net position	67,287,832	67,696,032	1,887,097	1,777,627	69,174,929	69,473,659
Ending net position	$ 63,423,561	$ 67,287,832	$ 2,016,292	$ 1,887,097	$ 65,439,853	$ 69,174,929

GOVERNMENTAL REVENUES

The County is heavily reliant on property taxes to support governmental operations. Property taxes provided $10,467,101 or 36.52% of the County's total governmental revenues as compared to 36.53% in 2019.

Sales taxes are the second largest revenue source with $7,081,841 of revenues or 24.71% as compared to 23.85% in 2019.

Because of the County's financial position, we have been able to earn $50,679 in unrestricted interest earnings to support governmental activities. Also, note that program revenue covers 29.76% of governmental operating expenses compared to 33.9% in fiscal year 2019. This means that the government's taxpayers and the County's other general governmental revenues fund 70.24% of the governmental activities. Therefore, the general economy and the County businesses have a major impact on the County's revenue streams.

The County reported public works program revenues of $730,845.

GOVERNMENTAL FUNCTIONAL EXPENSES

The public safety and the public works functions make up approximately 69.47% of the total governmental activities expenses as compared 70.2% in 2019. General government expenditures are over $5.2 million and the court system expenditures are over $2.4 million annually.

This table presents the cost of each of the County's programs, including the net costs (i.e., total cost less revenues generated by the activities). The net costs illustrate the financial burden that was placed on the County's taxpayers by each of these functions.

Governmental Activities

	2020		2019	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
General government	$ 5,248,611	$ 3,912,421	$ 3,767,439	$ 2,230,988
Judicial	2,409,323	1,356,038	2,339,796	1,315,492
Public safety	13,755,373	7,724,516	14,182,771	8,304,127
Public works	8,886,705	8,155,860	5,676,802	4,902,585
Health and welfare	261,387	261,387	262,320	262,320
Recreation	1,312,559	1,185,426	1,177,840	1,013,345
Housing and development	699,611	279,784	722,609	516,513
Interest	17,720	17,720	145,872	145,872
Total	$ 32,591,289	$ 22,893,152	$ 28,275,449	$ 18,691,242

After reducing gross expenses by program revenues, public safety totals 33.74% of the net cost of services and public works totals 35.63% of these costs. The primary revenue streams that reduced gross expenses were charges for services, capital contributions and capital grants.

Business-Type Activities

The County operates a *Solid Waste Management program* and accounts for the revenues recognized from services billed to customers and the for payment of costs of collection.

In fiscal year 2020, this fund reported operating income of $180,466 compared to operating income of $174,143 in fiscal year 2019. Charges for services increased $87,183 or 6.75%.

Total operating expenses increased just $58,279 or 5.1% over the prior year. The unrestricted net position is $2,016,292 as compared to a balance of $1,887,097 at June 30, 2019, or a $129,195 or 6.85% increase.

Financial Analysis of the County's Funds

Governmental Funds

As discussed, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of $20,325,606, an increase of $7,501,099 or 58.49% above the prior year amount.

Of this year-end total, $7,583,967 is unassigned indicating availability for continuing County service requirements. Legally restricted fund balances include $608,805 restricted to public safety; $10,057,701 to capital projects; $1,786,726 for debit service; $27,103 for Judicial purposes; $1,800 for Housing & Development purposes. The major changes relate to an increase in the general fund of $791,388, an increase of $7,348,670 in the 2021 SPLOST fund (a new fund), a decrease of $392,018 in the Fire fund, a decrease of $603,794 in the 2007 SPLOST fund, and an increase of $316,465 in the TSPLOST fund.

Major Governmental Funds

The General Fund - The general fund is the County's primary operating fund and the largest source of day-to-day service delivery. The general fund's fund balance increased $791,338 or 11.65%.

In total, revenues decreased $65,043 or .33%.

Total taxes increased $162,967 or 1.22%. Property taxes increased $210,557 or 2.06% compared to last year. Sales tax revenue increased $134,798 or 6.9% compared to last year. Other taxes decreased by $182,388 or 15.11% due to an increase in the allocation of insurance premium tax to the Fire Fund.

In total, expenditures exceeded the 2019 amount by $341,277 or 1.79 %. Some of the more notable changes in expenditures from 2019 follow:

- The general government function costs increased $1,149,897 or 37.71% above the 2019 amount.
- The public safety function costs decreased $664.508 or 6.01% below the 2019 amount.

As indicated, the general fund's ending unassigned fund balance increased $780,567 or 11.55% above the prior year. The unassigned fund balance (i.e. the amount available for future spending), is considered adequate, representing the equivalent of 38.91% of annual expenditures.

In addition to the general fund, the County reports five other major governmental funds.

Sumter County Fire Fund – This fund accounts for the fees billed to property owners and expenditures of operating the County-Wide fire department. In fiscal year 2020, the County reported revenues of $1,378,883 and expended $1,735,901 ($1,282,018 for operating costs; $59,285 for capital outlay and $394,598 for debt service on capital lease). The ending fund balance was $(66,934), down $392,018 from June 30, 2019.

2007 SPLOST Fund – The sales taxes reported in this fund are being used to fund projects approved via the SPLOST referendum. This fund expended $604,225 on capital projects. The fund balance at June 30, 2020 is $12,677, down $603,794, from the June 30, 2019 balance.

2014 SPLOST Fund – The sales taxes from this fund are being used to fund approved projects approved with the SPLOST referendum and for principal and interest on the *Sumter County General Obligation Sales Tax Bonds, Series 2014*. This fund collected sales taxes of $4,069,625, and expended $777,303 on capital projects and $971,330 to cities within the County for approved projects. The fund also expended $2,408,625 for debt service. The fund balance at June 30, 2020 is $2,633,036, down $87,988 from the June 30, 2019 balance.

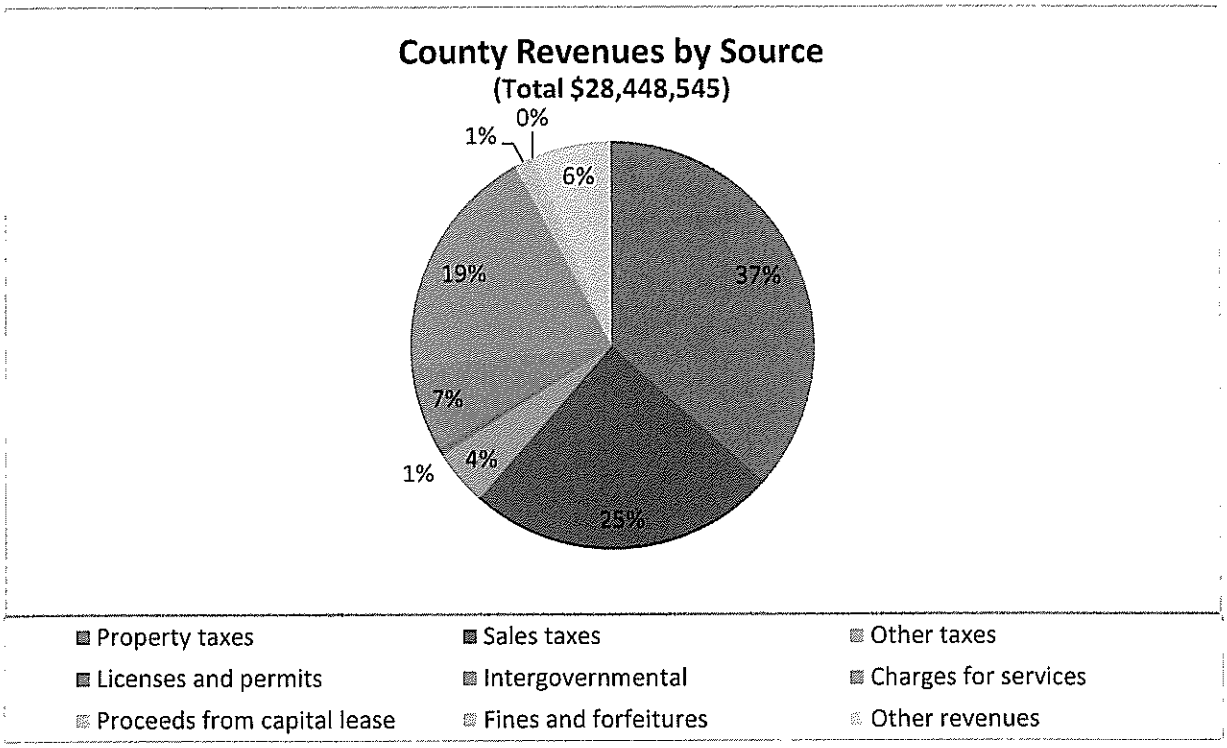
2021 SPLOST Fund – The sales taxes from this fund will be used to fund approved projects approved with the SPLOST referendum and for principal and interest on the *Sumter County General Obligation Sales Tax Bonds, Series 2020*. The Series 2020 bonds were sold in May 2020 for $11,500,000. The fund expended $3,919,130 to the City of Americus for the share of the bonds. The fund also expended $232,200 for closing cost of the bonds. The fund balance at June 30, 2020 is $7,348,670, which is restricted to capital projects.

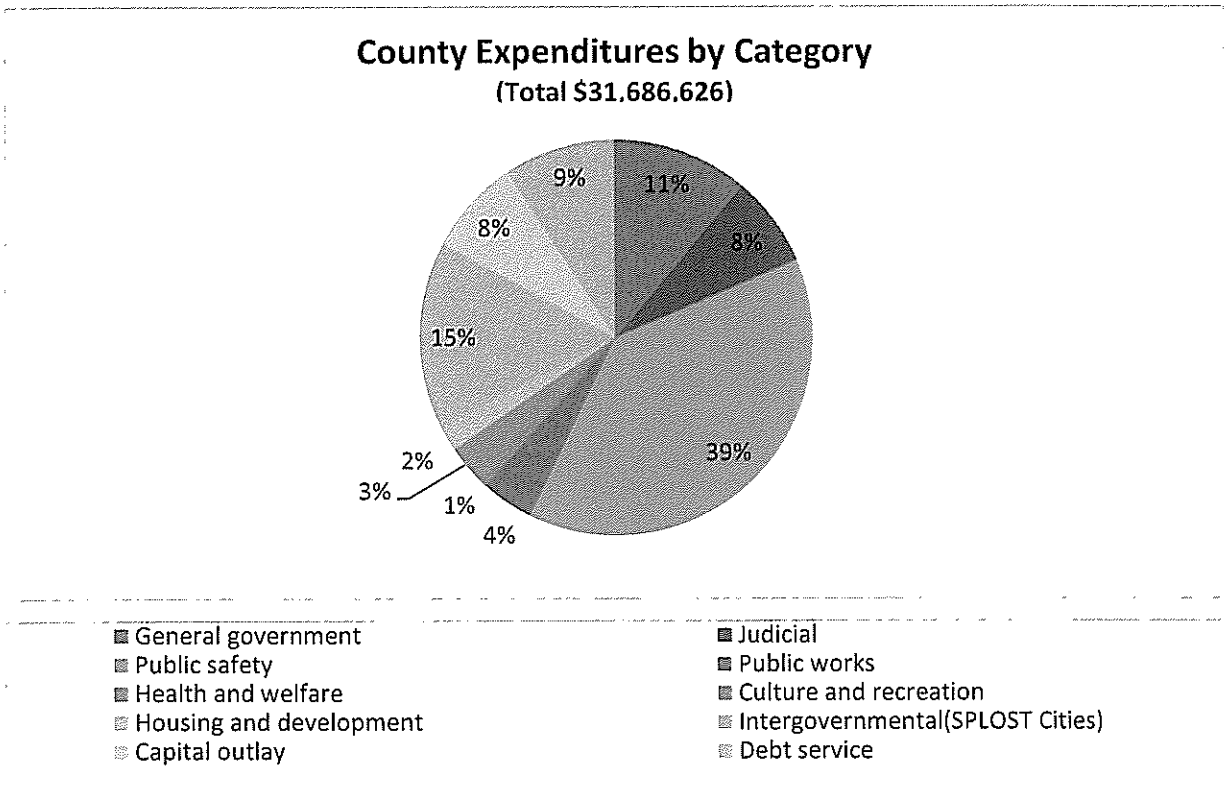
Transportation Special 1% Sales Tax Fund – This fund is used to account for the revenues and expenditures relating to the *Transportation Investment Act (TIA)* referendum passed by voters in the River Valley Region. The County receives a designated allocation of the 1% sales tax over a 10-year period to fund transportation improvements.

This fund received sales taxes of $920,683 and expended $466,376 on capital and related projects and $126,441 on debt service. The fund balance at June 30, 2020 is $779,464, up $316,465 from the June 30, 2019 balance.

Governmental Funds Revenues and Expenditures

The following charts depict the percentage that the various categories of revenues and expenditures contribute to the total for the year ended June 30, 2020.





Proprietary Fund

Since the County reports only a single major enterprise fund, the financial analysis is presented on pages 6 and 7 for this fund.

Budgetary Highlights

The General Fund – Property taxes were above budget by $848,926. This overage relates to a conservative approach to the property tax revenue budget. Fines and forfeitures were $116,772 below the estimated budget. This revenue stream has been decreasing over the last few years and the County administration has been discussing this reduction in revenues with both the district attorney and state court judge.

For the year, the County recognized 111.3% of the final revenue budget. The revenue budget was not amended.

In total, the expenditure side of the budget was amended upward by $300,000 or 1.5%. The total expenditure budget was under-spent by $572,371 or 2.87%. The department heads are working hard to minimize spending.

The expenditure budget was amended near the end of the fiscal year, therefore, there are no significant variances to discuss as all line-item amounts were within the final budget.

The Fire Fund- Revenues from fees were $13,537 above budget.

Total expenditures were under-spent by $123,213.

Capital Assets and Debt Administration

Capital Assets

The County's investment in capital assets, net of accumulated depreciation, for governmental activities as of June 30, 2020, was $60,317,472 as compared to an amount of $63,008,110 at June 30, 2019. The total net investment in capital assets was $56,483,590. See Note 5 for additional information about changes in capital assets during the calendar year and outstanding at the end of the year.

The following table provides a summary of capital asset activity.

