TALIAFERRO COUNTY, GEORGIA



ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

JUNE 30, 2021

TALIAFERRO COUNTY, GEORGIA

FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED
JUNE 30, 2021 AND
INDEPENDENT AUDITOR'S REPORT

TALIAFERRO COUNTY, GEORGIA

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TALIAFERRO COUNTY, GEORGIA

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MCNAIR MCLEMORE MIDDLEBROOKS & CO
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November 11, 2022

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Taliaferro County, Georgia

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of **Taliaferro County, Georgia**, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Taliaferro County, Georgia's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Taliaferro County, Georgia, as of June 30, 2021, and the respective changes in financial position and the budgetary comparison information for the General Fund and the TIA Discretionary Projects Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Taliaferro County Board of Health, which represents 22 percent and 96 percent, respectively, of the assets and revenues of the discretely presented component units as of June 30, 2021, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Taliaferro County Board of Health, is based solely on the report of the other auditors.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Taliaferro County, Georgia's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules, schedule of projects constructed with special sales tax proceeds, and the Development Authority of Taliaferro County's financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, budgetary comparison schedules, schedule of projects constructed with special sales tax proceeds, and the Development Authority of Taliaferro County's financial statements 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 November 11, 2022 on our consideration of Taliaferro County, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Taliaferro County, Georgia's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Taliaferro County, Georgia's internal control over financial reporting and compliance.

McNair, McLemore, Middlebrooks & Co., LLC

McNAIR, McLEMORE, MIDDLEBROOKS & CO., LLC

FINANCIAL STATEMENTS

TALIAFERRO COUNTY, GEORGIA
STATEMENT OF NET POSITION
JUNE 30, 2021

	Primary Government	Component Units	
	Governmental Activities	Health Department	Development Authority
Assets			
Cash and Cash Equivalents	$ 4,705,040	$ 230,201	$ 284,071
Receivables, Net of Allowance			
Taxes	121,771	-	-
Accounts	25,644	18,643	-
Due from Other Governments	96,609	-	-
Prepaid Items	89,044	-	-
Nondepreciable Assets	2,119,740	-	878,544
Depreciable Assets, Net	7,872,891	-	-
Proportionate Share of Collective Net			
SEAD-OPEB Asset	-	16,405	-
Total Assets	15,030,739	265,249	1,162,615
Deferred Outflows of Resources			
Deferred Outflows of Resources Related			
To Pensions	-	37,606	-
To OPEBs	-	25,971	-
Total Deferred Outflows of Resources	-	63,577	-

See accompanying notes which are an integral part of these financial statements.

TALIAFERRO COUNTY, GEORGIA
STATEMENT OF NET POSITION
JUNE 30, 2021
(CONTINUED)

	Primary Government	Component Units	
	Governmental Activities	Health Department	Development Authority
Liabilities			
Accounts Payable	$ 73,709	$ -	$ -
Accrued Salaries and Benefits	12,185	-	-
Noncurrent Liabilities			
Due Within One Year			
Compensated Absences	45,963	-	-
Landfill Postclosure Cost	5,038	-	-
Due in More than One Year			
Compensated Absences	-	12,080	-
Landfill Postclosure Cost	419,873	-	-
Net Pension Liability	-	168,430	-
Net OPEB Liability	-	42,878	-
Total Liabilities	556,768	223,388	-
Deferred Inflows of Resources			
Deferred Inflows of Resources Related To OPEBs	-	44,489	-
Total Deferred Inflows of Resources	-	44,489	-
Net Position			
Investment in Capital Assets	9,992,631	-	878,544
Restricted			
Transportation	604,460	-	-
Capital Outlay	577,115	-	-
Drug Awareness	80,308	-	-
Law Enforcement	29,368	-	-
Public Safety	11,823	-	-
Housing and Development	76,914	-	-
Health and Welfare Programs	12,884	75,884	-
Unrestricted (Deficit)	3,088,468	(14,935)	284,071
Total Net Position	$ 14,473,971	$ 60,949	$ 1,162,615

See accompanying notes which are an integral part of these financial statements.

TALIAFERRO COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary Government				
Governmental Activities				
General Government	$ 974,152	$ 527	$ 81,485	$ -
Public Safety	1,505,367	891,904	13,944	-
Public Works	826,199	13,661	-	168
Judicial	327,040	-	-	-
Health and Welfare	275,687	13,645	172,823	-
Culture and Recreation	28,321	-	-	-
Housing and Development	93,067	1,530	73,494	-
Total Governmental Activities	4,029,833	921,267	341,746	168
Total Primary Government	$ 4,029,833	$ 921,267	$ 341,746	$ 168
Component Units				
Health Department	$ 198,250	$ 28,490	$ 228,304	$ -
Development Authority	17,857	-	10,000	-
Total Component Units	$ 216,107	$ 28,490	$ 238,304	$ -
		General Revenues		
		Property Tax		
		Sales Tax		
		Other Tax		
		Interest Revenue		
		Gain on Sale of Assets		
		Miscellaneous		
		Total General Revenues		
		Change in Net Position		
		Net Position - Beginning of Year		
		Net Position - End of Year		

See accompanying notes which are an integral part of these financial statements.

TALIAFERRO COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(CONTINUED)

	Net (Expense) Revenue and Changes in Net Position		
Primary Government	**Component Units**		
Governmental Activities	**Health Department**	**Development Authority**	
$ (892,140)			
(599,519)			
(812,370)			
(327,040)			
(89,219)			
(28,321)			
(18,043)			
(2,766,652)			
(2,766,652)			
	$ 58,544	$ -	
	-	(7,857)	
	58,544	(7,857)	
2,249,524	-	-	
702,558	-	-	
247,212	-	-	
2,498	205	1,044	
15,084	-	-	
86,155	-	200	
3,303,031	205	1,244	
536,379	58,749	(6,613)	
13,937,592	2,200	1,169,228	
$ 14,473,971	$ 60,949	$ 1,162,615	

See accompanying notes which are an integral part of these financial statements.

TALIAFERRO COUNTY, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021

	General Fund	Special Revenue TIA Discretionary Projects Fund	Capital Projects 2017 SPLOST Fund	Other Governmental Funds	Total Governmental Funds
Assets					
Cash and Cash Equivalents	$ 3,463,713	$ 568,106	$ 563,545	$ 109,676	$ 4,705,040
Receivables, Net of Allowance					
Taxes	121,771	-	-	-	121,771
Accounts	20,833	-	-	4,811	25,644
Due From Other Governments	38,616	36,454	13,570	7,969	96,609
Due From Other Funds	100	-	-	18,637	18,737
Prepaid Items	89,044	-	-	-	89,044
Total Assets	$ 3,734,077	$ 604,560	$ 577,115	$ 141,093	$ 5,056,845
Liabilities					
Accounts Payable	$ 66,999	$ -	$ -	$ 6,710	$ 73,709
Accrued Expenses	12,185	-	-	-	12,185
Due To Other Funds	18,637	100	-	-	18,737
Total Liabilities	97,821	100	-	6,710	104,631
Deferred Inflows of Resources					
Unavailable Revenue - Property Taxes	110,113	-	-	-	110,113
Total Deferred Inflows of Resources	110,113	-	-	-	110,113
Fund Balances					
Nonspendable	89,044	-	-	-	89,044
Restricted	76,914	604,460	577,115	134,383	1,392,872
Assigned	800,000	-	-	-	800,000
Unassigned	2,560,185	-	-	-	2,560,185
Total Fund Balances	3,526,143	604,460	577,115	134,383	4,842,101
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 3,734,077	$ 604,560	$ 577,115	$ 141,093	$ 5,056,845

See accompanying notes which are an integral part of these financial statements.

TALIAFERRO COUNTY, GEORGIA
RECONCILIATION OF THE BALANCE SHEET
OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Total Fund Balances - Governmental Funds	$ 4,842,101
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital Assets	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Cost of the Assets	17,015,012
Accumulated Depreciation	(7,022,381)
Long-Term Liabilities	
Long-term liabilities, including compensated absences, are not due and payable in the current period, and therefore, are not reported in the funds. All liabilities both current and long-term are reported in the Statement of Net Position. Long-term liabilities at year-end consist of the following	
Compensated Absences	(45,963)
Landfill Postclosure Cost	(424,911)
Revenues	
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.	110,113
Net Position of Governmental Activities	$ 14,473,971

See accompanying notes which are an integral part of these financial statements.