	Governmental Activities	
	2020	2019
Non-depreciable assets:		
Land	$ 974,338	$ 974,338
Construction in progress	-	1,928,739
Total non-depreciable	974,338	2,903,077
Depreciable assets:		
Site improvements	830,054	755,059
Buildings	48,646,562	46,745,623
Machinery and equipment	16,362,079	15,821,769
Infrastructure	50,462,955	50,462,955
Total depreciable assets	116,301,650	113,785,406
Less accumulated depreciation	56,958,516	53,608,373
Book value - depreciable assets	$ 59,343,134	$ 60,177,033
Percentage depreciated	49%	47%
Book value - all assets	$ 60,317,472	$ 63,080,110

At June 30, 2020, the depreciable capital assets for governmental activities were 49% depreciated, or slightly above the 2019 percentage of 47%. This comparison indicates that the County is replacing its assets at about the same rate as they are depreciating, which is a positive indicator.

The decrease in the governmental activities' construction in progress account is due to Jail/Correctional Institute renovation and generator projects being completed.

The other major additions to the machinery and equipment classifications include public works equipment (3 micro buses) for $210,000,

Long-term Debt

The following table presents the balances of the County's long-term debt at June 30, 2020 and 2019.

Governmental Activities

	2020	2019
Bonds payable	$ 13,855,000	$ 4,590,000
Issuance premium	103,851	312,123
Capital leases	2,078,708	2,528,553
Net pension liability	1,429,448	1,576,801
Landfill post-closure	732,621	747,943
Compensated absences	429,135	370,701
Total	$ 18,628,763	$ 10,126,121

The Bonds payable consist of two different bonds.

The first is the Series 2014 bonds that are general obligations of the County and are payable first from a 1% special purpose local option sales and use tax collected within the County, and second from the levy of an ad valorem tax, without limitation as to rate or amount on all property within the County subject to taxation for bond purposes. The series 2014 bonds will be fully retired in 2021.

The second is the series 2020 bonds. The series 2020 bonds are general obligations of the County and are payable first from a 1% special purpose local option sales and use tax collected within the County, and second from the levy of an ad valorem tax, without limitation as to rate or amount on all property within the County subject to taxation for bond purposes. These bonds will be fully retired in 2026.

During the year, the County paid $449,845 of principal on the capital lease debt. The County's portion of the liability for landfill post-closure (approximately 25%) is $732,621 which relates to cost for the closed County landfill.

See Note 6 for additional information about the County's long-term debt.

Economic Conditions Affecting the County

Agriculture is the primary driver of the County's economy. Management and the Board of Commissioners follow conservative spending policies and expect little improvement in the property tax base. Economic conditions were considered in developing the County's 2020 budget.

Some of the issues impacting the County's future are:

Population:

- Sumter County's population is showing a steady decline from an estimated population in 2000 of 33,200, to 32,817 in 2010, and to 29,733 in 2019.

Income and the Economy:

- The 2000 median household income for Sumter County was $30,904. The 2010 median household income was $32,430. The 2019 median household income was $36,205.
- The 2000 census showed that approximately 21.40% of Sumter County's population was living below the poverty level. This percentage increased in the 2010 census to 26.9%. The number of Sumter County residents living below the poverty level in 2019 decreased to 25.7%.
- Economic Development received a boost three years ago with the formation of the One Sumter Initiative. $2,000,000 was raised, primarily from business and private sources in order to concentrate development.

Higher Education:

- Georgia Southwestern State University and South Georgia Technical College are both located in Sumter County. Enrollment at both institutions has remained stable in recent years.

TSPLOST (Transportation Special Purpose Local Option Sales Tax):

In 2012, voters in the River Valley Region approved a 10-year one percent sales tax to fund regional and local transportation improvements.

- Tax revenues from TSPLOST have been and will continue to be utilized for capital investment and development in transportation and related sectors of the local government.

Contacting the County's Financial Management

This financial report is designed to provide a general overview of Sumter County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, Sumter County, P.O. Box 295, Americus, Georgia 31709.

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SUMTER COUNTY, GEORGIA

STATEMENT OF NET POSITION
JUNE 30, 2020

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	Sumter County Department of Public Health
ASSETS				
Cash and cash equivalents	$ 10,461,683	$ 1,101,014	$ 11,562,697	$ 1,186,987
Investments	980,000	717,540	1,697,540	200,000
Sales taxes receivable	615,378	-	615,378	-
Property taxes and fire fees receivable, net of allowances	1,302,240	265,768	1,568,008	-
Accounts receivable, net of allowances	34,672	-	34,672	1,806
Due from other governments	919,744	-	919,744	32,103
Inventories	44,141	-	44,141	-
Internal balances	(33,091)	33,091	-	-
Restricted cash	9,135,096	-	9,135,096	-
Capital assets, non-depreciable	974,338	-	974,338	-
Capital assets, depreciable, net of accumulated depreciation	59,343,134	-	59,343,134	23,869
Total assets	83,777,335	2,117,413	85,894,748	1,444,765
DEFERRED OUTFLOW OF RESOURCES				
Pension	864,408	-	864,408	111,141
OPEB	-	-	-	77,975
Total deferred outflows of resources	864,408	-	864,408	189,116
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	84,641,743	2,117,413	86,759,156	1,633,881
LIABILITIES				
Accounts payable	1,445,931	101,121	1,547,052	32,103
Accrued liabilities	371,361	-	371,361	-
Funds held for Airport Authority	105	-	105	-
Unclaimed funds	176,419	-	176,419	-
Capital leases due within one year	471,764	-	471,764	-
Capital leases due in more than one year	1,606,944	-	1,606,944	-
Bond payable due within one year	2,458,851	-	2,458,851	-
Bond payable due in more than one year	11,500,000	-	11,500,000	-
Compensated absences due within one year	429,135	-	429,135	18,232
Compensated absences due in more than one year	-	-	-	21,655
Landfill post-closure costs due within one year	520,394	-	520,394	-
Landfill post-closure costs due in more than one year	212,227	-	212,227	-
Net pension obligation due in more than one year	1,429,448	-	1,429,448	550,767
Net OPEB obligation due in more than one year	-	-	-	104,825
Total liabilities	20,622,579	101,121	20,723,700	727,582
DEFERRED INFLOWS OF RESOURCES				
Pension	595,603	-	595,603	51,030
OPEB	-	-	-	265,212
Total deferred inflows of resources	595,603	-	595,603	316,242
Total liabilities and deferred inflows of resources	21,218,182	101,121	21,319,303	1,043,824
NET POSITION				
Net Investment in capital assets	56,483,590	-	56,483,590	23,869
Restricted for:				
Judicial	27,103	-	27,103	-
Public safety	841,823	-	841,823	-
Health & Welfare	-	-	-	162,307
Housing and development	1,800	-	1,800	-
Capital projects	2,709,031	-	2,709,031	-
Debt service	1,786,726	-	1,786,726	-
Unrestricted	1,573,488	2,016,292	3,589,780	403,881
Total net position	$ 63,423,561	$ 2,016,292	$ 65,439,853	$ 590,057

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

SUMTER COUNTY, GEORGIA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Business-type Activities	Net (Expense) Revenue and Changes in Net Position: Total	Component Units: Sumter County Department of Public Health
Primary government:								
Governmental activities:								
General government	$ 5,248,611	$ 1,330,530	$ 5,660	$ -	$ (3,912,421)	$ -	$ (3,912,421)	$ -
Judicial	2,409,323	573,669	479,616	-	(1,356,038)	-	(1,356,038)	-
Public safety	13,755,373	5,452,212	578,645	-	(7,724,516)	-	(7,724,516)	-
Public works	8,886,705	27,152	-	703,693	(8,155,860)	-	(8,155,860)	-
Health and welfare	261,387	-	-	-	(261,387)	-	(261,387)	-
Recreation	1,312,559	127,133	-	-	(1,185,426)	-	(1,185,426)	-
Housing and development	699,611	195,064	-	224,763	(279,784)	-	(279,784)	-
Interest on long-term debt	17,720	-	-	-	(17,720)	-	(17,720)	-
Total governmental activities	32,591,289	7,705,760	1,063,921	928,456	(22,893,152)	-	(22,893,152)	-
Business-type activities:								
Solid waste management	1,197,909	1,373,935	-	-	-	176,026	176,026	-
Total business-type activities	1,197,909	1,373,935	-	-	-	176,026	176,026	-
Total primary government	$ 33,789,198	$ 9,079,695	$ 1,063,921	$ 928,456	$ (22,893,152)	$ 176,026	$ (22,717,126)	$ -
Component units:								
Sumter County Department of Public Health	$ 750,993	$ 364,313	$ 394,481	$ -	$ -	$ -	$ -	$ 7,801
Total component units	$ 750,993	$ 364,313	$ 394,481	$ -	$ -	$ -	$ -	$ 7,801
General revenues:								
Property taxes					10,467,101	-	10,467,101	-
Sales taxes					7,081,841	-	7,081,841	-
Insurance premium taxes					974,548	-	974,548	-
Other taxes					288,602	-	288,602	-
Allotment from Sumter County government					-	-	-	239,737
Late payment penalties and fees					-	4,440	4,440	-
Unrestricted investment earnings					50,679	16,519	67,198	7,734
Gain on sale of capital assets					98,320	-	98,320	-
Transfers					67,790	(67,790)	-	-
Total general revenues and transfers					19,028,881	(46,831)	18,982,050	247,471
Change in net position					(3,864,271)	129,195	(3,735,076)	255,272
Net position, beginning of year					67,287,832	1,887,097	69,174,929	334,785
Net position, end of year					$ 63,423,561	$ 2,016,292	$ 65,439,853	$ 590,057

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

SUMTER COUNTY, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2020

	General	Sumter County Fire	2007 SPLOST	2014 SPLOST	2021 SPLOST	Transportation Special 1% Sales Tax Fund	Other Governmental Funds	Total
ASSETS								
Cash and cash equivalents	$ 7,081,168	$ 211,083	$ 18,343	$ 585,155	$ 300	$ 611,483	$ 1,954,151	$ 10,461,683
Investments	980,000	-	-	-	-	-	-	980,000
Sales taxes receivable	180,371	-	-	351,556	-	83,451	-	615,378
Property taxes and fire fees receivable, net of allowance for uncollectible	970,338	331,902	-	-	-	-	-	1,302,240
Accounts receivable	34,672		-	-	-	-	-	34,672
Due from other governments	697,165	-	-	-	-	-	222,579	919,744
Due from other funds	263,769		-	5,666	-	86,284	12,850	368,569
Inventories	44,141	-	-	-	-	-	-	44,141
Restricted cash	-	-	-	1,786,726	7,348,370	-	-	9,135,096
Total assets	$ 10,251,624	$ 542,985	$ 18,343	$ 2,729,103	$ 7,348,670	$ 781,218	$ 2,189,580	$ 23,861,523
LIABILITIES								
Accounts payable	$ 1,266,065	$ 10,030	$ -	$ 14,850	$ -	$ 220	$ 154,766	1,445,931
Accrued liabilities	329,547	23,406	-	-	-	1,534	-	354,487
Due to other funds	38,158	276,531	5,666	81,217	-	-	88	401,660
Grant funds held for Airport Authority	105	-	-	-	-	-	-	105
Unclaimed funds	176,419	-	-	-	-	-	-	176,419
Total liabilities	1,810,294	309,967	5,666	96,067	-	1,754	154,854	2,378,602
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue - Property tax and fire fees	857,363	299,952	-	-	-	-	-	1,157,315
Total deferred inflows of resources	857,363	299,952	-	-	-	-	-	1,157,315
FUND BALANCES								
Nonspendable	44,141	-	-	-	-	-	-	44,141
Restricted	-	-	12,677	2,633,036	7,348,670	779,464	1,708,288	12,482,135
Committed	-	-	-	-	-	-	326,438	326,438
Unassigned	7,539,826	(66,934)	-	-	-	-	-	7,472,892
Total fund balances	7,583,967	(66,934)	12,677	2,633,036	7,348,670	779,464	2,034,726	20,325,606
Total liabilities, deferred inflows of resources and fund balances	$ 10,251,624	$ 542,985	$ 18,343	$ 2,729,103	$ 7,348,670	$ 781,218	$ 2,189,580	

Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in the government activities are not financial resources and, therefore, are not reported in the funds.		60,317,472
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.		
Taxes	$ 857,363	
Public Safety - fire fees	299,952	1,157,315
Deferred outflow of resources		
Pension cost		864,408
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Accrued interest payable	$ (16,874)	
Capital leases	(2,078,708)	
Bond payable	(13,958,851)	
Landfill post-closure costs	(732,621)	
Compensated absences	(429,135)	(17,216,189)
Net pension obligation used in governmental activities is not a financial resource and, therefore is not reported in the funds.		(1,429,448)
Deferred inflow of resources		
Pension cost		(595,603)
Net position of governmental activities		$ 63,423,561