TALIAFERRO COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	General Fund	Special Revenue TIA Discretionary Projects Fund	Capital Projects 2017 SPLOST Fund	Other Governmental Funds	Total Governmental Funds
Revenues					
Taxes	$ 2,662,508	$ 426,673	$ 156,309	$ -	$ 3,245,490
	274,029	-	-	67,717	341,746
Charges for Services	27,833	-	-	31,207	59,040
Fines and Forfeitures	822,710	-	-	37,987	860,697
Interest Income	2,495	-	168	3	2,666
Other Revenues	30,698	-	-	-	30,698
Total Revenues	3,821,803	426,673	156,477	136,914	4,541,867
Expenditures					
Current					
General Government	867,561	-	40,571	-	908,132
Judicial	327,040	-	-	-	327,040
Public Safety	1,527,196	-	-	61,859	1,589,055
Public Works	466,166	26,656	43,488	-	536,310
Health and Welfare	181,875	-	-	69,793	251,668
Culture and Recreation	19,234	-	-	-	19,234
Housing and Development	93,067	-	-	-	93,067
Intergovernmental	-	-	-	10,648	10,648
Capital Outlay	-	164,675	-	33,176	197,851
Total Expenditures	3,482,139	191,331	84,059	175,476	3,933,005
Excess (Deficiency) of Revenues Over (Under) Expenditures	339,664	235,342	72,418	(38,562)	608,862
Other Financing Sources (Uses)					
Transfers From Other Funds	-	-	-	33,502	33,502
Transfers To Other Funds	(33,502)	-	-	-	(33,502)
Insurance Recoveries	55,457	-	-	-	55,457
Proceeds from Sale of Assets	15,084	-	-	-	15,084
Total Other Financing Sources (Uses)	37,039	-	-	33,502	70,541
Net Change in Fund Balances	376,703	235,342	72,418	(5,060)	679,403
Fund Balances - Beginning of Year	3,149,440	369,118	504,697	139,443	4,162,698
Fund Balances - End of Year	$ 3,526,143	$ 604,460	$ 577,115	$ 134,383	$ 4,842,101

See accompanying notes which are an integral part of these financial statements.

TALIAFERRO COUNTY, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Net Change in Fund Balances - Total Governmental Funds	$	679,403

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

Capital Assets

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays in the current period.

Total Capital Outlays	433,782
Total Depreciations	(531,506)

Long-Term Debt

Under the modified accrual basis of accounting used in governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the Statement of Activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. The adjustments for these items are as follows:

Compensated Absences	5,934
Landfill Postclosure Cost	(5,038)

Revenues

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(46,196)

Change in Net Position of Governmental Activities	$	536,379

See accompanying notes which are an integral part of these financial statements.

TALIAFERRO COUNTY, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	General Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Taxes				
Property Taxes	$ 1,852,457	$ 2,261,524	$ 2,295,720	$ 34,196
Sales Tax	72,000	133,512	119,576	(13,936)
Motor Vehicle Taxes	-	89,721	89,277	(444)
Insurance Premium Taxes	60,000	76,578	76,578	-
Alcoholic Beverage Taxes	3,400	5,133	5,133	-
Recording Intangibles	2,500	6,793	6,982	189
Real Estate Transfer	4,000	6,375	6,059	(316)
Penalties and Interest	-	23,438	27,469	4,031
Other Taxes	20,000	36,140	35,714	(426)
Licenses and Permits	-	1,530	1,530	-
Intergovernmental Revenues	88,000	398,387	274,029	(124,358)
Charges for Services	19,595	27,833	27,833	-
Fines and Forfeitures	498,000	785,241	822,710	37,469
Investment Earnings	-	2,013	2,495	482
Miscellaneous	850	30,698	30,698	-
Total Revenues	2,620,802	3,884,916	3,821,803	(63,113)
Expenditures				
Current				
General Government				
General Administration	122,650	148,466	155,290	(6,824)
Board of Commissioners	507,700	815,333	443,478	371,855
Tax Commissioner	91,652	91,493	97,810	(6,317)
Tax Assessor	78,343	78,292	80,273	(1,981)
Tax Equalization	3,700	544	544	-
County Attorney	6,000	4,357	4,357	-
Voter Registrar	50,600	37,423	40,095	(2,672)
Elections	11,400	5,462	5,462	-
Public Buildings	52,100	39,476	40,252	(776)
Total General Government	924,145	1,220,846	867,561	353,285

See accompanying notes which are an integral part of these financial statements.

TALIAFERRO COUNTY, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(CONTINUED)

	General Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
Judicial				
Superior Court	99,820	100,409	122,004	(21,595)
Probate Court	192,400	182,154	202,384	(20,230)
Public Defender	2,600	2,652	2,652	-
Total Judicial	294,820	285,215	327,040	(41,825)
Public Safety				
Sheriff's Office	785,448	919,250	984,460	(65,210)
Jail	113,300	103,266	110,511	(7,245)
Emergency Management Agency	4,000	12,360	12,635	(275)
Fire Departments	100,000	114,583	125,168	(10,585)
Ambulance Service	78,000	71,500	78,000	(6,500)
E911	199,255	178,560	195,424	(16,864)
Coroner	17,135	20,855	20,998	(143)
Total Public Safety	1,297,138	1,420,374	1,527,196	(106,822)
Public Works				
Highways and Streets	272,165	283,701	316,491	(32,790)
Solid Waste and Recycling	121,550	144,893	149,675	(4,782)
Total Public Works	393,715	428,594	466,166	(37,572)
Health and Welfare				
Senior Center	53,000	63,387	60,601	2,786
Department of Family and Children Servi	1,860	424	424	-
Family Connection / Collaborative	38,900	105,223	71,577	33,646
Enterprise Community	4,550	4,008	4,008	-
Board of Health	36,503	32,534	32,534	-
Rural Health	-	3,647	3,717	(70)
Community Center	6,200	2,590	2,590	-
Adult Literacy	8,400	6,424	6,424	-
Total Health and Welfare	149,413	218,237	181,875	36,362

See accompanying notes which are an integral part of these financial statements.

TALIAFERRO COUNTY, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(CONTINUED)

	General Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
Culture and Recreation				
Library	16,450	17,032	17,032	-
Recreation	6,500	2,202	2,202	-
Total Culture and Recreation	22,950	19,234	19,234	-
Housing and Development				
Forestry	11,624	11,624	11,624	-
Planning and Zoning	1,500	90	90	-
Development Authority	10,000	10,000	10,000	-
Workforce Investment	30,000	128,267	71,353	56,914
Total Housing and Development	53,124	149,981	93,067	56,914
Total Expenditures	3,135,305	3,742,481	3,482,139	260,342
Excess of Revenue Over (Under) Expenditu	(514,503)	142,435	339,664	197,229
Other Financing Sources (Uses)				
Transfers To Other Funds	-	(818)	(33,502)	(32,684)
Insurance Recoveries	5,000	44,159	55,457	11,298
Proceeds from Sale of Assets	-	15,084	15,084	-
Total Other Financing Sources (Uses)	5,000	58,425	37,039	(21,386)
Net Change in Fund Balances	(509,503)	200,860	376,703	175,843
Fund balances - Beginning of Year	3,149,440	3,149,440	3,149,440	-
Fund Balances - End of Year	$ 2,639,937	$ 3,350,300	$ 3,526,143	$ 175,843

See accompanying notes which are an integral part of these financial statements.

TALIAFERRO COUNTY, GEORGIA
TIA DISCRETIONARY PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(CONTINUED)

	TIA Discretionary Projects Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Taxes				
Sales Tax	$ 290,000	$ 454,294	$ 426,673	$ (27,621)
Total Revenues	290,000	454,294	426,673	(27,621)
Expenditures				
Current				
Public Works	175,000	687,699	26,656	661,043
Capital Outlay	-	164,675	164,675	-
Total Expenditures	175,000	852,374	191,331	661,043
Net Change in Fund Balances	115,000	(398,080)	235,342	633,422
Fund Balances - Beginning of Year	369,118	369,118	369,118	-
Fund Balances - End of Year	$ 484,118	$ (28,962)	$ 604,460	$ 633,422

See accompanying notes which are an integral part of these financial statements.