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

SUMTER COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	General	Sumter County Fire	2007 SPLOST	2014 SPLOST	2021 SPLOST	Transportation Special 1% Sales Tax Fund	Other Governmental Funds	Total
Revenues:								
Property taxes	$ 10,425,276	$ -	$ -	$ -	$ -	$ -	$ -	$ 10,425,276
Sales taxes	2,088,497	-	-	4,069,625	-	920,683	-	7,078,805
Other taxes	1,024,602	238,548	-	-	-	-	-	1,263,150
Licenses and permits	173,854	-	-	-	-	-	-	173,854
Intergovernmental	584,305	-	-	-	-	-	1,408,072	1,992,377
Charges for services	4,138,502	1,134,537	-	-	-	-	-	5,273,039
Fines and forfeitures	298,228	-	-	-	-	-	108,641	406,869
Interest	47,355	662	431	2,605	-	547	2,115	53,715
Other revenues	1,152,215	5,136	-	-	-	23,052	601,057	1,781,460
Total revenues	19,932,834	1,378,883	431	4,072,230	-	944,282	2,119,885	28,448,545
Expenditures:								
Current								
General government	4,199,023	-	-	2,960	232,200	-	-	4,434,183
Judicial	1,889,712	-	-	-	-	-	495,786	2,385,498
Public safety	10,397,542	1,282,018	-	-	-	-	565,667	12,245,227
Public works	1,213,399	-	-	-	-	164,438	-	1,377,837
Health and welfare	261,387	-	-	-	-	-	-	261,387
Culture and recreation	967,646	-	-	-	-	-	-	967,646
Housing and development	420,257	-	-	-	-	-	222,963	643,220
Intergovernmental	-	-		971,330	3,919,130	-	-	4,890,460
Capital outlay								
General government	15,749	-	31,962	13,447	-	-	8,298	69,456
Public safety	12,841	59,285	-	376,431	-	-	7,087	455,644
Public works	-	-	361,100	312,430	-	301,938	689,265	1,664,733
Culture and recreation	-	-	211,163	74,995	-	-	1,340	287,498
Housing and development	-	-	-	-	-	-	1,103	1,103
Debt service:								
Principal	-	348,386	-	2,235,000	-	110,400	-	2,693,786
Interest	-	46,212	-	173,625	-	16,041	-	235,878
Total expenditures	19,377,556	1,735,901	604,225	4,160,218	4,151,330	592,817	1,991,509	32,613,556
Excess (deficiency) of revenues over (under) expenditures	555,278	(357,018)	(603,794)	(87,988)	(4,151,330)	351,465	128,376	(4,165,011)
Other financing sources (uses):								
Proceeds from sale of assets	98,320	-	-	-	-	-	-	98,320
Proceeds from bonds	-	-	-	-	11,500,000	-	-	11,500,000
Transfers in	137,790	-	-	-	-	-	-	137,790
Transfers out	-	(35,000)	-	-	-	(35,000)	-	(70,000)
Total other financing sources (uses)	236,110	(35,000)	-	-	11,500,000	(35,000)	-	11,666,110
Net change in fund balances	791,388	(392,018)	(603,794)	(87,988)	7,348,670	316,465	128,376	7,501,099
Fund balance(deficit), beginning of year	6,792,579	325,084	616,471	2,721,024	-	462,999	1,906,350	12,824,507
Fund balance, end of year	$ 7,583,967	$ (66,934)	$ 12,677	$ 2,633,036	$ 7,348,670	$ 779,464	$ 2,034,726	$ 20,325,606

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

SUMTER COUNTY, GEORGIA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds		$ 7,501,099
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		
Capital outlay	$ 690,448	
Depreciation expense	(3,453,086)	(2,762,638)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Increase in unavailable revenue-property tax	41,825	
Increase in unavailable revenue-fire fees	70,538	112,363
The issuance of long-term debt provides current financial resources to governmental funds while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the payments made on notes payable and capital leases.		
Principal paid on capital leases	458,786	
Proceeds from bond	(11,500,000)	
Principal paid on bond payable	2,235,000	
Premium amortization	208,272	
Net change in interest payable	9,886	(8,588,056)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		
Net pension obligation	(83,927)	
Compensated absences	(58,434)	
Landfill post-closure costs	15,322	(127,039)
Change in net position - governmental activities		$ (3,864,271)

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

SUMTER COUNTY, GEORGIA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
Revenues:				
Property taxes	$ 9,576,350	$ 9,576,350	$ 10,425,276	$ 848,926
Sales taxes	1,900,000	1,900,000	2,088,497	188,497
Other taxes	1,012,000	1,012,000	1,024,602	12,602
Licenses and permits	139,600	139,600	173,854	34,254
Intergovernmental	132,583	132,583	584,305	451,722
Charges for services	3,671,880	3,671,880	4,138,502	466,622
Fines and forfeitures	415,000	415,000	298,228	(116,772)
Interest income	45,500	45,500	47,355	1,855
Miscellaneous	1,010,221	1,010,221	1,152,215	141,994
Total revenues	17,903,134	17,903,134	19,932,834	2,029,700
Expenditures:				
Current:				
General government				
Board of commissioners	141,291	132,291	119,682	12,609
County clerk	113,731	117,731	115,495	2,236
Administrator	151,763	139,763	127,609	12,154
Elections	279,586	1,302,456	1,302,456	-
Financial administration	269,124	277,594	277,554	40
Legal	3,500	4,500	3,831	669
Information systems	83,606	83,606	73,528	10,078
Human resources	138,184	130,184	127,946	2,238
Tax commissioner's office	537,511	521,511	500,314	21,197
Tax assessor's office	506,573	484,573	474,514	10,059
Board of equalization	6,040	7,615	7,615	-
Risk management	322,129	317,129	316,105	1,024
Building and grounds	675,040	612,040	583,805	28,235
General administration	195,091	191,091	168,569	22,522
Total general government	3,423,169	4,322,084	4,199,023	123,061
Judicial:				
Court administration	47,456	47,456	39,972	7,484
Judge of superior court	165,094	166,094	165,877	217
Clerk of courts	498,374	498,374	462,470	35,904
District attorney	203,686	203,686	201,799	1,887
State court	203,960	210,960	210,125	835
Magistrate court	405,377	405,377	366,046	39,331
Probate court	144,628	144,628	137,483	7,145
Juvenile court	93,880	90,880	75,994	14,886
Grand jury	8,000	5,000	3,516	1,484
Public defense	279,548	280,548	226,430	54,118
Total judicial	2,050,003	2,053,003	1,889,712	163,291

(Continued)

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

SUMTER COUNTY, GEORGIA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
Expenditures: (Continued)				
Current (Continued)				
Public safety:				
Sheriff's office	$ 3,930,740	$ 3,678,740	$ 3,677,924	$ 816
Jail operations	3,052,061	3,029,061	3,028,541	520
Correctional institute	3,445,333	3,190,169	3,141,296	48,873
Coroner	52,230	52,230	43,082	9,148
E911	161,812	161,812	161,742	70
Animal control	43,976	43,976	43,638	338
Humane society	50,000	50,000	50,000	-
Emergency management	144,686	147,686	147,230	456
Emergency reponse & operations	-	105,000	104,089	911
Total public safety	10,880,838	10,458,674	10,397,542	61,132
Public works:				
Public works department	1,244,225	1,060,225	1,059,765	460
Landfill closure/post-closure	178,624	178,624	153,634	24,990
Total public works	1,422,849	1,238,849	1,213,399	25,450
Health and welfare:				
Public health	242,387	242,387	242,387	-
Public welfare	20,000	20,000	16,500	3,500
Community service	-	-	-	-
Senior Citizens Center	2,750	2,750	2,500	250
Total health and welfare	265,137	265,137	261,387	3,750
Culture and recreation:				
Recreation	1,003,827	1,003,827	842,646	161,181
Libraries	125,000	125,000	125,000	-
Total culture and recreation	1,128,827	1,128,827	967,646	161,181
Housing and development:				
County agent's office	148,478	148,478	141,329	7,149
Forest resources	19,858	19,858	19,149	709
Building inspection	67,537	79,537	78,004	1,533
Planning and zoning	97,015	97,015	88,125	8,890
Code enforcement	33,000	33,000	19,934	13,066
Economic Development	38,000	38,000	38,000	-
Airport	36,716	36,716	35,716	1,000
Total housing and development	440,604	452,604	420,257	32,347
Capital outlay:				
General government	17,500	15,749	15,749	-
Judical	6,000	-	-	-
Public safety	15,000	15,000	12,841	2,159
Total capital outlay	38,500	30,749	28,590	2,159
Total expenditures	19,649,927	19,949,927	19,377,556	572,371
Excess of revenues over expenditures	(1,746,793)	(2,046,793)	555,278	2,602,071

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

(Continued)

SUMTER COUNTY, GEORGIA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
Other financing sources (uses):				
Proceeds from sale of assets	30,000	30,000	98,320	68,320
Contingencies	(300,000)	-	-	-
Transfers in	150,640	150,640	137,790	(12,850)
Transfers out	-	-	-	-
Total other financing sources (uses)	(119,360)	180,640	236,110	55,470
Net change in fund balances	(1,866,153)	(1,866,153)	791,388	2,657,541
Fund balance, beginning of year	6,792,579	6,792,579	6,792,579	-
Fund balance, end of year	$ 4,926,426	$ 4,926,426	$ 7,583,967	$ 2,657,541

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

SUMTER COUNTY, GEORGIA

FIRE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
Revenues:				
Other taxes	$ 174,000	$ 174,000	$ 238,548	$ 64,548
Charges for services	1,121,000	1,121,000	1,134,537	13,537
Interest	1,500	1,500	662	(838)
Other revenues	10,000	10,000	5,136	(4,864)
Total revenues	1,306,500	1,306,500	1,378,883	72,383
Expenditures:				
Current:				
Public safety:				
County fire department	1,350,672	1,342,516	1,282,018	60,498
Capital outlay	122,000	122,000	59,285	62,715
Total public safety	1,472,672	1,464,516	1,341,303	123,213
Debt service:				
Principal	331,932	348,386	348,386	-
Interest	54,510	46,212	46,212	-
Total debt service	386,442	394,598	394,598	-
Total expenditures	1,859,114	1,859,114	1,735,901	123,213
Excess of expenditures over revenues	(552,614)	(552,614)	(357,018)	195,596
Other financing sources (uses):				
Sale of Assets	5,000	5,000	-	(5,000)
Transfers in	332,000	332,000	-	(332,000)
Transfers out	-	-	(35,000)	(35,000)
Total other financing sources (uses)	337,000	337,000	(35,000)	(40,000)
Net change in fund balances	(215,614)	(215,614)	(392,018)	155,596
Fund balance (deficit), beginning of year	325,084	325,084	325,084	-
Fund balance (deficit), end of year	$ 109,470	$ 109,470	$ (66,934)	$ 155,596

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

SUMTER COUNTY, GEORGIA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2020

	Solid Waste Management
ASSETS	
CURRENT ASSETS	
Cash and cash equivalents	$ 1,101,014
Investments	717,540
Accounts receivable, net of allowances	265,768
Due from General fund	33,091
Total current assets	2,117,413
Total assets	2,117,413
LIABILITIES	
CURRENT LIABILITIES	
Accounts payable	101,121
Total current liabilities	101,121
Total liabilities	101,121
NET POSITION	
Unrestricted	2,016,292
Total net position	$ 2,016,292

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

SUMTER COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2020

	Solid Waste Management
OPERATING REVENUES	
Charges for services:	
Solid waste collection fees	$ 1,373,935
Late payment penalties and fees	4,440
Total operating revenues	1,378,375
OPERATING EXPENSES	
Contracted services	1,196,284
Other Exepnses	45
Refunds	1,580
Total operating expenses	1,197,909
Operating income	180,466
NONOPERATING INCOME(EXPENSES)	
Interest Income	16,519
Total nonoperating income(expenses)	16,519
Income before transfers	196,985
TRANSFERS	
Transfers out	(67,790)
Total transfers	(67,790)
Change in net position	129,195
NET POSITION, beginning of year	1,887,097
NET POSITION, end of year	$ 2,016,292

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

SUMTER COUNTY, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	Solid Waste Management
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	$ 1,324,222
Late payment penalties and fees collected from customers	4,440
Payments to suppliers and service providers	(1,096,788)
Net cash provided by operating activities	231,874
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of certificates of deposit	(717,540)
Redemention of certificates of deposit	735,000
Interest Revenues	16,519
Net cash provided by investing activities	33,979
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Advances to General Fund	(33,091)
Repay advancement to General Fund	76,228
Advances to Fire Fund	(250,000)
Repay advancement to Fire Fund	250,000
Transfers to General Fund	(67,790)
Net cash provided by noncapital financing activities	(24,653)
Net increase in cash and cash equivalents	241,200
Cash and cash equivalents:	
Beginning of year	859,814
End of year	$ 1,101,014
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	$ 180,466
Adjustments to reconcile operating income to net cash provided by operating activities:	
Increase in accounts receivable	(49,713)
Increase in accounts payable	101,121
Net cash provided by operating activities	$ 231,874

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

SUMTER COUNTY, GEORGIA

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
JUNE 30, 2020

	Agency Funds
ASSETS	
Cash	$ 1,478,221
Due from other governments	54,916
Tax receivable(net)	2,282,325
Total assets	$ 3,815,462
LIABILITIES	
Due to general fund	146,366
Due to others	1,386,771
Uncollected taxes	2,282,325
Total liabilities	$ 3,815,462

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

Sumter County was created by legislative act on December 26, 1831, and operates under a County Commissioner form of government with five elected commissioners who represent the district of their residence. The chairman and vice chairman are elected each year by the five-member board. The commissioners serve on a part-time basis, and are elected to staggered four year terms. The Board of County Commissioners meets in regular session on the third Tuesday of each month. Sumter County provides the following services as authorized by its charter: public safety, highways and streets, health and social services, culture and recreation, courts, correctional institute, public improvements, planning and zoning, and general administrative services.

As required by GAAP the financial statements of the reporting entity include those of Sumter County, Georgia (the "primary government") and its component units.

The primary government of the County consists of all funds, departments, boards and agencies that are not legally separate from the County. The primary government includes the offices of elected officials: Tax Commissioner, Sheriff, Probate Judge, Magistrate Judge, State Court Judge, and Clerk of Superior and State Courts.

Component units are legally separate organizations for which the County is financially accountable. The County is financially accountable 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 are reported in the County's financial statements as "discretely presented component units" or "blended component units" depending on the degree of the relationship between a component unit and the primary government. Sumter County has no blended component units.

The following component unit is a discretely presented component unit to emphasize that is legally separate from the County:

The Sumter County Department of Public Health (the "Health Department") is governed by a seven member board, of which one member is from the County's Board of Commissioners and three members are appointed by the County Commissioners. The County provides a significant amount of funding, and it has the authority to modify and approve the Health Department's budget and the ability to approve environmental health service fees. Amounts included in the Government-wide Statement of Net Position and Statement of Activities for the Health Department are for the year ended June 30, 2020.

The Health Department's financial statements can be obtained by writing to the Sumter County Health Department, 1601 N. Martin Luther King, Jr. Blvd., Suite 100, Americus, Georgia 31719.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Presentation

The **government-wide financial statements** report information on all of the non-fiduciary activities of the primary government and its component units in the statement of net position and the statement of activities. The effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the County's solid waste function and various other functions of the County, because elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

The statement of net position presents the financial position of the governmental activities, business-type activities and the discretely presented component units of the County at year-end. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; 2) grants and contributions that are restricted to meeting the operational requirements of a particular function or segment; and 3) grants and contributions that are restricted to meeting the capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues.*

The **fund financial statements** provide information about the County's funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as nonmajor funds.

The County reports the following major governmental funds:

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

The **Fire Fund** is a special revenue fund to account for the fees billed to property owners and expenditures of operating the County-Wide fire department.

The **2007 Special Purpose Local Option Sales Tax Capital Projects Fund (2007 SPLOST)** is used to account for the revenues and expenditures relating to the 2007 1% Special Purpose Local Option Sales Tax.

The **Transportation Special 1% Sales Tax Fund (T-SPLOST)** is a capital projects fund used to account for the revenues and expenditures relating to the **Transportation Investment Act (TIA)** referendum passed by voters in the River Valley Region. The County will receive a designated allocation of the 1% sales tax over a 10-year period to fund transportation improvements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Presentation

The **government-wide financial statements** report information on all of the non-fiduciary activities of the primary government and its component units in the statement of net position and the statement of activities. The effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the County's solid waste function and various other functions of the County, because elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

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NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Presentation (continued)

Major governmental funds (continued)

The **2014 Special Purpose Local Option Sales Tax Capital Projects Fund (2014 SPLOST)** is used to account for the revenues and expenditures relating to the 2014 1% Special Purpose Local Option Sales Tax, including payments made for principal and interest on the Sumter County General Obligation Sales Tax Bonds, Series 2014.

The **2021 Special Purpose Local Option Sales Tax Capital Projects Fund (2021 SPLOST)** is used to account for the revenues and expenditures relating to the 2021 1% Special Purpose Local Option Sales Tax, including payments made for principal and interest on the Sumter County General Obligation Sales Tax Bonds, Series 2020.

The County reports the following major proprietary fund:

The **Solid Waste Management Fund** is used to account for the receipts from services billed to customers and the payment of costs of collection.

Additionally, the County reports the following fund types:

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

The **Capital Projects Funds** are used to account for the acquisition or construction of capital facilities. Revenues and expenditures of the Local Maintenance and Improvement Grant Program (LMIG) will be accounted for in the Road Department Fund.

The **Agency Funds** are used to account for the collection and disbursement of monies by the County on behalf of other governments and individuals, such as cash bonds, traffic fines, support payments, and ad valorem and property taxes. These include the Tax Commissioner, Clerk of Courts, Probate Court, Magistrate Court, Sheriff's Department, Jail Inmate Fund, and Correctional Institute Inmate Fund. The County serves as "fiscal agent" by providing accounting and cash management services for the following funds which are maintained as a courtesy to the Southwestern Judicial Circuit: Alternative Dispute Resolution Fund, the Juvenile Court, and the Public Defender.

The **Proprietary Funds** distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges to customers for sales and services provided. Operating expenses for the enterprise fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The **Fiduciary Funds** are used to account for the assets held by the County in a trustee capacity or as agent for individuals, other governmental units, and/or other funds.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Measurement Focus and Basis of Accounting

The **government-wide financial statements** are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and the fiduciary fund financial statements, except the agency funds have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Discretely presented component units generally are reported only at the government-wide financial reporting level.

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

Under the modified accrual basis, the following revenue sources are considered to be susceptible to accrual: property taxes, sales taxes, franchise taxes, charges for services, federal and state grants and investment earnings. All other revenue items are considered to be measurable and available only when cash is received by the County.

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

D. Budgets

Formal budgetary accounting is employed as a management control device for the General Fund and the Special Revenue Funds. Annual operating budgets are adopted each fiscal year through passage of an annual budget ordinance as required for all governmental funds except capital projects funds. Budgets are adopted on a basis consistent with generally accepted accounting principles. Budgets for SPLOST Capital Project Funds are adopted on a project basis, spanning more than one fiscal year. Budgetary control (the level at which expenditures may not legally exceed appropriations) is exercised at the department level or by projects. The Board of Commissioners must approve, by amendment, any departmental level changes to a previously adopted budget. The Board of Commissioners must approve transfers of any salary related items.

E. Cash and Investments

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

The County's investment policy and State statutes authorize the County to invest in bank and savings and loan certificates of deposit; obligations of the State of Georgia or other states; obligations issued

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Cash and Investments (continued)

by the U.S. government; obligations fully insured or guaranteed by the U.S. government or by a government agency of the United States; obligations of any corporation of the U.S. government; prime bankers' acceptances; the local government investment pool established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia.

Investments, if any, are stated at fair value.

F. Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. For the most part, the effect of interfund activity has been removed from the government-wide statement of net position. Any residual balances outstanding between the governmental and business-type activities are reported in the government-wide statement of net position as "internal balances." In the major fund balance sheets, these receivables and payables are classified as "due from other funds" and "due to other funds."

G. Inventories

Inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method. The consumption method is used to account for inventories. Under the consumption method, inventory items are recognized as expenditures when used. Inventories consist of supplies and signs used by the public works department.

H. Prepaid Items

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

I. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of $10,000 or greater and an estimated useful life in excess of one year. Such assets are recorded at cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. In accordance with GASB 34, general infrastructure assets, which include roads, bridges, sidewalks, and similar items with an acquisition date of January 1, 1980 or later, have been capitalized. Interest incurred during the construction of capital assets used by the enterprise fund is capitalized.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend useful lives are expensed as incurred. Major outlays for capital assets and improvements are capitalized as projects are completed. For infrastructure projects, the County does not have a policy defining a capital addition in dollar terms. The policy with respect to infrastructure is that capitalized major outlays would be on a project-by-project basis and would include road widening or lengthening involving replacement of the road bed, or complete bridge rebuilding including replacement of bridge deck. Even though road resurfacing may be quite expensive, they are normally considered routine and would not extend the useful life of the road.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

I. Capital Assets (continued)

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

Asset Category	Years
Site improvements	20
Buildings	20 - 50
Machinery and equipment	3 - 10
Infrastructure	20 - 50

J. Deferred Outflows / Inflows of Resources

In addition to assets, the statement of net position and the balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period(s) and so will not be recognized as an outflow of resources (expense / expenditure) until then. The County has no items that qualify for reporting in this category other than items related to changes in the net pension liability (see Note K. below).

In addition to liabilities, the statement of net position and the balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has one item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes not received within 60 days of year end. These amounts are deferred and recognized as an inflow of resources in the period that they become available. The governmental funds balance sheet and the government wide statement of net position will report deferred inflows of resources for unearned revenues. The County reports unearned grant revenues from transactions in which resources have been received before time requirements are met.

K. Net Pension Liability and Pension Expense

"Net pension liability" is the amount by which the total pension liability exceeds the fiduciary's net position available for paying benefits. Calculations are made by the Plan actuary based upon employee data, financial information and plan provisions provided by the County and other persons or organizations designated by the County. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows or resources related to pensions, and pension expense, information about the fiduciary net position of the Sumter County Defined Benefit Plan (the Plan) and additions to or deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reposted at fair value.

The Plan actuaries produce an annual financial report that contains information necessary to make adjustments to the County's Government-Wide financial statements in accordance with GASB Statement 68. The report includes certain changes in the net pension liability which are to be recognized

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

K. Net Pension Liability and Pension Expense (continued)

as pension expense over time. The following items are reported as deferred outflows or deferred inflows of resources: employer contributions made to the pension plan subsequent to the measurement date (will be recognized as reduction to the County's net pension liability in the following year); assumption changes are amortized into pension expense over the average expected remaining service lives of the plan members; differences between projected investment return on pension investments and actual return; experience gains or losses that result from periodic studies by the actuary for certain trend information that was previously assumed, for example the assumed rates of retirement of plan members.

L. Compensated Absences

The County's personnel policy permits employees to accumulate earned but unused vacation and sick pay benefits. The County's sick pay policy does not provide for payment of any amount when employees separate from service with the County. All vacation pay is accrued when incurred in the government-wide, proprietary, and when applicable fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations or retirements.

M. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types (in the fund financial statements), long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are recognized during the current period.

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

N. Fund Equity

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

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

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

N. Fund Equity (continued)

- *Restricted* - Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- *Committed* - Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the County Commission through the adoption of a resolution. Only the County Commission may modify or rescind the commitment.
- *Assigned* - Fund balances are reported as assigned when amounts are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Through policy, authorization to assign fund balance remains with the Board.
- *Unassigned* - Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The County reports positive unassigned fund balance only in the general fund. Negative unassigned fund balances may be reported in all funds.

Flow Assumptions - When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the County's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the County's policy to use fund balance in the following order: 1) committed, 2) assigned, and 3) unassigned.

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

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

O. Property Taxes, Fire Fees and Solid Waste Charge

The Sumter County Tax Commissioner bills and collects tax for the County as well as for the State of Georgia, and the Sumter County Board of Education. County fire fees and solid waste assessments are also billed annually on the property tax bills. The County property tax was levied on August 13, 2019, billed on September 27, 2019, and payable on or before December 1, 2019, after which date the bill becomes delinquent and the applicable property is subject to lien and assessed penalties and interest.

P. Use of Estimates

The preparation of 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 the accompanying notes. Actual results may differ from these estimates.

NOTE 2. LEGAL COMPLIANCE — BUDGETS

A. Budgets and Budgetary Accounting

The County follows the following procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to May 1, the Department Heads submit to the County Administrator a proposed operating budget for the fiscal year commencing on July 1. The operating budget includes proposed expenditures and the means of financing them. The proposed budgets are then submitted to the Board of Commissioners by the County Administrator for study.
2. Public hearings are conducted at the County Courthouse to obtain taxpayer comments.
3. Prior to July 1, the budget is legally adopted by the Board of Commissioners.
4. Budget amounts can be transferred between line items within any department; however, any revisions of the budget must be approved by the Board of Commissioners.
5. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP) for all funds. Annual appropriated budgets are legally adopted for the General Fund, Fire fund, Capital Improvements Fund, and Special Revenue Funds. Annual operating budgets are prepared for each Capital Projects Fund and Enterprise Fund for planning, control, and evaluation purposes.

Budgeted amounts are as originally adopted on June 18, 2019, or as amended by the Board of Commissioners. The millage rate for 2019 for the unincorporated areas, incorporated areas, and the City of Americus District was set at the August 13, 2019 Board of Commissioners meeting.

All appropriations, except for items encumbered at year end, lapse. Encumbrances for items not lapsing at year end are re-appropriated in the ensuing year's budget. Budget information for expenditures and encumbrances represents the operating budget as approved by the Board of Commissioners. There were no encumbrances as of June 30, 2020.

NOTE 3. CASH AND INVESTMENTS

Credit risk. The risk that an issuer or other counterparty to an investment will not fulfill its obligations. Sumter County's investment policy includes investigating the creditworthiness of the financial institutions holding their deposits and of the custodian of collateral, and having uninsured deposits collateralized.

Interest rate risk. The risk that changes in interest rates will adversely affect the fair value of an investment. The objectives of the County's investment policy include safety, liquidity and return on investment. To achieve the objective of adequate liquidity within County's portfolio, the County shall attempt to match investment maturities with anticipated cash flow requirements. Unless matched to a specific cash flow, the maximum maturity of any instrument in the County's portfolio may not exceed two years from the date of acquisition by the County. The maturity of non-negotiable time deposits may not exceed one year.

NOTE 3. CASH AND INVESTMENTS (continued)

Custodial credit risk — deposits. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of June 30, 2020, all of the County's bank balances were either insured by FDIC coverage or collateralized by the bank pledging its securities in the County's name, in accordance with GASB pronouncements and Georgia State law.

Cash in the 2014 SPLOST Fund includes $1,786,726 in the Bond Sinking Fund required by the Bond Indenture to be held for debt service obligations related to the General Obligation Sales Tax Bonds, Series 2014.

Cash in the 2021 SPLOST Fund includes $7,348,670 which is restricted for the capital projects and debt service obligations related to the General Obligation Sales Tax Bonds, Series 2020.

The County's General Fund investments consist of four Certificates of Deposit with a fair value totaling $980,000 at separate banks with FDIC with varying maturities of between three and six months.

The County's Solid Waste Fund investments consist of three Certificates of Deposit with a fair value totaling $717,540 at separate banks with FDIC with varying maturities of between three and six months.

NOTE 4. RECEIVABLES

Receivables at June 30, 2020, for the County's individual major and nonmajor funds in the aggregate are as follows:

	General	Fire Fund	2014 SPLOST	Transportation Special 1% Sales Tax	Nonmajor and Other Funds	Total
Receivables:						
Property Taxes	$ 1,248,853	$ -	$ -	$ -	$ -	$ 1,248,853
Fire fees	-	524,320	-	-	-	524,320
Intergovernmental:						
Sales tax	180,371	-	351,556	83,451	-	615,378
Other	697,165	-	-	-	222,579	919,744
Accounts	34,672	-	-	-	-	34,672
Gross receivables	2,161,061	524,320	351,556	83,451	222,579	3,342,967
Less: Allowance for uncollectible	(278,515)	(192,418)	-	-	-	(470,933)
Net Receivables	$ 1,882,546	$ 331,902	$ 351,556	$ 83,451	$ 222,579	$ 2,872,034

General property taxes includes only the County's portion of real and personal property taxes for years 1998 through 2019 which were unpaid at June 30, 2020. Property taxes, fire fees and solid waste collection fees collected during the year ended June 30, 2020, and collected by August 31, 2020, are recognized as revenues in the year ended June 30, 2020. Prior year levies were recorded using substantially the same principles, and remaining receivables are reevaluated annually.

Receivables as of year-end for the County's enterprise fund, including the applicable allowances for uncollectible accounts, are as follows:

	Solid Waste Management
Solid Waste fees receivable	$ 562,798
Less: Allowance for uncollectible	(297,030)
Net Receivable	$ 265,768

Allowance for uncollectible are estimates in the major, nonmajor and enterprise funds based on historical collection rates.