TALIAFERRO COUNTY, GEORGIA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2021

	Custodial Funds
Assets	
Cash and Cash Equivalents	$ 439,113
Taxes Receivable for Other Governments	387,706
Total Assets	826,819
Liabilities	
Funds Due To Other Local Governments	248,220
Funds Due To Others	137,328
Uncollected Taxes	387,706
Total Liabilities	773,254
Net Position	
Restricted for Individuals, Organizations, and Other Governments	53,565
Total Net Position	$ 53,565

See accompanying notes which are an integral part of these financial statements.

TALIAFERRO COUNTY, GEORGIA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Custodial Funds
Additions	
Taxes Collected for Other Governments	$ 4,611,476
Fines Collected for Other Governments	841,198
Funds Collected for Others	371,542
Total Additions	5,824,216
Deductions	
Taxes Distributed to Other Governments	4,611,476
Fines Distributed to Other Governments	841,198
Funds Distributed to Others	360,185
Total Deductions	5,812,859
Changes in Net Position	11,357
Net Position - Beginning of Year, Restated	42,208
Net Position - End of Year	$ 53,565

See accompanying notes which are an integral part of these financial statements.

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NOTES TO THE FINANCIAL STATEMENTS

(1) Summary of Significant Accounting Policies

Accounting Policies

Taliaferro County, Georgia (the County) was established under the provisions of an Act of the General Assembly of Georgia in 1825. Taliaferro County was named for Revolutionary War hero and U.S. Congressman Benjamin Taliaferro. The County's name is pronounced as if it were "Oliver" proceeded by a "T". The County operates under a county commissioner form of government and provides the following services as authorized by state law, general administrative services, public safety, roads and bridges, courts, and health and welfare.

The accounting policies of the County conform to generally accepted accounting principles as applicable to governments. The following is a summary of the County's more significant policies applied in the preparation of the accompanying financial statements.

Reporting Entity

As required by generally accepted accounting principles, the financial statements of the reporting entity include those of Taliaferro County (the primary government) and any component units. A component unit is a legally separate organization for which the elected officials of the primary government are financially accountable. In addition, a component unit can be another organization for which the nature and significance of its relationship with a primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The component units discussed below are included in the County's reporting entity because of the significance of their operational and financial relationships with the County. In conformity with generally accepted accounting principles, as set forth in Statement of Governmental Accounting Standards Board (GASB) No. 61 *The Financial Reporting Entity: Omnibus, an amendment of GASB Statement No. 14 and 34*, the County's relationships with other governments and agencies have been examined. The financial statements of each component unit have been included as a discretely presented component unit. The component unit columns in the combined financial statements include the financial data for the Development Authority of Taliaferro County, as of June 30, 2021 and the Taliaferro County Health Department, as of June 30, 2021. The financial information for the component units is reported in columns separate from the County's financial information to emphasize that it is legally separate from the County.

Development Authority of Taliaferro County

The Authority exists for the purpose of promoting and developing for the public good and general welfare, industry, and trace, trade commerce, and employment opportunity in the County. The County makes all appointments to the Board. The County provides significant operating subsidies to the Authority. The Authority does not issue separate financial statements.

(1) Summary of Significant Accounting Policies (Continued)

Reporting Entity (Continued)

Taliaferro County Board of Health

The governing board of the Taliaferro County Board of Health d/b/a Taliaferro County Health Department consists of members appointed by the County Commissioners. The County, by virtue of its appointments, controls a majority of the governing body positions. The Board submits all operating budgets to the County each year. The County provides significant funding to the Board, based upon the approved budgets. The Board operates on a fiscal year ending June 30th. Complete financial statements of the individual component unit can be obtained from the Taliaferro County Health Department.

Taliaferro County Health Department
55 Alexander Street
Crawfordville, Georgia 30631

A joint venture has the following characteristics:

- It is a legal entity that results from a contractual agreement
- It is owned, operated or governed by two or more participants as a separate and specific activity subject to joint control
- Participants retain an ongoing financial interest or an ongoing financial responsibility

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

Central Savannah River Area Rural Commission
2123 Wrightsboro Road
Augusta, Georgia 30914

Government-Wide and Fund Financial Statements

The government-wide financial statements (statement of net position and statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. 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 activities demonstrates the degree to which the direct expenses of a given function or segment is 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 and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

(1) Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-Wide Financial Statements

The government-wide financial statements are reported using the flow of economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of 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.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided; 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues.

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting.

Under 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 services expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when the obligations are expected to be liquidated with expendable available financial resources.

Property taxes, local option sales taxes, other taxes, intergovernmental revenues, interest, and charges for services associated with the current fiscal period are all considered susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenues are considered to be measurable and available only when cash is received by the government.

The fund financial statements provide more detailed information about the government's most significant funds, not the government as a whole. The activities of the government are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The government reports the following major governmental funds:

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

TIA Discretionary Projects Fund - This special revenue fund is used to account for the receipts and disbursements of transportation projects funded by the 25 percent local government portion of the Transportation Investment Act (TIA) discretionary proceeds.

2017 SPLOST Fund - This capital projects fund collects sales taxes and uses those revenues for the acquisition or construction of major capital facilities and various roads, streets, and bridges projects.

(1) Summary of Significant Accounting Policies (Continued)

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

Fund Financial Statements (Continued)

Additionally, the government reports the following fund types:

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes.

Fiduciary - Fiduciary Funds are used to account for assets held in a custodial capacity for individuals, organizations, or other governments. The County's fiduciary funds are all custodial funds.

Deposits and Investments

The government's 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. Investments are reported at fair value, which is determined using selected bases. Short-term investments are reported at cost, which approximates fair value. Securities traded on national or international exchanges are valued at the last reported sales price at current exchange rates, and investments that do not have an established market are reported at estimated fair value. Cash deposits are reported at carrying amount, which reasonably estimates fair value.

Receivables

Receivables and due from other governments represent funds to be received from other local governments, state grant-in-aid, state contracts, or federal funds. No allowance is deemed necessary for these receivables.

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either *due to / from other funds* or *advances to / from other funds*. All other outstanding balances between funds are reported as *due to / from other funds*.

All trade and property tax receivables have been reduced to their estimated net realizable value and are shown net of an allowance for doubtful accounts. Estimated uncollectible amounts are based upon historical experience rates.

Inventories

Inventories of expendable supplies held for consumption are not considered material and are recorded as expenditures, when purchased.

Prepaid Items

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

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items acquired subsequent to January 1, 2003) are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than $5,000, and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

(1) Summary of Significant Accounting Policies (Continued)

Capital Assets (Continued)

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

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant, and equipment of the primary government are depreciated using the straight-line method over the following estimated useful lives:

Building	40 Years
Heavy Equipment	7 Years
Infrastructure	5 Years
Vehicles	5 - 7 Years

Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the government does not have a policy to pay any amounts when employees separate from service with the government. All vacation pay is accrued when incurred in the government-wide 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 and retirements.

Deferred Inflows / Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period or periods and so will not be recognized as an outflow of resources (expense / expenditures) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has one type of deferred inflows, which arises 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. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Long-Term Obligations

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position.

Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted - net position and unrestricted - net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the government's policy to consider restricted - net position to have been depleted before unrestricted - net position is applied.

(1) Summary of Significant Accounting Policies (Continued)

Fund Equity

In the financial statements, governmental funds report the following classifications of fund balance in accordance with Governmental Accounting Standards Board Statement No. 54:

- Nonspendable amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- Restricted - amounts are restricted when constraints have been placed on the use of resources by (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.
- Committed - amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Board. The Board approves committed resources through a motion and vote during the voting session of Council meetings.
- Assigned - amounts that are constrained by the Board's intent to be used for specific purposes but are neither restricted nor committed. Through resolution, the Board has authorized the County Clerk to assign fund balances.
- Unassigned - amounts that have not been assigned to other funds and that are not restricted, committed, or assigned to specific purposes within the General Fund. The General Fund is the only fund that reports a positive unassigned fund balance. 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:

- Committed
- Assigned
- Unassigned

(1) Summary of Significant Accounting Policies (Continued)

Fund Equity (Continued)

The County does not have a formal minimum fund balance policy. The following is a summary of the fund balance classifications as of June 30, 2021:

Fund Balances	General Fund	TIA Discretionary Capital Projects Fund	2017 SPLOST Special Revenue Fund	Nonmajor Governmental Fund	Total
Nonspendable					
Prepaids	$ 89,044	$ -	$ -	$ -	$ 89,044
Restricted					
Transportation	-	604,460	-	-	604,460
Capital Outlay	-	-	577,115	-	577,115
Drug Awareness	-	-	-	80,308	80,308
Law Enforcement	-	-	-	29,368	29,368
Public Safety	-	-	-	11,823	11,823
Health and Welfare	76,914	-	-	-	76,914
Housing and Development	-	-	-	12,884	12,884
Assigned					
Fund Balance Appropriation	800,000	-	-	-	800,000
Unassigned	2,560,185	-	-	-	2,560,185
Total Fund Balances	$ 3,526,143	$ 604,460	$ 577,115	$ 134,383	$ 4,842,101

Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; and errors or omissions. The County purchases commercial insurance for most types of risk. For these risks, settlements have not exceeded coverages for each of the past three fiscal years. The County had no significant reduction in insurance coverage from coverage in the prior year.