NOTE 5. CAPITAL ASSETS

A. Primary Government

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

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities:					
Capital assets, not being depreciated:					
Land	$ 974,338	$ -	$ -	$ -	$ 974,338
Construction in progress	1,928,739	30,000	-	(1,958,739)	-
Total capital assets, not being depreciated	2,903,077	30,000	-	(1,958,739)	974,338
Capital assets, being depreciated:					
Site improvements	755,059	74,995	-	-	830,054
Buildings	46,745,623	-	-	1,900,939	48,646,562
Equipment	15,821,769	585,453	(102,943)	57,800	16,362,079
Infrastructure	50,462,955	-	-	-	50,462,955
Total capital assets, being depreciated	113,785,406	660,448	(102,943)	1,958,739	116,301,650
Less accumulated depreciation for:					
Site improvements	167,580	26,586	-	-	194,166
Buildings	11,781,792	1,022,774	-	-	12,804,566
Equipment	12,995,373	1,325,439	(102,943)	-	14,217,869
Infrastructure	28,663,628	1,078,287	-	-	29,741,915
Total accumulated depreciation	53,608,373	3,453,086	(102,943)	-	56,958,516
Total capital assets, being depreciated, net	60,177,033	(2,792,638)	-	1,958,739	59,343,134
Governmental activities capital assets, net	$ 63,080,110	$ (2,762,638)	$ -	$ -	$ 60,317,472

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

Governmental activities:	
General government	$ 713,654
Judicial	9,731
Public safety	1,350,908
Public works	1,201,447
Culture & recreation	125,193
Housing & development	52,153
Total depreciation expense – governmental activities	$ 3,453,086

Net investment in Capital Assets in the Statement of Net Position is as follows:

Governmental activities capital assets, net	$60,317,472
Capital lease balances outstanding	(2,078,708)
Sales Tax Bonds balances outstanding	(13,958,851)
Unspent Bond Proceeds reserved for Capital projects	7,348,370
City of Americus portion of Sales Tax Bonds	4,855,307
Net Investment in Capital Assets	$56,483,590

NOTE 5. CAPITAL ASSETS (continued)

The City of Americus received $4,000,000 of the $11,500,000 Sale Tax Bonds, Series 2014 or 34.783%. Sales Tax Bonds Payable, Series 2014, is reduced $855,188 for the amount of the bonds to be paid by the City of Americus. The City of Americus received $4,000,000 of the $11,500,000 Sale Tax Bonds, Series 2020 or 34.783%. Sales Tax Bonds Payable, Series 2020, is reduced $4,000,000 for the amount of the bonds to be paid by the City of Americus.

B. Discretely Presented Component Unit – Department of Public Health

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, being depreciated				
Machinery & equipment	$ 59,810	$ -	$ -	$ 59,810
Total capital assets, being depreciated	59,810	-	-	59,810
Less accumulated depreciation for:				
Machinery & equipment	31,679	4,262	-	35,941
Total accumulated depreciation	31,679	4,262	-	35,941
Total capital assets, net	$ 28,131	$ (4,262)	$ -	$ 23,869

NOTE 6. LONG-TERM DEBT

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds payable	$4,590,000	$11,500,000	$ (2,235,000)	$13,855,000	$ 2,355,000
Original issue premium	312,123	-	(208,272)	103,851	103,851
Capital leases	2,528,553	-	(449,845)	2,078,708	471,764
Compensated absences	370,701	369,508	(311,074)	429,135	429,135
Landfill post-closure care costs	747,943	34,548	(49,870)	732,621	520,394
Net pension obligation	1,576,801	-	(147,353)	1,429,448	-
Governmental activities long-term liabilities	$ 10,126,121	$ 11,904,056	$ (3,401,414)	$18,628,763	$3,880,144

Component Unit – Health Department:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Compensated absences	$ 40,134	$ 16,120	$ (16,367)	$ 39,887	$ 18,232

For governmental activities, compensated absences, landfill postclosure care costs, and net pension obligation are liquidated by the General Fund. For the Component Unit – Health Department, the liability is anticipated to be paid with operating revenues.

Capital Leases. The County has entered into five lease/purchase agreements as lessee for financing the acquisition of vehicles, road equipment, and fire equipment. The lease agreements qualify as capital leases for accounting purposes (titles transfer at the end of the lease term) and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of inceptions. Total cost of assets under capital lease as of June 30, 2020, is $4,393,242, which is included in governmental activities capital assets on the statement of net position.

The County recorded depreciation expense of $732,880 with accumulated depreciation of $3,485,538 in the fiscal year ended June 30, 2020 on assets under capital leases.

NOTE 6. LONG-TERM DEBT (continued)

The following is a schedule of future minimum lease payments under the capital leases, and the present value of the net minimum lease payments at June 30, 2020:

Year Ending June 30,	
2021	$ 521,039
2022	521,039
2023	521,039
2024	405,135
2025	230,182
Total minimum lease payments	2,198,434
Less: amount representing interest	(119,726)
Present value of future minimum lease payments	$ 2,078,708

General Obligation Sales Tax Bonds, Series 2014. In November 2014, the County issued General Obligation Sales Tax Bonds, Series 2014 in the amount of $11,500,000. The bonds bare interest rates ranging from 2.00% to 5.00%, and will be repaid in principal installments of $615,000 to $2,355,000 beginning December 1, 2014 and ending December 1, 2020. The bonds were issued to (i) fund the cost of capital outlay projects of Sumter County and the City of Americus, Georgia, (ii) prepayment of four capital lease obligations, and (iii) pay the cost of issuing the bonds. The bonds are general obligations of Sumter County and are payable first from a 1% special purpose local option sales and use tax collected within Sumter County, Georgia and second from the levy of an ad valorem tax, without limitation as to rate or amount on all property within Sumter County, Georgia subject to taxation for bond purposes. As of June 30, 2020, the outstanding balance of bonds was $2,355,000.

The bonds were issued at a premium of $1,255,941. The premium will be amortized over the life of the bonds following the straight line method. As of June 30, 2020, the unamortized premium was $103,851.

The annual requirements to amortize the bonds as of June 30, 2020 are as follows

Year ending June 30	Principal	Interest	Total
2021	2,355,000	58,875	2,413,875
Totals	$ 2,355,000	$ 58,875	$ 2,413,875

General Obligation Sales Tax Bonds, Series 2020. This bond is authorized by the Constitution and laws of the State of Georgia, an election held November 5,2019, and resolution of the Sumter County Board of Commissioners adopted on May 19, 2020. The proceeds of the sale of the bond will be used to fund (a) all or a portion of the cost (i) certain capital outlay projects for the County and (ii) certain capital outlay projects for the City of Americus, Georgia, in accordance with an intergovernmental agreement related to an extension of the Special Purpose Local Option Sales Tax approved by the voters on November 5, 2019, and (b) the cost of issuing this bond. The bond is a general obligation of Sumter County and is payable first from collections of the Special Purpose Local Option Sales Tax. The Bond is dated June 4, 2020, and will bare interest at the rate of 1.80% per annum. Principal will be repaid annually on December 1 in accordance with the following schedule; interest will be paid semiannually on June 1 and December 1. The maturity date is December 1, 2026.

NOTE 6. LONG-TERM DEBT (continued)

The annual requirements to amortize the bonds as of June 30, 2020 are as follows

Year ending June 30	Principal	Interest	Total
2021	$ -	$ 205,275	$ 205,275
2022	1,690,000	191,790	1,881,790
2023	1,775,000	160,605	1,935,605
2024	1,865,000	127,845	1,992,845
2025	1,955,000	93,465	2,048,465
2026	2,055,000	57,375	2,112,375
2027	2,160,000	19,440	2,179,440
Totals	$ 11,500,000	$ 855,795	$ 12,355,795

Landfill post-closure costs. Effective October 1999, the Sumter County Landfill was closed and no additional waste has been accepted. In compliance with state and federal laws and regulations, the County must perform certain maintenance and monitoring functions at the site for a minimum of 30 years. As of June 30, 2020, the County has a remaining 10 years of monitoring. Engineering studies estimate post-closure costs of approximately $2,937,423 over the 9-year period. These costs are based on what it would cost to perform all post-closure care in 2020, adjusted annually for inflation. Actual costs may be higher due to changes in inflation, changes in technology, or changes in regulations. Should any problems occur during this postclosure period, the costs and time period required for the maintenance and monitoring functions may substantially increase.

The County and the cities of Sumter County agreed in 2001 to share the costs of the post-closure costs based on their respective usages over the life of the landfill. The County's percentage of the obligation is 25.46%. The County estimates that its share of the estimated post-closure costs for the 9 year period would be $732,621.

NOTE 7. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund receivables and payables as of June 30, 2020, is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Fire Fund	$ 263,681
General Fund	C.D.B.G. 2018	88
Solid Waste	General Fund	33,091
TSPLOST	2014 SPLOST	81,217
TSPLOST	General Fund	5,067
Capital Improvement Fund	Fire Fund	12,850
2014 SPLOST	2007 SPLOST	5,666
		$ 401,660

These balances resulted from (1) the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur, (2) the time lag between the dates that transactions are recorded in the accounting system, (3) the time lag between the dates that payments between funds are made, (4) short-term loans, and (5) to fund capital projects.

Interfund transfers for the year are as follows:

Transfers In	Transfers Out	Amount
General Fund	Solid Waste Fund	$ 67,790
General Fund	Fire Fund	35,000
General Fund	TSPLOST	35,000
Capital Improvement Fund	2014 SPLOST	32,224
		$ 170,014

NOTE 7. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund transfers are to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and (2) to provide unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. The transfers from the Solid Waste Fund to the General Fund were for administrative services provided by the General Fund and landfill closure cost. The transfers from TSPLOST Fund and Fire Fund to the General Fund were for administrative services provided by the General Fund. Transfers to the Capital Improvement Fund from the 2004 SPLOST Fund were to provide capital funds for landscaping and to close the 2004 SPLOST Fund.

NOTE 8. FUND BALANCE

At June 30, 2020, fund balance consists of the following classifications as described in Note 1.L:

	General Fund	Fire Fund	2007 SPLOST Fund	2014 SPLOST Fund	2021 SPLOST Fund	T-SPLOST Fund	Other Governental Funds	Total Governental Funds
FUND BALANCES								
Nonspendable								
Inventories	$ 44,141	$ -	$ -	$ -	$ -	$ -	$ -	$ 44,141
Total Nonspendable	44,141	-	-	-	-	-	-	44,141
Restricted for:								
Judical								
Law Library	-	-	-	-	-	-	18,078	18,078
Victim Witness Assistance	-	-	-	-	-	-	8,933	8,933
Drug Court	-	-	-	-	-	-	92	92
Public Safety								
Sheriff operations(forfeiture funds)	-	-	-	-	-	-	78,114	78,114
Sheriff's discretion	-	-	-	-	-	-	8,092	8,092
Drug treatment &education	-	-	-	-	-	-	100,979	100,979
Jail Fund	-	-	-	-	-	-	421,620	421,620
Housing &Development								
C.D.B.G. 2018	-	-	-	-	-	-	1,800	1,800
Capital Projects	-	-	12,677	846,310	7,348,670	779,464	1,070,580	10,057,701
Debt Service	-	-	-	1,786,726	-	-	-	1,786,726
Total Restricted	-	-	12,677	2,633,036	7,348,670	779,464	1,708,288	12,482,135
Commited for:								
Public Safety								
Correctional institute inmates	-	-	-	-	-	-	238,451	238,451
Jail inmates	-	-	-	-	-	-	87,987	87,987
Total Committed	-	-	-	-	-	-	326,438	326,438
Unassigned	7,539,826	(66,934)	-	-	-	-	-	7,472,892
Total Fund Balances	$ 7,583,967	$ (66,934)	$ 12,677	$2,633,036	$7,348,670	$ 779,464	$2,034,726	$ 20,325,606

NOTE 9 – DEFINED BENEFIT PENSION PLANS

A. Primary Government

The County has established a non-contributory defined benefit pension plan, the Sumter County Defined Benefit Plan (the Plan). All full-time employees meeting the provisions set out in the Adoption Agreement are eligible on the first day of the month coincident with or following the date the employee completes three years of service (five years of service for employees with a date of hire or rehire on or after January 1,2015). The Plan provides retirement, disability, and death benefits to plan participants and beneficiaries. The plan is administered through the Association County Commissioners of Georgia Third Restated Defined Pension Plan (the ACCG Plan) an agent multiple-employer public employee retirement system administered by GEBCorp and affiliated with the Association County Commissioners of Georgia (ACCG). The Trustees for the Association County Commissioners of Georgia (ACCG) Pension Plan and the Trust oversees the administration, investment and funding of the ACCG retirement program for member employers. The ACCG, in its role as the Plan Sponsor, has the sole authority to amend the provisions of the ACCG Plan, as provided in Section 19.03 of the ACCG Plan document. The County has the authority to amend the adoption agreement, which defines the specific benefit provisions of The Plan, as provided in Section 19.02 of the ACCG Plan document. The county commission retains their authority.

Normal retirement is at age 65 and five years of service. Upon eligibility to retire, participants are entitled to monthly benefit equal to 1.0% of Average Annual Compensation (the highest average of the participant's compensation over five consecutive plan years during the ten plan years preceding the participant's date of retirement or other termination) multiplied by years of service. There have been no substantive changes since the last actuarial valuation.

The ACCG Plan issues a publicly available financial report that includes financial statements and required supplementary information for the pension trust. That report may be obtained at www.gebcorp.com or by writing to Association County Commissioners of Georgia, Retirement Services, 191 Peachtree Street, NE, Atlanta, Georgia 30303 or by calling (800) 736-7166.

Plan Membership
As of January 1, 2019, the date of the most recent actuarial valuation date, pension plan membership consisted of the following:

Retirees, beneficiaries and disabled currently receiving benefits	40
Terminated plan participants entitled to but not receiving benefits	115
Active employees participating in the Plan	142
Total number of Plan Participants	297

Contributions
The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The Board of Trustees of the ACCG Plan has adopted a recommended actuarial funding policy for the plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the plan. The funding policy for the Plan, as adopted by the County Commission, is to contribute an amount equal to or greater than the actuarially recommended contribution rate. This rate is based on the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. No contributions are required or permitted by plan participants. For the year ended June 30, 2020, the County's contribution rate was 7.52% of annual payroll. County contributions to the Plan were $384,092 for the year ended June 30, 2020.

NOTE 9 – DEFINED BENEFIT PENSION PLANS (continued)

A. Primary Government (continued)

The County's net pension liability was measured as of December 31, 2019. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2019.

Actuarial Assumptions. The total pension liability in the January 1, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation (CPI)	2.00%
Salary increases	2.5% - 5.5%, per year based on an age
Investment rate of return	7.00 % per year

Mortality rates were based on the RP-2000 projected with Scale AA to 2018 Combined Healthy Mortality Table.