The County has joined together with other municipalities in the state as part of the ACCG Group Self Insurance Workers' Compensation Self Insurance Fund, a public entity risk pool currently operating as a common risk management and insurance program for member local governments. The Fund is to defend, in the name of and on behalf of the members, any suits or other proceedings, which may at any time be instituted against them on account of injuries or death within the preview of the Workers' Compensation Law of Georgia, or on the basis of employer's liability. The Fund is 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. For the year ending June 30, 2021, the County's total contribution was $29,718 for the Workers Compensation Fund.

The County is a member of the ACCG Interlocal Risk Management Agency (ACCG-IRMA). This agency functions as a risk-sharing arrangement among Georgia County governments and is administered by the Association of County Commissioners of Georgia (ACCG). The purpose of ACCG-IRMA is to establish and administer one or more group self-insurance funds; to establish and administer a risk management service; and to prevent or lessen the incidence or severity of casualty and property losses. Each member pays an annual contribution established by the Board of ACCG-IRMA. For the period July 1, 2020 - June 30, 2021, the County's total contribution was $71,941 ACCG-IRMA may develop and issue such self-insurance coverage descriptions, as it deems necessary. The current coverage provides a $3,000,000 general liability limit with a $1,000 per occurrence deductible.

(1) Summary of Significant Accounting Policies (Continued)

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 Government in investigation, settlement discussions, and all levels of litigation arising out of any claim made against the Government within the scope of loss protection furnished by the funds.

(2) Budgets and Budgetary Accounting

Budget Process

The annual budget document is the financial plan for the operation of the County. The budget process exists for the purpose of providing a professional management approach to the establishment of priorities and the implementation of work programs while providing an orderly means for control and evaluation of the financial posture of the County.

The County prepares a separately issued budget report. An annual operating budget is prepared for the General Fund, TIA Discretionary Projects Fund, E-911 Fund, and Section 5311 Transportation Fund. Prior to year end, the Clerk of the County Commissioners submits to the Board of Commissioners a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them. The Board of Commissioners holds a public hearing on the budget, giving notice thereof at least ten days in advance by publication in the official organ of the County. The budget is then revised and adopted or amended by the Board of Commissioners at a regular meeting before the year to which it applies. The budget so adopted may be revised during the year only by formal action of the Board of Commissioners in a regular meeting and no increase shall be made therein without provision also being made for financing same. The legal level of control is at the department level.

Formal budgetary integration is employed as a management control device during the year. The budgets for the General and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). The General Fund is subject to budgetary control on a departmental basis, while the Special Revenue Funds are subject to budgetary control on an individual fund basis. Budgets are prepared for the Capital Projects Funds on a project basis, which usually covers two or more fiscal years. Budgeted amounts are as originally adopted, or as amended by the Board of Commissioners. Individual amendments are not material in relation to the original appropriations.

(2) Budgets and Budgetary Accounting (Continued)

Excess of Expenditures Over Appropriations

The County had expenditures in excess of appropriations for the following funds:

General Fund		
General Government		
General Administration	$	6,824
Tax Commissioner		6,317
Tax Assessor		1,981
Voter Registrar		2,672
Public Buildings		776
Judicial		
Superior Court		21,595
Probate Court		20,230
Public Safety		
Sheriff's Office		65,210
Jail		7,245
Emergency Management Agency		275
Fire Departments		10,585
Ambulance Service		6,500
E911		16,864
Coroner		143
Public Works		
Highways and Streets		32,790
Solid Waste and Recycling		4,782
Health and Welfare		
Rural Health		70
Transfers to other funds		32,684
Special Revenue Funds		
E-911 Fund		
Public Safety		3,529
Section 5311 Transportation Fund		
Health and Welfare		4,470

Funds Not Budgeted

The County did not adopt a budget for the following Special Revenue Funds: the Confiscated Asset Fund, Drug Abuse Fund, and EIP Revolving Loan Fund.

(3) Deposits and Investments

Custodial Credit Risk - Deposits

The custodial credit risk of deposits is the risk that in the event of the failure of a bank, the government will not be able to recover deposits. The County's bank balances of deposits as of June 30, 2021, are entirely insured or collateralized with securities held by the County's agent in the County's name. State statutes require banks holding public funds to secure these funds by FDIC insurance, securities pledged at par value, and surety bonds at face value in combined aggregate totaling not less than 110 percent of the public funds held.

Custodial Credit Risk - Deposited

As of June 30, 2021, the County's carrying amount of deposits was $4,705,040, and the bank balance was $5,084,853.

As of June 30, 2021, the carrying amount of deposits for the Development Authority of Taliaferro County, a discretely presented component unit, was $284,071, and the bank balance was $284,071. The entire bank balance was covered by federal depository insurance or by collateral held.

As of June 30, 2021, the carrying amount of deposits for the Taliaferro County Health Department, a discretely presented component unit, was $230,201. The entire bank balance was covered by federal depository insurance or by collateral held.

(4) Property Taxes

State law requires that property taxes be based on assessed value, which is 40 percent of market value. All real and personal property (including motor vehicles) is valued as of January 1 of each year and must be returned for tax purposes by March 1. With the exception of motor vehicles and the property of public utilities, which are valued by the State Revenue Department, all assessments are made by the Board of Tax Assessors of Taliaferro County.

Exemptions are permitted for certain inventories. A homestead exemption is allowed for each taxpayer that is a homeowner and resides in the household as of January 1. There are other exemptions provided by state and local laws.

Upon completion of all assessments and tax returns, the information is turned over to the County Tax Commissioner for compilation of the tax digest. The completed tax digest must be submitted to the State Revenue Commissioner for approval. The State Revenue Commissioner must ascertain that real property on the tax digest has been assessed at the state mandated 40 percent of fair market value. The Commissioner has the option to withhold certain state funding if the mandated 40 percent level is not reached.

The Taliaferro County Tax Commissioner distributes tax notices and collects tax payments. Motor vehicle taxes are due based upon the birthday of the owner. The 2020 property taxes were mailed (levied) as of September 10th with a due date of November 25th.

Property taxes receivable have been reduced to their estimated net realizable value. Estimated uncollectible amounts are based upon historical experience rates and result in a direct reduction of the related revenue amount at the end of the period.

The tax billing cycle for 2020 is as follows:

Assessment Date	January 1, 2020
Levy Date	September 10, 2020
Due Date and Collection Date	November 25, 2020
Tax Execution Date / Lien Date	November 26, 2020

(5) Receivables

Receivables at June 30, 2021, consist of the following:

	General Fund	Nonmajor Governmental Funds	Total
Receivables			
Taxes	$ 210,481	$ -	$ 210,481
Accounts	20,833	4,811	25,644
Gross Receivables	231,314	4,811	236,125
Allowance for Uncollectibles	(88,710)	-	(88,710)
Net Total Receivables	$ 142,604	$ 4,811	$ 147,415

(6) Due From Other Governments

Amounts due from other governments at June 30, 2021, are as follows:

	Federal	State	Other	Total
Fund				
General Fund	$ -	$ 28,358	$ 10,258	$ 38,616
TIA Discretionary Projects Fund	-	36,454	-	36,454
2017 SPLOST Fund	-	13,570	-	13,570
Nonmajor Funds	7,969	-	-	7,969
Total Due From Other Governments	$ 7,969	$ 78,382	$ 10,258	$ 96,609

The amounts due from other governments are primarily for grant funds.

(7) Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2021, is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	TIA Discretionary Projects Fund	$ 100
Nonmajor Governmental Funds	General Fund	18,637

Interfund Transfers:

Transfers Out	Transfers In	Amount
General Fund	Nonmajor Governmental Fund	$ 33,502

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

(7) Interfund Receivables, Payables, and Transfers (Continued)

Transfers are used to move unrestricted revenue to finance various programs that the government must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs.