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

Net Pension Liability of the County

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

The pension plan's target allocation as of December 31, 2019 is summarized in the following table:

	Target Allocation	Range
Fixed Income	30%	25%-35%
Large Cap	30%	25%-35%
Mid Cap	5%	2.5%-10%
Small Cap	5%	2.5%-10%
REIT	5%	2.5%-10%
International	15%	10%-20%
Multi Cap	5%	2.5%-10%
Global Allocation	5%	2.5%-10%

Discount Rate. The discount rate used to measure the total pension liability was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that contributions from employer will be made at contractually required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

NOTE 9 – DEFINED BENEFIT PENSION PLANS (continued)

A. Primary Government (continued)

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at December 31, 2018	$ 5,731,997	$ 4,155,196	$ 1,576,801
Changes for the year:			
Service cost	151,891	-	151,891
Interest	395,655	-	395,655
Liability experience (gain) / loss	187,864	-	187,864
Assumption Change	301,249	-	301,249
Plan change	-	-	-
Employer Contributions	-	384,092	(384,092)
Employee Contributions	-	-	-
Net investment income	-	871,374	(871,374)
Benefit payments	(159,580)	(159,580)	-
Service Credit Transfer	-	-	-
Asset Transfer	-	-	-
Administrative expense	-	(40,053)	40,053
Other charges *	-	(31,401)	31,401
Net changes	877,079	1,024,432	(147,353)
Balances at December 31, 2019	$ 6,609,076	$ 5,179,628	$ 1,429,448

* Other Changes include Post-Retirement Death Benefit Expense of $9,770 and Investment Expense of $21,631.

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

Sensitivity of the Net Pension Liability to Changes in the Discount Rate. The following presents the net pension liability of the County, calculated using the discount rate of 7.0 percent, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0 percent) or 1-percentage-point higher (8.0 percent) than the current rate.

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
County's net pension liability	$ 2,414,156	$ 1,429,448	$ 622,629

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of December 31, 2019 and the current sharing pattern of costs between employer and employee.

Pension Expense and Deferred Outflows and Inflows of Resources Related to Pensions
For the year ended June 30, 2020, the County recognized pension expense of $(468,019). At June 30, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to the plan from the following sources:

NOTE 9 – DEFINED BENEFIT PENSION PLANS (continued)

A. Primary Government (continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between projected and actual earnings on pension plan investments	$ 301,686	$ (562,878)
Difference between projected and actual pension liability	220,560	(25,649)
Pension assumption changes	342,162	(7,076.00)
	$ 864,408	$ (595,603)

Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30:	
2021	$ 120,363
2022	98,587
2023	118,632
2024	(68,777)
	$ 268,805

B. Discretely Presented Component Unit – Department of Public Health

Retirement Plan – The employees of the Health Department participate in the Georgia State Employees Retirement System, a multi-employer, defined contribution plan. The Plan is administered by the State of Georgia, and accumulated benefits and Plan assets are not determined or allocated to the individual participating governmental entities. The Georgia State Employees Retirement System requires ten years of continuous service to become fully vested. The total retirement contributions to the Georgia State Employees Retirement System for the year ended June 30, 2020, were $83,105 based on qualifying salaries of $350,655. Ten year historical trend information and relevant actuarial information may be obtained from the Employees Retirement System of Georgia.

NOTE 10. OTHER RETIREMENT PLANS

The County participates in the Association of County Commissioners of Georgia 401(a) Defined Contribution Plan (the Plan) which is administered by GEBCorp. The Plan provides retirement benefits to plan participants and beneficiaries. Plan provisions and contribution requirements are established and may be amended by the County. Employees are not required to contribute to the Plan.

The County contributes an amount equal to 50% of the amount contributed by participants to the County's deferred compensation plan (457(b)), with a maximum match from the County of 3% of the participant's annual compensation. In addition to the County employee's matching pension plan, a Resolution was adopted in November, 2011, to also have a separate Defined Contribution Program for Senior Management. This plan is exclusively for the County Administrator position and the matching rate is 7-1/2%. The resolution excludes Senior Management from participation in the Defined Benefit Plan. The County's contribution for each employee is 100% vested after five (5) years of continuous service. For the year ended June 30, 2020, the County's contribution to the plan was $93,720. The amount contributed by employees was $229,334.

In addition to the above plans, various county employees and elected officials are covered under the following plans: Georgia Firefighters' Pension fund, Georgia State Employees' Retirement System (ERS), Magistrates' Retirement Fund of Georgia, Peace Officers' Annuity and Benefit Fund of Georgia, Probate Judges' Retirement Fund of Georgia, Sheriffs' Retirement Fund of Georgia, and Superior Court Clerks' Retirement Fund of Georgia. Further information regarding these plans can be obtained from the plans' annual reports.

NOTE 11. OTHER POST-EMPLOYMENT BENEFITS

A. Discretely Presented Component Unit – Department of Public Health

Eligible employees of the Sumter County Health Department are provided OPEB through the State of Georgia OPEB Fund, a cost-sharing multiple employer defined benefit post-employment healthcare plan and life insurance through the SEAD-OPEB Fund, a cost-sharing multiple-employer defined benefit other post-employment benefit plan. During the current fiscal year, the department contributed $63,023. At the end of the current fiscal year, the Department reported a net liability in the amount of $155,909 for its proportionate share (0.012560% for the State of Georgia OPEB Fund and 0.018066% for the SEAD-OPEB Fund) of the net OPEB liability. The Department recognized OPEB expense of $(83,739) and SEAD-OPEB expense $(52), for the current fiscal year.

Further information regarding the plans can be obtained from Department's annual audit report by contacting the Sumter County Health Department, 1601 N. Martin Luther King, Jr Blvd. Suite 100, Americus, Georgia 31719.

NOTE 12. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. To cover these risks, the County participates in the Association of County Commissioners of Georgia - Interlocal Risk Management Agency (ACCG-IRMA), and the Association of County Commissioners of Georgia Group Self-Insurance Workers' Compensation Fund (ACCG-GSIWCF), public entity risk pools currently operating as common risk management and insurance programs for member local governments.

NOTE 12. RISK MANAGEMENT (CONTINUED)

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

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

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

NOTE 13. COMMITMENTS AND CONTINGENCIES

Litigation:

The County is involved in several pending lawsuits. Four cases involve appeal of tax assessments. Legal counsel believes that the Board of Assessors has a good chance of defeating the taxpayer's appeal. However, if the Superior Court agrees with the taxpayer and reduces the value of the properties by a significant sum, the Board of Assessors could be responsible for the taxpayers' attorneys' fees which could be in the range of $10,000 to $20,000 in each case.

Grant Contingencies:

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

NOTE 14. JOINT VENTURES

A joint venture is a legal entity or other organization that results from a contractual arrangement and that is owned, operated, or governed by two or more participants as a separate and specific activity subject to joint control, in which the participants retain (a) an ongoing financial interest or (b) an ongoing financial responsibility. Sumter County is a member of the following:

NOTE 14. JOINT VENTURES (continued)

River Valley Regional Commission

Under Georgia law, the County, in conjunction with other cities and counties in the 16-county west central Georgia area, is a member of the River Valley Regional Commission and is required to pay annual dues thereto. During the year ended June 30, 2020, the County paid $12,938 in such dues. Membership in the River Valley Regional Commission is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of regional commissions in Georgia. The Regional Commission Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments

Americus/Sumter County Airport Authority

The Americus/Sumter County Airport Authority (the "Airport Authority") is comprised of five board members; two appointed by the County, two appointed by the City, and one joint appointment. The County allocated to the Airport Authority $35,716 during the year to assist with general operating expenses. The County governing body does not approve the budget nor does it have any oversight of the day to day operations of the Airport Authority. The Airport Authority was established to buy, sell, and own property. Separate financial statements may be obtained from: Americus/Sumter County Airport Authority, 223 Southerfield Road, Americus, GA 31719.

Middle Flint Regional E-911 Authority

The Middle Flint Regional E-911 Authority (the "E-911 Authority") is comprised of nine board members; two appointed by the Sumter County and the remaining seven appointed by the other representative counties. The County allocated to the E-911 Authority $161,562 during the year to assist with general operating expenses. The County governing body does not approve the budget nor does it have any oversight of the day to day operations of the E-911 Authority. The E-911 Authority was established to provide emergency communications services to Dooly, Macon, Marion, Schley, Sumter, Talbot, Taylor and Webster counties. Separate financial statements may be obtained from: Middle Flint Regional E-911 Authority, 222 Hayes Avenue, Ellaville, GA 31806.

NOTE 15. RELATED ORGANIZATIONS

The County's officials are also responsible for appointing the members to the following boards of other organizations, but the County's accountability for these organizations does not extend beyond making the appointments: The Americus Sumter County Payroll Development Authority, The Americus-Sumter County Hospital Authority, the Americus-Sumter County Land Bank Authority, the Americus-Sumter County Airport Authority, the Sumter County Development Authority, the Schley-Sumter-Macon-Webster Joint Development Authority, and the Crisp-Sumter Joint Development Authority.

NOTE 16. SUBSEQUENT EVENTS

On October 27, 2020, the U. S. Court of Appeals for the Eleventh Circuit ruled in favor of the plaintiff in the case of *Wright v. Sumter County Board of Elections and Registration*. The plaintiff contended that the Sumter County Board of Election's at-large districts violated Section 2 of the Voting Rights Act. Sumter County did not appeal the Appeals Court's decision and paid the judgement for the plaintiff's attorneys fees in the amount of $926,930 which was accrued as a liability at June 30, 2020.

REQUIRED SUPPLEMENTARY INFORMATION

SUMTER COUNTY, GEORGIA

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

	2020	2019	2018	2017	2016	2015
Total pension liability						
Service cost	$ 151,891	$ 164,079	$ 166,944	$ 168,936	$ 143,690	$ 130,437
Interest on total pension liability	401,240	384,978	357,215	312,756	273,818	247,613
Changes in assumptions	301,249	(11,956)	14,077	173,298	148,150	-
Benefit payments, including refunds of employee contributions	(165,165)	(120,874)	(103,112)	(84,983)	(69,278)	-
Liability experience gain / (loss)	187,864	5,728	(52,184)	144,522	65,293	(57,323)
Change in total pension liability	877,079	421,955	382,940	714,529	561,673	320,727
Total pension liability - beginning	5,731,997	5,310,042	4,927,102	4,212,573	3,650,900	3,330,173
Total pension liability - ending (a)	$ 6,609,076	$ 5,731,997	$ 5,310,042	$ 4,927,102	$ 4,212,573	$ 3,650,900
Plan fiduciary net position						
Contributions - employer	384,092	436,292	824,623	369,234	282,600	264,235
Net investment income	871,374	(184,931)	527,471	180,333	22,605	153,633
Benefit payments, including refunds of employee contributions	(159,580)	(116,646)	(99,505)	(84,983)	(66,774)	(57,323)
Administrative expenses	(40,053)	(29,743)	(26,933)	(31,130)	(26,186)	(25,307)
Other	(31,401)	(43,292)	(35,930)	(34,172)	(33,990)	(30,268)
Net change in plan fiduciary net position	1,024,432	61,680	1,189,726	399,282	178,255	304,970
Plan fiduciary net position - beginning	4,155,196	4,093,516	2,903,790	2,504,508	2,326,253	2,021,283
Plan fiduciary net position - ending (b)	$ 5,179,628	$ 4,155,196	$ 4,093,516	$ 2,903,790	$ 2,504,508	$ 2,326,253
County's net pension liability - ending (a) - (b)	$ 1,429,448	$ 1,576,801	$ 1,216,526	$ 2,023,312	$ 1,708,065	$ 1,324,647
Plan fiduciary net position as a percentage of the total pension liability	78.37%	72.49%	77.09%	58.94%	59.45%	63.72%
Covered compensation for active employees	$ 5,110,179	$ 5,254,798	$ 5,054,815	$ 5,210,063	$ 4,851,580	$ 4,734,902
County's net pension liability as a percentage of covered-employee payroll	27.97%	30.01%	24.07%	38.83%	35.21%	27.98%

Notes to the Schedule
The schedule will present 10 years of information once it is accumulated.

SUMTER COUNTY, GEORGIA

SCHEDULE OF COUNTY CONTRIBUTIONS

Valuation Date	1/1/2019	1/1/2018	1/1/2017	1/1/2016	1/1/2015		
Measurement Date	12/31/2019	12/31/2018	12/31/2017	12/31/2016	12/31/2015		
Plan Year	2019	2018	2017	2016	2015		
FYE	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	$ 365,380	$ 350,393	$ 369,621	$ 369,234	$ 282,600	$ 264,235	$ 258,635
Contributions in relation to the actuarially determined contribution	384,092	436,292	824,623	369,234	282,600	264,235	258,635
Contribution deficiency / (excess)	$ (18,712)	$ (85,899)	$ (455,002)	$ -	$ -	$ -	$ -
Covered employee payroll	$ 5,110,179	$ 5,254,798	$ 5,054,815	$ 5,210,063	$ 4,851,580	$ 4,734,902	$ 5,127,082
Contributions as a percentage of covered payroll	7.52%	8.30%	16.31%	7.09%	5.82%	5.58%	5.04%

Notes to the Schedule

Valuation Date	January 1, 2019
Actuarial Cost Method	Entry age normal
Actuarial Asset Valuation Method	Smoothed market value with a 5-year smoothing period
Assumed Rate of Return on Investments	7.00%
Projected Salary Increases	3.50% per year with an age based scale
Amortization Method	Closed level dollar for remaining unfunded liability
Remaining Amortization period	14.4 years

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

Special Revenue Funds

Sheriff's Forfeiture Recovery Fund is used to account for confiscated cash seizures by Sumter County law enforcement from drug related crimes. Funds may be used for any public safety purpose except salaries of law enforcement personnel.

Sheriff's Discretionary Fund is used to account for receipts from sales of calendars and other special revenues for the Sheriff's Department.

Victim and Witness Assistance Fund is used to account for the receipt of fine surcharges from the State Court and Superior Court of Sumter County. The Fund also receives surcharges from the other five counties in the Southwestern Judicial Circuit. The District Attorney manages the expenditures.

Law Library Fund is used to account for revenues generated through special filing charges in the County court system which are used to acquire and maintain library materials.

2018 CDBG — Housing Rehabilitation Fund is used to account for the receipt of grant funds for use in the housing rehabilitation project in accordance with grant specifications.

Drug Court Fund is used to account for the receipt of grant funds for use in management and supervisory personnel and expenses for the operation of the Drug Court in the Southwestern Judicial Circuit.

Drug Abuse Treatment and Education Fund is used to account for collection of additional penalties for certain drug related crimes and for expenditures of those funds solely and exclusively for drug abuse treatment and education programs relating to controlled substances and marijuana. (OCGA 15-21-100).

Correctional Institute Commissary Fund is used to account for proceeds of correctional institute inmate commissary sales.

Jail Commissary Fund is used to account for the proceeds of the jail inmate commissary sales.

Jail Fund is used to account for the receipt of fine surcharges and the expenditure of those fines for jail maintenance and operation in accordance with Georgia Jail Construction and Staffing Act.

Capital Projects Funds

2004 Special Purpose Local Option Sales Tax Fund (SPLOST) accounts for the revenues and expenditures relating to the 2004 1% Special Purpose Local Option Sales Tax.

Road Department Fund is used to account for the collection of special revenues including the Local Maintenance and Improvement Grant Program (LMIG) and the construction of road projects.

The **Capital Improvements Fund** is used to account for the acquisition or construction of capital facilities.

SUMTER COUNTY, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2020

	Special Revenue										Capital Projects			
	Sheriffs Forfeiture Recovery	Sheriff's Discretionary Fund	Victim and Witness Assistance	Law Library	2018 CDBG Housing Rehabilitation	Drug Court Fund	Drug Abuse Treatment and Education	Correctional Institute Commissary	Jail Commissary	Jail Fund	2004 SPLOST	Road Department Fund	Capital Improvement Fund	Total
ASSETS														
Cash and cash equivalents	$ 78,114	$ 8,092	$ 8,602	$ 18,078	$ 1,888	$ 92	$ 100,932	$ 173,457	$ 85,786	$ 421,380	$ -	$ 764,471	$ 293,259	$ 1,954,151
Due from other funds	-	-	-	-	-	-	-	-	-	-	-	-	12,850	12,850
Due from other governments	-	-	100,180	-		15,803	47	90,279	16,030	240	-	-	-	222,579
Total assets	$ 78,114	$ 8,092	$ 108,782	$ 18,078	$ 1,888	$ 15,895	$ 100,979	$ 263,736	$ 101,816	$ 421,620	$ -	$ 764,471	$ 306,109	$ 2,189,580
LIABILITIES AND FUND BALANCES														
LIABILITIES														
Accounts payable	$ -	$ -	$ 99,849	$ -	$ -	$ 15,803	$ -	$ 25,285	$ 13,829	$ -	$ -	$ -	$ -	$ 154,766
Due to other funds	-	-	-	-	88	-	-	-	-	-	-	-	-	88
Total liabilities	-	-	99,849	-	88	15,803	-	25,285	13,829	-	-	-	-	154,854
FUND BALANCES (DEFICIT)														
Restricted for:														
Judicial	-	-	8,933	18,078	-	92	-	-	-	-	-	-	-	27,103
Public safety	78,114	8,092	-	-	-	-	100,979	-	-	421,620	-	-	-	608,805
Housing and development	-	-	-	-	1,800	-	-	-	-	-	-	-	-	1,800
Capital projects	-	-	-	-	-	-	-	-	-	-	-	764,471	306,109	1,070,580
Committed for:														
Public safety	-	-	-	-	-	-	-	238,451	87,987	-	-	-	-	326,438
Total fund balances (deficit)	78,114	8,092	8,933	18,078	1,800	92	100,979	238,451	87,987	421,620	-	764,471	306,109	2,034,726
Total liabilities and fund balances	$ 78,114	$ 8,092	$ 108,782	$ 18,078	$ 1,888	$ 15,895	$ 100,979	$ 263,736	$ 101,816	$ 421,620	$ -	$ 764,471	$ 306,109	$ 2,189,580

SUMTER COUNTY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	Special Revenue										Capital Projects			
	Sheriffs Forfeiture Recovery	Sheriff's Discretionary Fund	Victim and Witness Assistance	Law Library	2018 CDBG Housing Rehabilitation	Drug Abuse Treatment and Education	Drug Court Fund	Correctional Institute Commissary	Jail Commissary	Jail Fund	2004 SPLOST	Road Department Fund	Capital Improvement Fund	Total
Revenues:														
Intergovernmental	$ -	$ -	$ 385,069	$ -	$ 224,763	$ -	$ 94,547	$ -	$ -	$ -	$ -	$ 703,693	$ -	$ 1,408,072
Fines and forfeitures	-	-	18,770	10,394	-	16,301	-	-	-	63,176	-	-	-	108,641
Interest income	101	9	28	10	-	125	-	116	88	441	48	783	366	2,115
Other revenues	9,822	7,163	-	-	-	-	-	417,930	166,142	-	-	-	-	601,057
Total revenues	$ 9,923	$ 7,172	$ 403,867	$ 10,404	$ 224,763	$ 16,426	$ 94,547	$ 418,046	$ 166,230	$ 63,617	$ 48	$ 704,476	$ 366	$ 2,119,885
Expenditures:														
Current:														
Judicial	-	-	400,612	627	-	-	94,547	-	-	-	-	-	-	495,786
Public safety	15,216	4,534	-	-	-	19,820	-	381,770	144,247	80	-	-	-	565,667
Housing and development	-	-	-	-	222,963	-	-	-	-	-	-	-	-	222,963
Capital outlay														
General Government	-	-	-	-	-	-	-	-	-	-	-	-	8,298	8,298
Public safety	6,708	-	-	-	-	-	-	-	-	-	-	-	379	7,087
Public works	-	-	-	-	-	-	-	-	-	-	-	689,265	-	689,265
Culture & Recreation	-	-	-	-	-	-	-	-	-	-	-	-	1,340	1,340
Housing and development	-	-	-	-	-	-	-	-	-	-	-	-	1,103	1,103
Total expenditures	21,924	4,534	400,612	627	222,963	19,820	94,547	381,770	144,247	80	-	689,265	11,120	1,991,509
Excess (deficiency) of revenues over (under) expenditures	(12,001)	2,638	3,255	9,777	1,800	(3,394)	-	36,276	21,983	63,537	48	15,211	(10,754)	128,376
Other financing sources (uses):														
Transfers in / (out)	-	-	-	-	-	-	-	-	-	-	(32,224)	-	32,224	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	(32,224)	-	32,224	-
Net change in fund balances	(12,001)	2,638	3,255	9,777	1,800	(3,394)	-	36,276	21,983	63,537	(32,176)	15,211	21,470	128,376
Fund balances, beginning of year	90,115	5,454	5,678	8,301	-	104,373	92	202,175	66,004	358,083	32,176	749,260	284,639	1,906,350
Fund balances (deficit), end of year	$ 78,114	$ 8,092	$ 8,933	$ 18,078	$ 1,800	$ 100,979	$ 92	$ 238,451	$ 87,987	$ 421,620	$ -	$ 764,471	$ 306,109	$ 2,034,726

SUMTER COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL
OPTION SALES TAX PROCEEDS
2004 SPLOST
FOR THE YEAR ENDED JUNE 30, 2020

Project	Estimated Cost		Expenditures		
	Original	Current	Prior Years	Current Year	Total
Recreation facilities and equipment	$ 1,989,826	$ 1,975,991	$ 1,974,756	$ -	$ 1,974,756
Public safety equipment, vehicles, and facilities	2,018,352	1,152,266	1,007,270	-	1,007,270
Water and drainage infrastructure improvements	345,000	220,000	198,465	-	198,465
Construction of county courthouse and administrative buildings	13,500,000	16,085,890	15,896,101	32,224	15,928,325
Library facilities and resources	174,333	174,333	174,332	-	174,332
Agricultural related administrative facilities	1,412,638	1,412,638	1,405,438	-	1,405,438
Cultural facilities and historical preservation	172,225	172,216	170,329	-	170,329
Renovation of senior center	40,000	40,000	37,592	-	37,592
Projects for the following cities:					
Andersonville	300,000	307,423	307,423	-	307,423
Desoto	58,786	58,786	33,908	-	33,908
Leslie	138,840	138,840	138,840	-	138,840
Plains	100,000	73,437	73,438	-	73,438
Road, street, and bridge improvements	1,750,000	188,180	109,524	-	109,524
	$ 22,000,000	$ 22,000,000	$ 21,527,416	$ 32,224	$ 21,559,640

The $32,224 expenditure was shown as a transfer to Capital Projects Funds to pay for Courthouse landscaping. The 2004 SPLOST Fund was completed and closed.

SUMTER COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL
OPTION SALES TAX PROCEEDS
2007 SPLOST
FOR THE YEAR ENDED JUNE 30, 2020

Project	Estimated Cost		Expenditures		
	Original	Current	Prior Years	Current Year	Total
Humane Society facilities and equipment	$ 300,000	$ 300,766	$ 297,396	$ -	$ 297,396
Recreation facilities	1,530,000	1,530,000	1,611,388	-	1,611,388
Judicial complex facility improvements	1,000,000	1,003,916	1,003,774	-	1,003,774
Vehicle replacement plan	750,000	750,000	778,160	-	778,160
Fire service equipment and facilities	250,000	250,000	1,120,883	-	1,120,883
Public works heavy equipment	450,000	485,432	432,284	-	432,284
Public works infrastructure	6,000,000	4,959,886	2,583,110	141,478	2,724,588
Georgia State Patrol facility	1,900,000	1,900,000	1,566,491	-	1,566,491
Human Services Center	2,000,000	3,000,000	3,000,000	-	3,000,000
Jail/correctional institute renovation	2,000,000	2,000,000	1,897,142		1,897,142
Library facilities and resources	250,000	250,000	101,235	132,135	233,370
Library drainage remediation	100,000	100,000	4,307	79,028	83,335
Hospital construction	3,000,000	3,000,000	2,122,878	-	2,122,878
Projects for the following cities:					
Americus	4,307,288	4,307,288	4,126,706	180,582	4,307,288
Andersonville	359,000	359,000	342,598	-	342,598
Desoto	310,000	310,000	311,529	-	311,529
Leslie	551,000	551,000	479,997	71,002	550,999
Plains	342,712	342,712	371,494	-	371,494
Interest and project management	-	-	1,413,536	-	1,413,536
	$ 25,400,000	$ 25,400,000	$ 23,564,908	$ 604,225	$ 24,169,133

SUMTER COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL
OPTION SALES TAX PROCEEDS
2014 SPLOST
FOR THE YEAR ENDED JUNE 30, 2020

Project	Estimated Cost		Expenditures		
	Original	Current	Prior Years	Current Year	Total
Roads, streets, bridges, infrastructure	$ 4,000,000	$ 4,000,000	$ 3,475,336	$ 21,213	$ 3,496,549
Repair & paving of county roads in Americus	81,217	81,217	-	81,217	81,217
Human Services Center debt payoff	3,496,312	3,496,312	3,496,313	-	3,496,313
Vehicle replacement plan	2,500,000	2,500,000	1,729,243	316,587	2,045,830
Parks & Recreation renovation & construction	1,075,000	1,075,000	614,764	74,995	689,759
Economic development infrastructure	500,000	500,000	328,168	-	328,168
Technology servers & computers	350,000	350,000	319,133	13,447	332,580
Emergency Operation Center	350,000	350,000	37,896	44,978	82,874
Security & communications equipment	300,000	300,000	-	224,866	224,866
Projects for the following cities:					
Americus	9,650,697	9,650,697	7,489,650	848,295	8,337,945
Andersonville	144,000	144,000	104,077	25,497	129,574
Desoto	127,000	127,000	90,860	22,260	113,120
Leslie	146,000	146,000	109,323	29,888	139,211
Plains	279,774	279,774	197,954	45,390	243,344
Interest and project management	-	-	1,998,372	176,585	2,174,957
	$ 23,000,000	$ 23,000,000	$ 19,991,089	$ 1,925,218	$ 21,916,307
	Repayment of principal on debt. Proceeds included in projects above.			2,235,000	
	Total 2014 SPLOST Fund expenditures			$ 4,160,218	

SUMTER COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL
OPTION SALES TAX PROCEEDS
2021 SPLOST
FOR THE YEAR ENDED JUNE 30, 2020

Project	Estimated Cost		Expenditures		
	Original	Current	Prior Years	Current Year	Total
Roads, streets, bridges, infrastructure	$ 3,820,000	$ 3,820,000	$ -	$ -	$ -
Fire & Rescue Headquarters Station & Equipment	2,400,000	2,400,000	-	-	-
Renovations & Improvements to and Equipment and Infrastructure for County Buildings	1,080,000	1,080,000	-	-	-
Vehicle replacement plan	1,440,000	1,440,000	-	-	-
Parks & Recreation Facilities, Equipment and Projects	956,100	956,100	-	-	-
Economic Development Projects, Equipment and Infrastructure	200,000	200,000	-	-	-
Renovations & Improvements to the Humane Society Facility	100,000	100,000	-	-	-
Renovations & Improvements to the Lake Blackshear Regional Library Facility	50,000	50,000	-	-	-
Communications Equipment and Infrastructure	1,250,000	1,250,000	-	-	-
Projects for the following cities:					
Americus	9,021,400	9,021,400	-	3,919,130	3,919,130
Andersonville	215,000	215,000	-		-
Desoto	215,000	215,000	-		-
Leslie	322,500	322,500	-		-
Plains	430,000	430,000	-		-
Interest and project management	-	-	-	232,200	232,200
	$ 21,500,000	$ 21,500,000	$ -	$ 4,151,330	$ 4,151,330
	Repayment of principal on debt. Proceeds included in projects above.			-	
	Total 2021 SPLOST Fund expenditures			$ 4,151,330	

SUMTER COUNTY,GEORGIA

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
18h-y-129-1-6028
PROJECT COST SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2020

Program Activity	Activity Number	Revised Budget	Expenditures		
			Prior Years	Current Year	Total
Acquisition of Property (Public)	H-001-01	$ 6,000	$ -	$ 2,000	$ 2,000
Clearance	H-004-00	14,000	-	3,900	3,900
Rehabilitation of Private Properties	H-14A-01	381,346	56,103	102,108	158,211
Reconstruction of Private Properties	H-14A-02	269,973	600	100,305	100,905
Contimgencies - unprogramed Funds	C-022-00	26,181	-	-	-
Administration	A-21A-00	52,500	5,600	14,650	20,250
		$ 750,000	62,303	222,963	285,266

AGENCY FUNDS

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

The following agency funds are used to account for fines, fees and other moneys collected by the courts and remitted to other parties in accordance with court orders and state law:

Clerk of Courts
Probate Court
Magistrate Court

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

Jail Inmate Fund - This fund accounts for jail inmate funds while in custody, and for the purchase of items from the Jail Commissary and related activities on behalf of inmates and the jail.