(8) Capital assets

Capital assets activity for the year ended June 30, 2021, was as follows:

Primary Government

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Nondepreciable Capital Assets				
Land	$ 2,119,740	$ -	$ -	$ 2,119,740
Total Nondepreciable Capital Assets	2,119,740	-	-	2,119,740
Depreciable Capital Assets				
Infrastructure	8,712,450	-	-	8,712,450
Buildings	3,500,006	-	-	3,500,006
Machinery and Equipment	1,115,144	259,274	-	1,374,418
Vehicles	1,133,890	174,508	-	1,308,398
Total Nondepreciable Capital Assets	14,461,490	433,782	-	14,895,272
Accumulated Depreciation				
Infrastructure	(3,270,477)	(174,249)	-	(3,444,726)
Buildings	(1,896,085)	(87,500)	-	(1,983,585)
Machinery and Equipment	(381,605)	(181,739)	-	(563,344)
Vehicles	(942,708)	(88,018)	-	(1,030,726)
Total Accumulated Depreciation	(6,490,875)	(531,506)	-	(7,022,381)
Governmental Activities Capital Assets, Net	$ 10,090,355	$ (97,724)	$ -	$ 9,992,631

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

Governmental Activities	
General Government	$ 50,334
Public Safety	134,977
Public Works	313,089
Health and Welfare	24,019
Culture and Recreation	9,087
Total Depreciation Expense - Governmental Activities	$ 531,506

(8) Capital Assets (Continued)

Discretely Presented Component Units

The Health Department does not report any capital assets in accordance with its capitalization threshold of $5,000. Additionally, the County owns the Health Department's building.

Activity for the Development Authority of Taliaferro County for the fiscal year ended June 30, 2021 was as follows:

Development Authority	Beginning Balance	Increase	Decrease	Ending Balance
Component Unit Activities				
Nondepreciable Capital Assets				
Land	$ 509,837	$ 368,707	$ -	$ 878,544
Total Nondepreciable Capital Assets	509,837	368,707	-	878,544
Depreciable Capital Assets				
Buildings	7,762	-	(7,762)	-
Total Depreciable Capital Assets	7,762	-	(7,762)	-
Accumulated Depreciation				
Buildings	(803)	(535)	1,338	-
Total Accumulated Depreciation	(803)	(535)	1,338	-
Component Unit Activities Capital Assets, Net	$ 516,796	$ 368,172	$ (6,424)	$ 878,544

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

Governmental Activities	
Economic Development	$ 535

(9) Commitments

Landfill Postclosure Care Costs

In 1995, the County closed its landfill site. State and federal laws and regulations require the County to place a final cover on the landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions for thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date the landfill stops accepting waste, the County reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity as of each balance sheet date. The $424,911 reported as landfill closure and postclosure care liability at June 30, 2021 represents the cumulative amount reported to date based on the use of 100 percent capacity of the SL landfill site. These amounts are based on what it would cost to perform all closure and postclosure care in 2021. The County has estimated the closure and postclosure costs associated with this landfill to be $424,911. The County is not required to commit current financial resources to guarantee future maintenance and monitoring activities.

(10) Long-Term Debt

Changes in Long-Term Liability

Primary Government

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities					
Compensated Absences	$ 51,897	$ 47,814	$ 53,748	$ 45,963	$ 45,963
Landfill Postclosure Cost	419,873	5,038	-	424,911	5,038
Total Governmental Activities Long-Term Debt	**$ 471,770**	**$ 52,852**	**$ 53,748**	**$ 470,874**	**$ 51,001**

The compensated absences liability will be paid from the fund from which the employees' salaries are paid, generally the General Fund.

Discretely Presented Component Units

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities					
Compensated Absences	$ 16,408	$ 5,338	$ 9,666	$ 12,080	$ -
Net Pension Liability	151,444	16,986	-	168,430	-
Net State OPEB Liability	42,863	15	-	42,878	-
Total Governmental Activities Long-Term Debt	**$ 210,715**	**$ 22,339**	**$ 9,666**	**$ 223,388**	**$ -**

(11) Employee Retirement Plans

Defined Contribution Plan

The County has established the Taliaferro County 401(a) Defined Contribution Plan through adoption of the ACCG 401(a) Defined Contribution Program, effective January 1, 2019. As of June 30, 2021, there were 20 participants in the plan. Plan members are allowed to make voluntary contributions to the plan. The county is not required to make contributions to the plan but can make voluntary contributions to the plan. The plan was established to provide benefits at retirement to County employees. The County matches up to 2 percent, if the employee contributions 2 percent to the Taliaferro County Deferred Compensation 457 Plan. Total contributions for the year ended June 30, 2021 were $13,663 by the employees and $9,430 by the employer. The County has delegated certain administrative responsibilities to ACCG, or its designee. Plan provisions are established and may be amended by the Board of Commissioners.

Deferred Compensation Plan

The County offers employees the Taliaferro County Deferred Compensation Plan created in accordance with Internal Revenue Code 457. An independent third-party plan administrator administers the plan. As a result, the assets and liabilities are not recorded in the County's financial statements. All contributions to this plan are voluntary employee contributions.

(12) Special Funding Defined Benefit Pension Plans

Employees' Retirement System

The County's Tax Commissioner is eligible to participate in the Employees' Retirement System (ERS), a voluntary pension system. The County makes no contributions to this plan. Pursuant to O.C.G.A. 47-2-292(a) the Department of Revenue receives an annual appropriation from the Georgia General Assembly to be used to fund the employer contributions for local County Tax Commissioners. The plan is administered by the Employees' Retirement System who issues a publicly available financial report that can be obtained at www.ers.ga.gov/formspubs/formspubs. This plan is considered immaterial to the County's financial statements.

Sheriffs' Retirement Fund of Georgia

The County's Sheriff is covered by the Sheriffs' Retirement Fund of Georgia. The County makes no contribution to this plan. Contributions are collected by the County as the agent for this fund through its court systems. This plan is administered by the Georgia Sheriffs' Association (GSA) where separate financial statements may be obtained on their website. This plan is considered immaterial to the County's financial statements.

Judges of the Probate Courts Retirement Fund of Georgia

The County's Probate Judge is covered by the Judges of the Probate Courts Retirement Fund of Georgia. The County makes no contributions to this plan. The State of Georgia provides nonemployer contributions to the Fund through the collection of court fines and forfeitures. These nonemployer contributions are recognized as revenue by the Fund when collected from the courts. The Judges of the Probate Courts Retirement Fund of Georgia is a component unit of the State of Georgia. This plan is considered immaterial to the County's financial statements.

Magistrates Retirement Fund of Georgia

The County's Magistrate Judge is covered by the Magistrates Retirement Fund of Georgia. The County makes no contributions to this plan. The State of Georgia provides nonemployer contributions to the Fund through the collection of court filing fees. These nonemployer contributions are recognized as revenue by the Fund when collected from the courts. The Magistrates Retirement Fund of Georgia is a component unit of the State of Georgia. This plan is considered immaterial to the County's financial statements.

Georgia Firefighters' Pension Fund

The County's Volunteer Firemen are eligible to participate in the Georgia Firefighters' Pension Fund, a voluntary pension system. The County makes no contributions to this plan. Contributions are made through monthly dues by eligible firefighters electing to participate in the plan and nonemployer contributions which consist of insurance premium taxes collected and remitted by insurers directly to the pension fund in accordance with the law. The plan is administered by the Georgia Firefighters' Pension Fund located at 2171 Eastview Parkway NE in Conyers, Georgia where separate financial statements may be obtained. This plan is considered immaterial to the County's financial statements.

Peace Officers' Annuity and Benefit Fund of Georgia

The County's Sheriff Deputies are covered by the State of Georgia Peace Officers' Annuity and Benefit Fund. The County makes no contribution to this plan. Contributions are collected by the County as the agent for this fund through its court systems. This plan is administered through the Peace Officers' Annuity and Benefit Fund of Georgia located at 1210 Greenbelt Parkway in Griffin, Georgia where separate financial statements may be obtained. This plan is considered immaterial to the County's financial statements.

(13) Contingent Liabilities

Litigation

During the course of normal operations of the County, various claims and lawsuits arise. The County attorney has advised that there are no potential liabilities that will impair the position as of the date of this audit report.

Federal Grants

The County participates in a number of federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives, and the audits of these programs for or including the year ended June 30, 2021, have not yet been conducted. Accordingly, the County's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the County expects such amounts, if any, to be immaterial.

(14) Conduit Debt - Taliaferro County (Component Unit)

The Authority has issued Taxable Revenue Bonds to provide financial assistance to a private sector entity for the acquisition, construction, and equipping of commercial facilities to promote trade, commerce, industry and employment opportunities within the County to develop the industrial park. The bonds are secured by the property, property improvements, and equipment financed with the bond proceeds and are payable solely from rents, revenues, and receipts derived from the lease agreement with the private sector entity. Upon repayment of the bonds, ownership of the acquired property, property improvements, and equipment transfers to the private-sector entity served by the bond issuance. The Authority, the County, the State, or any political subdivision, thereof, is not obligated in any manner for repayment of the bonds. Accordingly, they are not reported as liabilities in the accompanying financial statements. As of June 30, 2021 there was one series of Taxable Revenue Bonds outstanding, as follows:

	Face Amount	Outstanding
Development Authority of Taliaferro County Taxable Industrial Development Revenue Bonds (Harrison Poultry, Inc. Project), Series 2018	$ 85,000,000	$ 628,642

(15) Tax Abatements

The County enters into property tax abatement agreements with local businesses under the Georgia Development Authority Law, adopted in 1969, for the purpose of attracting or retaining businesses within the County. The abatements may be granted to any business located within or promising to relocate to the County and meeting the eligibility criteria to "develop and promote trade, commerce, industry and employment opportunities for the public good and general welfare and to promote the general welfare of the state" (OCGA 36-62-9). The Development Authorities Law (O.C.G.A. 36-42-1) provides that the Development Authority of Taliaferro County is created to develop and promote trade, commerce, industry, and employment opportunities for the public good and to promote the general welfare of the County and is authorized by the Development Authority of Taliaferro County to issue its revenue obligations, in accordance with the applicable provisions of the Revenue Bond Law of the State of Georgia (O.C.G.A. 36-82-60), for the purpose of acquiring, constructing, and installing any project which includes the acquisition, construction, installation, modification, renovation, or rehabilitation of land, interest in land, buildings, structures, facilities, or other improvements located or to be located within the County.

(15) Tax Abatements (Continued)

The County offers a reduction in property taxes through the structure of these financing arrangements. Specifically, the Development Authority of Taliaferro County, a tax-exempt public organization created independently from the County, may enter into agreements with private individuals or entities in order to incentivize these businesses to build, relocate, expand, or renovate in the County. These agreements involve a bond issuance and sale-leaseback transaction, whereby the Development Authority takes title to property and leases it back to the company. The company is responsible for making ad valorem tax payments on its leasehold interest. The rental payments for the leasehold offset the debt service on the bonds over a fixed term, so that at the end of the incentive period the bonds are fully retired, and the company regains title of the property through an option to purchase. Following completion of construction, the company pays property taxes on its leasehold interest in the project of 10 percent of the fair market value of the real and/or personal property during the first two year, with a 10 percent increase in 2-year increments until the 16th year, then a 10 percent increase each year until the end of the 20-year period, after which the company takes title back to the property and must then pay taxes on the full fair market value of the property. The company has a smaller property tax obligation through this financing arrangement than it would under outright ownership of the property due to the reduced value of the company's leasehold interest in the property over the designated ramp-up period.

Tax abatement information for fiscal year 2021 is included below:

Purpose	Description	Amount of County Taxes Abated during the Fiscal Year	Abatement Ends
Industrial Development	100% Real Property Taxes with PILOT	$ -	2039

There are no real property taxes accessed on this property as of June 30, 2021. The County has not made additional commitments as part of the agreement.

(16) Change in Accounting Principle

New Accounting Standards

During 2021, the County adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. In conjunction with the implementation of this standard, the County is required to reevaluate the accounting treatment of fiduciary activities. The new standard requires the County to determine if funds are still considered fiduciary, and if so, if they are considered custodial funds under the new definitions of GASB Statement No. 84. Therefore, in conjunction with the Implementation of GASB Statement No. 84, the following restatement was required to the beginning net position of the fiduciary activities to properly report the custodial funds.

The effects of this adjustment are as follows:

	Fiduciary Funds
Net Position June 30, 2020, as Previously Reported	$ -
Implementation of GASB 84 for Fiduciary Activities	42,208
Net Position June 30, 2020, Restated	$ 42,208

SUPPLEMENTARY INFORMATION

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TALIAFERRO COUNTY, GEORGIA

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

Confiscated Assets Fund - This fund accounts for confiscated funds restricted for law enforcement expenditures.

Drug Abuse & Treatment Fund - This fund accounts for fines collected as required by State Law for drug abuse treatment and educational purposes.

E911 Fund - This fund accounts for fees collected as required by State Law for E911 operations and maintenance.

Section 5311 Transportation Fund - This fund accounts for grants received from the Department of Transportation for the operation of the 5311 Transportation Program.

EIP Revolving Loan Fund (RLF) - This fund accounts for the issuance and repayment of loans made to customers.

TALIAFERRO COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021

	Special Revenue Funds					Total
	Confiscated Assets	Drug Abuse Treatment	E-911	Section 5311 Transportation	EIP Revolving Loan	Nonmajor Governmental Funds
Assets						
Cash and Cash Equivalents	$ 29,368	$ 80,308	$ -	$ -	$ -	$ 109,676
Receivables, Net of Allowance Accounts	-	-	4,811	-	-	4,811
Due from Other Governments	-	-	-	7,969	-	7,969
Due from Other Funds	-	-	12,933	5,704	-	18,637
Total Assets	29,368	80,308	17,744	13,673	-	141,093
Liabilities and Fund Balances						
Liabilities						
Accounts Payable	-	-	5,921	789	-	6,710
Total Liabilities	-	-	5,921	789	-	6,710
Fund Balances						
Restricted	29,368	80,308	11,823	12,884	-	134,383
Total Fund Balances	29,368	80,308	11,823	12,884	-	134,383
Total Liabilities and Fund Balances	$ 29,368	$ 80,308	$ 17,744	$ 13,673	$ -	$ 141,093

TALIAFERRO COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Special Revenue Funds					Total
Revenues	**Confiscated Assets**	**Drug Abuse Treatment**	**E-911**	**Section 5311 Transportation**	**EIP Revolving Loan**	**Nonmajor Governmental Funds**
Intergovernmental Revenue	$ -	$ -	$ -	$ 67,717	$ -	$ 67,717
Charges for Services	-	-	27,655	3,552	-	31,207
Fines and Forfeitures	33,351	4,636	-	-	-	37,987
Interest Income	-	-	-	-	3	3
Total Revenues	33,351	4,636	27,655	71,269	3	136,914
Expenditures						
Current						
Public Safety	18,539	1,622	41,698	-	-	61,859
Health and Welfare	-	-	-	69,793	-	69,793
Intergovernmental	-	-	-	-	10,648	10,648
Capital Outlay	33,176	-	-	-	-	33,176
Total Expenditures	51,715	1,622	41,698	69,793	10,648	175,476
Excess (Deficiency) of Revenues Over (Under) Expenditures	(18,364)	3,014	(14,043)	1,476	(10,645)	(38,562)
Other Financing Sources (Uses)						
Transfer From Other Funds	-	-	27,511	5,991	-	33,502
Total Other Financing Sources (Uses)	-	-	27,511	5,991	-	33,502
Net Change in Fund Balances	(18,364)	3,014	13,468	7,467	(10,645)	(5,060)
Fund Balances - Beginning of Year	47,732	77,294	(1,645)	5,417	10,645	139,443
Fund Balances - End of Year	$ 29,368	$ 80,308	$ 11,823	$ 12,884	$ -	$ 134,383

TALIAFERRO COUNTY, GEORGIA
CONFISCATED ASSETS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	$ -	$ 33,351	$ 33,351
Total Revenues	-	33,351	33,351
Expenditures			
Current			
Public Safety	-	18,539	(18,539)
Capital Outlay		33,176	(33,176)
Total Expenditures	-	51,715	(51,715)
Net Change in Fund Balance	-	(18,364)	(18,364)
Fund Balances - Beginning of Year	47,732	47,732	-
Fund Balances - End of Year	$ 47,732	$ 29,368	$ (18,364)