Correctional Institute Inmate Fund - This fund is used to account for inmate funds held while in custody, and for purchase of items from the Correctional Institute Commissary and related activities on behalf of the inmates.

ADR SWJC Fund - This fund is used to account for the receipt of special fees collected by the County courts and the transfer of those funds to the Southwestern Judicial Circuit. The Circuit Chief Judge manages disbursements of this fund.

Juvenile Court SWJC Fund - This fund is used to account for the receipt of the appropriations for the Juvenile Court made by the counties belonging to the Southwestern Judicial Circuit and the disbursement of those funds for the purposes of the Circuit Juvenile Court. The Circuit Juvenile Court Judge manages disbursements of this fund.

Public Defender SWJC Fund - This fund is used to account for the receipt of the appropriations for the Public Defender's Office made by the counties belonging to the Southwestern Judicial Circuit and the disbursement of those funds for the purposes of the Circuit Public Defender. The Circuit Public Defender manages disbursements of this fund.

SUMTER COUNTY, GEORGIA

COMBINING BALANCE SHEET
AGENCY FUNDS
JUNE 30, 2020

ASSETS	Tax Commissioner	Clerk of Courts	Probate Court	Magistrate Court	Sheriff	Jail Inmate Fund	Correctional Institute Inmate Fund	ADR SWJC Fund	Juvenile Court SWJC Fund	Public Defender SWJC Fund	Total
Cash	$ 442,118	$ 321,457	$ 7,403	$ 200	$ 216,461	$ 52,194	$ 113,290	$ 171,384	$ 77,435	$ 76,279	$ 1,478,221
Due from other governments	-	-	-	-	-	-	-	2,030	18,068	34,818	54,916
Tax receivable(net)	2,282,325	-	-	-	-	-	-	-	-	-	2,282,325
Total assets	$ 2,724,443	$ 321,457	$ 7,403	$ 200	$ 216,461	$ 52,194	$ 113,290	$ 173,414	$ 95,503	$ 111,097	$ 3,815,462
LIABILITIES											
Due to county	$ -	$ -	$ 6,779	$ 200	$ 409	$ -	$ 785	$ -	$ 75,982	$ 62,211	$ 146,366
Due to others	442,118	321,457	624	-	216,052	52,194	112,505	173,414	19,521	48,886	1,386,771
Uncollected taxes	2,282,325	-	-	-	-	-	-	-	-	-	2,282,325
Total liabilities	$ 2,724,443	$ 321,457	$ 7,403	$ 200	$ 216,461	$ 52,194	$ 113,290	$ 173,414	$ 95,503	$ 111,097	$ 3,815,462

ASSETS	Tax Commissioner	Clerk of Courts	Probate Court	Magistrate Court	Sheriff	Jail Inmate Fund	Correctional Institute Inmate Fund	ADR SWJC Fund	Juvenile Court SWJC Fund	Public Defender SWJC Fund	Total
Cash											
Balance July 1, 2019	$ 627,854	$ 288,311	$ 5,079	$ 200	$ 120,229	$ 37,359	$ 198,193	$ 157,211	$ 57,512	$ 27,666	$ 1,519,614
Additions	29,922,335	806,816	58,316	298,193	510,987	226,233	440,054	27,158	303,822	675,955	33,269,869
Deductions	(30,108,071)	(773,670)	(55,992)	(298,193)	(414,755)	(211,398)	(524,957)	(12,985)	(283,899)	(627,342)	(33,311,262)
Balance June 30, 2020	442,118	321,457	7,403	200	216,461	52,194	113,290	171,384	77,435	76,279	1,478,221
Due from other governments											
Balance July 1, 2019	-	-	-	-	-	-	-	5,029	7,924	157,947	170,900
Additions	-	-	-	-	-	-	-	2,030	18,068	34,818	54,916
Deductions	-	-	-	-	-	-	-	(5,029)	(7,924)	(157,947)	(170,900)
Balance June 30, 2020	-	-	-	-	-	-	-	2,030	18,068	34,818	54,916
Tax receivable(net)											
Balance July 1, 2019	2,543,946	-	-	-	-	-	-	-	-	-	2,543,946
Additions	20,684,428	-	-	-	-	-	-	-	-	-	20,684,428
Deductions	(20,946,049)	-	-	-	-	-	-	-	-	-	(20,946,049)
Balance June 30, 2020	2,282,325	-	-	-	-	-	-	-	-	-	2,282,325
Total assets											
Balance July 1, 2019	3,171,800	288,311	5,079	200	120,229	37,359	198,193	162,240	65,436	185,613	4,234,460
Additions	50,606,763	806,816	58,316	298,193	510,987	226,233	440,054	29,188	321,890	710,773	54,009,213
Deductions	(51,054,120)	(773,670)	(55,992)	(298,193)	(414,755)	(211,398)	(524,957)	(18,014)	(291,823)	(785,289)	(54,428,211)
TOTAL ASSETS	$ 2,724,443	$ 321,457	$ 7,403	$ 200	$ 216,461	$ 52,194	$ 113,290	$ 173,414	$ 95,503	$ 111,097	$ 3,815,462
LIABILITIES											
Due to county											
Balance July 1, 2019	$ -	$ -	$ 4,429	$ 200	$ 1,968	$ -	$ 352	$ -	$ -	$ 169,930	$ 176,879
Additions	13,329,852	255,591	53,802	119,402	150,799	-	785	-	75,982	61,910	14,048,123
Deductions	(13,329,852)	(255,591)	(51,452)	(119,402)	(152,358)	-	(352)	-	-	(169,629)	(14,078,636)
Balance June 30, 2020	-	-	6,779	200	409	-	785	-	75,982	62,211	146,366
Amounts held for others											
Balance July 1, 2019	627,854	288,311	650	-	118,261	37,359	197,841	162,240	$ 65,436	-	1,497,952
Additions	16,592,483	551,225	6,797	35,541	360,188	226,233	439,269	29,188	19,521	48,886	18,309,331
Deductions	(16,778,219)	(518,079)	(6,823)	(35,541)	(262,397)	(211,398)	(524,605)	(18,014)	(65,436)	-	(18,420,512)
Balance June 30, 2020	442,118	321,457	624	-	216,052	52,194	112,505	173,414	19,521	48,886	1,386,771
Uncollected taxes											
Balance July 1, 2019	2,543,946	-	-	-	-	-	-	-	-	-	2,543,946
Additions	20,684,428	-	-	-	-	-	-	-	-	-	20,684,428
Deductions	(20,946,049)	-	-	-	-	-	-	-	-	-	(20,946,049)
Balance June 30, 2020	2,282,325	-	-	-	-	-	-	-	-	-	2,282,325
Total liabilities											
Balance July 1, 2019	3,171,800	288,311	5,079	200	120,229	37,359	198,193	162,240	65,436	169,930	4,218,777
Additions	50,606,763	806,816	60,599	154,943	510,987	226,233	440,054	29,188	95,503	110,796	53,041,882
Deductions	(51,054,120)	(773,670)	(58,275)	(154,943)	(414,755)	(211,398)	(524,957)	(18,014)	(65,436)	(169,629)	(53,445,197)
TOTAL LIABILITIES	$ 2,724,443	$ 321,457	$ 7,403	$ 200	$ 216,461	$ 52,194	$ 113,290	$ 173,414	$ 95,503	$ 111,097	$ 3,815,462

COMPLIANCE SECTION

CHAMBLISS, SHEPPARD, ROLAND
& ASSOCIATES, LLP

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

Board of Commissioners of Sumter County, Georgia
Americus, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Sumter County, Georgia, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Sumter County, Georgia's basic financial statements and have issued our report thereon dated March 30, 2021. Other auditors audited the financial statements of the Sumter County Department of Public Health as described in our report on the County'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 Sumter 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 Sumter County, Georgia's internal control. Accordingly, we do not express an opinion on the effectiveness of Sumter County, Georgia's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies. [2020-001, 2020-002, 2020-003, 2020-004]

Compliance and Other Matters

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

Sumter County, Georgia's Response to Findings

Sumter County, Georgia's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Sumter 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.

Chambless Hyppard Rola & Associates LLP

Americus, Georgia
March 30, 2021

SUMTER COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND RESPONSES
For the Year Ended June 30, 2020

Section I—Summary of Auditor's Results:

Financial Statements

Type of auditor's report issued — *unmodified*

Internal control over financial reporting:

- Material weakness(es) identified? — __yes _X_no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? — _X_ yes ___none reported

Noncompliance material to financial statements noted? — ___yes _X_no

Federal Awards

There was not an audit of major federal programs for the fiscal year ended June 30, 2020, due to the total amount of federal awards expended during the being less than $750,000.

SUMTER COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2020

Section II—Financial Statement Findings:

2020 - 001. Segregation of Duties

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

Condition: Appropriate segregation of duties does not exist between recording, distribution, reconciliation of cash accounts and other operational functions in various areas of County operations. This is especially prominent in the offices of the Sheriff, Jail, and Probate Court.

Cause: The failure to properly segregate duties is due to the limited number of individuals available in these offices to perform each of the duties.

Effect: Failure to properly segregate duties among recording, distribution, and reconciliation of accounts can lead to misappropriation of funds that is not detected during the normal course of business.

Recommendation: The duties of recording, distribution, approving, writing and signing of checks, and reconciliation of accounts should be segregated among employees.

Views of Responsible Officials and Planned Corrective Action: We concur with the finding. We have considered the benefit of adding additional staff for this purpose, and we conclude that the costs would outweigh the benefit. The offices listed continue to review their respective systems and accounting in their offices. The County Finance Director will continue to provide oversight and technical advice.

2020 - 002. Accounting System in Tax Commissioner's Office

Criteria: Accounting system should be functioning to insure that all monies received are promptly disbursed. The system should produce accurate reports of unpaid taxes. Monies held at the end of any accounting period should be reasonably explained.

Condition: Monies were not promptly accounted for and disbursed for the months of March, April, May, and June, 2015. Unpaid property tax was not documented at conversion and year end reports for audit were delayed.

Cause: The Tax Commissioner implemented new accounting software on March 1, 2015. Conversion was not adequately monitored and staff training was insufficient so that monies on hand at month end were not reconciled to actual bank balances.

Effect: Property tax was not accurately and completely disbursed for the year ended June 30, 2015. As of June 30, 2020, $28,601 remained on hand unaccounted for in the property tax account.

Recommendation: The Tax Commissioner should require the software provider to adequately train the accounting staff including developing procedures to insure that the Tax Commissioner's books and records are complete and accurate and that tax receipts are promptly disbursed.

Views of Responsible Officials and Planned Corrective Action: We concur with the finding, The Tax Commissioner and staff have received additional training and are working to get the books balanced and reconciled so that the funds can be accurately and promptly disbursed.

Section II—Financial Statement Findings (continued):

2020 - 003. Capital Assets and Depreciation

Criteria: County should maintain a schedule of capital assets and record depreciation as appropriate.

Condition: Schedule of capital assets and depreciation is incomplete.

Cause: Ineffective or lack of oversight by management.

Effect: Capital asset acquisitions for the year were not added and assets disposed of were not removed from the schedule. Depreciation on those assets had not been calculated.

Recommendation: County management should review the schedule of capital assets and depreciation for completeness and consistency to insure that the capitalization policies and procedures are followed. Consider assigning the duty of maintaining the capital asset inventory to the designated county purchasing agent.

Views of Responsible Officials and Planned Corrective Action: We concur with the finding. We are creating a separate schedule for the additions and disposals of fixed assets that will supplement our system. We will review the schedule of assets and depreciation at least annually for completeness and accuracy.

2020 - 004. Clerk of Courts funds were delayed being paid out and bank statements were not reconciled in a timely fashion.

Criteria: Funds held by the Clerk of Courts should be balanced and reconciled to detailed records and disbursed at the beginning of each month.

Condition: Checking accounts are not being reconciled in a timely manner, and funds are not being disbursed to the appropriate agencies and governments in a timely fashion.

Cause: Ineffective or lack of oversight by management.

Effect: Errors and fraudulent activity could occur in the Clerk of Court's managed cash accounts without being detected in a timely manner by management. Collections for April, May and June 2020, were not promptly disbursed. Bank reconciliations were not completed until December 2020, causing a delay in the completion of the audit.

Views of Responsible Officials and Planned Corrective Action: We concur with the finding. The County Administrator and Finance Director will continue to encourage the clerk of courts to resolve these issues and to validate the accuracy of the underlying documentation.

SUMTER COUNTY, GEORGIA

SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2020

Status of Prior Year Audit Findings

2019 - 001. Segregation of Duties

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

Condition: Appropriate segregation of duties is insufficient among recording, distribution, reconciliation of cash accounts and other operational functions in various areas of County operations. This is especially prominent in the offices of the Sheriff, Jail, Clerk of Court, and Probate Court.

Auditee Response/Status: Unresolved. This is included in current finding number 2020-001.

2019 - 002. Accounting System in Tax Commissioner's Office

Criteria: Accounting system should be functioning to insure that all monies received are promptly disbursed. The system should produce accurate reports of unpaid taxes. Monies held at the end of any accounting period should be reasonably explained.

Condition: Monies were not promptly accounted for and disbursed for the months of March, April, May and June, 2015 due to difficulties encountered in computer software conversion. Unpaid property tax was not documented at conversion and year end reports for audit were delayed.

Auditee Response/Status: Unresolved. The Tax Commissioner continues to research the system in cooperation with the software vendor. This is included in current finding number 2020-002.

2019 - 003. Capital Assets and Depreciation

Criteria: County should maintain a schedule of capital assets and record depreciation as appropriate.

Condition: Schedule of capital assets and depreciation is incomplete.

Auditee Response/Status: Unresolved. This is included in current finding number 2020-003.

2019 - 004. Clerk of Courts funds were delayed being paid out and bank statements were not reconciled in a timely fashion.

Criteria: Funds held by the Clerk of Courts should be balanced and reconciled to detailed records and disbursed at the beginning of each month.

Condition: Checking accounts are not being reconciled in a timely manner, and funds are not being disbursed to the appropriate agencies and governments in a timely fashion.

Auditee Response/Status: Unresolved. This is included in current finding number 2020-004.