TALIAFERRO COUNTY, GEORGIA
DRUG ABUSE & TREATMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCALYEAR ENDED JUNE 30, 2021

	Final Budget	Actual	Variance with Final Budget
Revenue			
Fines and Forfeitures	$ -	$ 4,636	$ 4,636
Total Revenues	-	4,636	4,636
Expenditures			
Current			
Public Safety	-	1,622	(1,622)
Total Expenditures	-	1,622	(1,622)
Net Change in Fund Balance	-	3,014	3,014
Fund Balances - Beginning of Year	77,294	77,294	-
Fund Balances - End of Year	$ 77,294	$ 80,308	$ 3,014

TALIAFERRO COUNTY, GEORGIA
E-911 FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Final Budget	Actual	Variance with Final Budget
Revenue			
Charges for Services	$ 29,940	$ 27,655	$ (2,285)
Total Revenues	29,940	27,655	(2,285)
Expenditures			
Current			
Public Safety	38,169	41,698	(3,529)
Total Expenditures	38,169	41,698	(3,529)
Excess of Revenue Over (Under) Expenditures	(8,229)	(14,043)	(5,814)
Other Financing Sources (Uses)			
Transfer from Other Funds	8,229	27,511	19,282
Total Other Financing Sources (Uses)	8,229	27,511	19,282
Net Change in Fund Balance	-	13,468	13,468
Fund Balance - Beginning of Year	(1,645)	(1,645)	-
Fund Balance - End of Year (Deficit)	$ (1,645)	$ 11,823	$ 13,468

TALIAFERRO COUNTY, GEORGIA
SECTION 5311 TRANSPORTATION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Final Budget	Actual	Variance with Final Budget
Revenue			
Intergovernmental Revenue	$ 69,181	$ 67,717	$ (1,464)
Charges for Services	3,552	3,552	-
Total Revenues	72,733	71,269	(1,464)
Expenditures			
Current			
Health and Welfare	65,323	69,793	(4,470)
Total Expenditures	65,323	69,793	(4,470)
Excess of Revenue Over (Under) Expenditures	7,410	1,476	(5,934)
Other Financing Sources (Uses)			
Transfers from Other Funds	(7,410)	5,991	13,401
Total Other Financing Sources (Uses)	(7,410)	5,991	13,401
Net Change in Fund Balance	-	7,467	7,467
Fund Balances - Beginning of Year	5,417	5,417	-
Fund Balances - End of Year	$ 5,417	$ 12,884	$ 7,467

TALIAFERRO COUNTY, GEORGIA
EIP REVOLVING LOAN FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Final Budget	Actual	Variance with Final Budget
Revenue			
Interest Income	$ -	$ 3	$ 3
Total Revenues	-	3	3
Expenditures			
Current			
Intergovernmental	-	10,648	(10,648)
Total Expenditures	-	10,648	(10,648)
Net Change in Fund Balance	-	(10,645)	10,651
Fund Balance - Beginning of Year	10,645	10,645	-
Fund Balance - End of Year	$ 10,645	$ -	$ 10,651

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TALIAFERRO COUNTY, GEORGIA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
JUNE 30, 2021

	Superior Court	Magistrate Court	Probate Court	Sheriff's Department	Tax Commissioner's Office	Total
Assets						
Cash and Cash Equivalents	$ 64,482	$ 1,129	$ 120,366	$ 63,830	$ 189,306	$ 439,113
Taxes Receivable For Other Governments	-	-	-	-	387,706	387,706
Total Assets	64,482	1,129	120,366	63,830	577,012	826,819
Liabilities						
Funds Due To Other Local Governments	1,635	44	88,120	-	158,421	248,220
Funds Due To Others	11,173	1,085	30,355	63,830	30,885	137,328
Uncollected Taxes	-	-	-	-	387,706	387,706
Total Liabilities	12,808	1,129	118,475	63,830	577,012	773,254
Net Position						
Restricted for Individuals, Organizations, and Other Governments	51,674	-	1,891	-	-	53,565
Total Net Position	$ 51,674	$ -	$ 1,891	$ -	$ -	$ 53,565

TALIAFERRO COUNTY, GEORGIA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Superior Court	Magistrate Court	Probate Court	Sheriff's Department	Tax Commissioner's Office	Total
Additions						
Taxes Collected For Other Governments	$ -	$ -	$ -	$ -	$ 4,611,476	$ 4,611,476
Fines Collected For Other Governments	32,651	1,381	779,410	27,756	-	841,198
Funds Collected For Others	30,430	6,347	266,234	67,427	1,104	371,542
Total Additions	63,081	7,728	1,045,644	95,183	4,612,580	5,824,216
Deductions						
Taxes Distributed To Other Governments	-	-	-	-	4,611,476	4,611,476
Fines Distributed To Other Governments	32,651	1,381	779,410	27,756	-	841,198
Funds Distributed To Others	19,073	6,347	266,234	67,427	1,104	360,185
Total Deductions	51,724	7,728	1,045,644	95,183	4,612,580	5,812,859
Changes in Net Position	11,357	-	-	-	-	11,357
Net Position - Beginning of Year, Restated	40,317	-	1,891	-	-	42,208
Net Position - End of Year	$ 51,674	$ -	$ 1,891	$ -	$ -	$ 53,565

TALIAFERRO COUNTY, GEORGIA
BALANCE SHEET
DEVELOPMENT AUTHORITY
COMPONENT UNIT
JUNE 30, 2021

Assets		
Cash and Cash Equivalents	$	284,071
Total Assets	$	284,071
Liabilities and Fund Balances		
Liabilities		
Accounts Payable	$	-
Total Liabilities		-
Fund Balances		
Assigned		225,256
Unassigned		58,815
Total Fund Balances		284,071
Total Liabilities and Fund Balances	$	284,071

TALIAFERRO COUNTY, GEORGIA
RECONCILIATION OF THE BALANCE SHEET
OF THE COMPONENT UNIT TO THE
STATEMENT OF NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Total Fund Balances - Component Unit	$	284,071

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

Capital Assets

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Cost of the Assets		878,544
Total Net Position of Component Unit	$	1,162,615

TALIAFERRO COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
DEVELOPMENT AUTHORITY
COMPONENT UNIT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Revenues		
Intergovernmental Revenue	$	10,000
Interest Earnings		1,044
Miscellaneous Revenues		200
Total Revenues		11,244
Expenditures		
Current		
Economic Development		379,605
Total Expenditures		379,605
Net Change in Fund Balances		(368,361)
Fund Balances - Beginning of Year		652,432
Fund Balances - End of Year	$	284,071

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TALIAFERRO COUNTY, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF THE COMPONENT UNIT TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Net Change in Fund Balances - Component Unit	$	(368,361)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Capital Assets		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is depreciated over their estimated useful lives and reported as depreciation expense.		
Total Capital Outlays		368,707
Total Depreciation		(535)
The net effect of various miscellaneous transactions involving capital assets (i.e. sales, disposals, trade-ins, and donations) is to increase net position.		(6,424)
Change in Net Position of Component Unit	$	(6,613)

TALIAFERRO COUNTY, GEORGIA
HARRISON POULTRY FEED MILL & HATCHERY
ONE GEORGIA EDGE GRANT
#20ge-131-3-4973
COMPONENT UNIT SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Prior Years	Current Year	Total to Date	Project Authorization
Revenues				
Department of Community Affairs	$ 78,729	$ -	$ 78,729	$ 1,000,000
Total Revenues	78,729	-	78,729	1,000,000
Expenditures				
G80-1101-I - Site Preparation	-	-	-	42,662
G80-1401-I - Water	16,308	-	16,308	164,950
G80-1402-I - Sewer	-	-	-	644,417
G80-1415I - Professional Services	62,421	-	62,421	90,225
G80-2101-I - General (Other)	-	-	-	57,746
Total Expenditures	78,729	-	78,729	1,000,000
Net Change in Fund Balances	-	-	-	-
Fund Balances - Beginning of Year	-	-	-	-
Fund Balances - End of Year	$ -	$ -	$ -	$ -

TALIAFERRO COUNTY, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED
WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS-2017
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Project	Original Estimated Cost	Revised Estimated Cost	Expenditures		
			Prior Years	Current Year	Total
Courthouse Repair, Maintenance, and Renovation	$ 1,000,000	$ 1,362,728	$ 1,362,728	$ 40,571	$ 1,403,299
Construction, Repair, and Maintenance of Roads, Streets, and Bridges	1,000,000	1,000,000	764,474	43,488	807,962
Totals	$ 2,000,000	$ 2,362,728	$ 2,127,202	$ 84,059	$ 2,211,261

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GOVERNMENTAL REPORT

MCNAIR MCLEMORE MIDDLEBROOKS & CO
CERTIFIED PUBLIC ACCOUNTANTS

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November 11, 2022

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

To The Board of Commissioners
Taliaferro County, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of **Taliaferro County, Georgia** as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Taliaferro County, Georgia's basic financial statements, and have issued our report thereon dated November 11, 2022. Our report includes a reference to other auditors who audited the financial statements of Taliaferro County Board of Health, as described in our report on Taliaferro County, Georgia's financial statements. This report includes our consideration of the results of the other auditors' testing of internal control over financial reporting and compliance and other matters that are reported on separately by those other auditors. However, this report, insofar as it relates to the results of the other auditors, is based solely on the reports of the other auditors.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Taliaferro County, Georgia's internal control over financial reporting (internal control) as a basis for designing 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 Taliaferro County, Georgia's internal control. Accordingly, we do not express an opinion on the effectiveness of Taliaferro 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 Taliaferro County, Georgia's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses as items 2021-001, 2021-002, 2021-003, and 2021-004 that we consider to be material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Taliaferro County, Georgia's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as items 2021-005 and 2021-006.

Taliaferro County, Georgia's Responses to Findings

Government Auditing Standards require the auditor to perform limited procedures on Taliaferro County, Georgia's responses to the findings identified in our audit is described in the accompanying schedule of findings and responses. Taliaferro County, Georgia's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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

McNair, McLemore, Middlebrooks & Co., LLC

McNAIR, McLEMORE, MIDDLEBROOKS & CO., LLC

TALIAFERRO COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND RESPONSES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

(1) Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	Yes
Significant deficiency(ies) identified that are not considered to be material weakness(es)	None Reported
Noncompliance material to financial statements noted?	Yes

Federal Awards

There was not an audit of major federal award programs for the fiscal year ended June 30, 2021, due to the total amount expended being less than $750,000.

(2) Financial Statement Findings

Findings noted on the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*:

2021-001 General Ledger Maintenance

CRITERIA
Timely and accurate financial reports are essential in order to perform analysis of the financial condition of the County, review data for accuracy and completeness, monitor compliance with budget appropriations, and to prepare annual financial statements.

CONDITION
Beginning fund balances did not reconcile with the prior year ending fund balances. In addition, payroll was not properly allocated across departments and funds.

CONTEXT
- Adjustments were required to correct beginning balances for the year ended June 30, 2021, as follows:
  - General Fund – to increase fund balance by $628,917.
  - TIA Discretionary Fund – to decrease fund balance by $596,969.
  - 2017 SPLOST Fund – to increase fund balance by $30,886.
- Material adjustments were required in the General Fund of $195,242 to allocate payroll and payroll tax expenditures across various departments in the General Fund and $44,118 to other major governmental funds. Corresponding adjustments were required in nonmajor governmental funds of $8,166.
- The Confiscated Assets, Drug Abuse, and EIP RLF funds are maintained in manual check registers and are not reflected in the County's accounting system.

(2) Financial Statement Findings (Continued)

2021-001 General Ledger Maintenance (Continued)

EFFECT
The County's accounting records contained material errors which were identified and adjusted during the annual audit process.

CAUSE
The County did not properly record prior year audit entries. The County did not have procedure in place to ensure the proper recording of payroll transactions.

RECOMMENDATION
We recommend the County implement procedures to ensure all audit entries are properly posted in the system. In addition, we recommend the County make changes to the payroll module in the accounting system so that payroll entries are posted to proper departments and funds. We recommend that all funds be maintained in the County's accounting system.

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTIONS
Management agrees with the finding. The County has determined that a revamping of the accounting system in regard to recording overtime for payroll to the correct department, as well as a mechanism to record and document audit adjustment entries will be created and applied for the coming year.

2021-002 Accounts Payable/Expenditures or Expenses

CRITERIA
Generally accepted accounting principles require expenditures / expenses to be recognized as soon as a liability is incurred.

CONDITION
Expenditures were not recorded in the proper fiscal period for FY 2021.

CONTEXT
Audit adjustments were required to fairly state and classify expenditures or expenses for the year ended June 30, 2021. The adjustments are summarized as follows:

- Material adjustments were required to in the General Fund of $195,242 to allocate payroll and payroll tax expenditures across various departments in the General Fund. Corresponding adjustments were required in the nonmajor governmental funds of $8,166.
- An adjustment of $18,932 was required in the General Fund to increase payroll expenditures and accrued expenses.
- A material adjustment of $39,725 was required in the General Fund to increase expenditures and accounts payable.
- An adjustment of $12,248 was required to decrease payroll expenditures and payroll liabilities.
- A material adjustment of $75,104 was required in the TIA Discretionary Projects fund to reverse prior expenditures and retainage payable.

EFFECT
The County's accounting records contained material errors which were identified and adjusted during the annual audit process.

CAUSE
The County does not have adequate accounting procedures to ensure that expenditures or expenses are recorded and properly classified when a liability is incurred.

(2) Financial Statement Findings (Continued)

2021-002 Accounts Payable/Expenditures or Expenses (Continued)

RECOMMENDATION
The County should establish procedures to ensure the proper accrual and classification of all liabilities incurred during the fiscal period.

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTIONS
Management agrees with the finding. A closer view as to the recording of invoices due will be implemented. Additionally, accounts payable will be more fully utilized.

2021-003 Accounts Receivable/Revenue

CRITERIA
Under a modified accrual basis of accounting, amounts are recognized as revenue when earned, only as long as they are collectible within the period or soon enough afterwards to be used to pay liabilities of the current period. Under the accrual basis of accounting, amounts are recognized as revenue when earned.

CONDITION
Various revenue items were not recorded in the proper fiscal period for FY 2022.

CONTEXT
Audit adjustments were required to fairly state and classify revenues for the year ended June 30, 2021.

General Fund

- A material adjustment was required to decrease property tax receivables by $62,600, the allowance for uncollectible accounts by $15,490, current year property tax revenue by $914, and unavailable property tax revenue by $46,196.
- Material adjustments totaling $151,368 were required to increase revenues due from agency funds. Additionally, an adjustment of $24,113 was required to reverse prior year property tax revenue due from the Tax Commissioner custodial fund.
- Material adjustments of $49,069 were required to record intergovernmental receivables and state grant revenues. Additionally, an adjustment of $10,381 was required to record intergovernmental receivables and LOST revenue.

TIA Discretionary Fund

- A material adjustment of $36,454 was required to record intergovernmental receivables and sales tax revenue.

2017 SPLOST Fund

- A material adjustment of $13,560 was required to record intergovernmental receivables and sales tax revenue.

EFFECT
The County's accounting records contained material errors which were identified and adjusted during the annual audit process.

CAUSE
The County did not have controls in place to ensure transactions are being recorded in the correct fiscal year.

(2) Financial Statement Findings (Continued)

2021-003 Accounts Receivable/Revenue (Continued)

RECOMMENDATION
We recommend that the County develop procedures to ensure that revenues are recognized in the correct fiscal year and that transactions are recorded in the correct accounting period in the accounting system.

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTIONS
Management agrees with the finding. The County Clerk will development procedures to ensure that revenues are recognized in the current fiscal year and that transactions are recorded to the correct accounting period.

2021-004 Subsidiary Schedules

CRITERIA
Accounting and control procedures should be designed to ensure that capital asset and long-term debt activity is recorded and reported. Capital asset records must be supported by detailed records that include location, department, cost and estimated useful life, depreciation and other detailed supporting documentation. Compensated absences activity must be supported by detailed records that include department, hours earned, and hours used, and pay rates.

CONDITION
The County did not have adequate accounting procedures to ensure that subsidiary schedules are maintained.

CONTEXT
The County did not maintain subsidiary schedules for capital assets and compensated absences activity during the year.

EFFECT
The County did not have access to timely financial records to use in making management decisions.

CAUSE
The County did not have controls in place to ensure that all capital asset and compensated absences activity is recorded in subsidiary schedules.

RECOMMENDATION
The County should consider purchasing an electronic capital asset record-keeping system and implement procedures to identify capital asset-related activity as a part of its annual close-out process. The County should implement procedures to include preparing a compensated absences schedule as a part of its annual close-out process.

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTIONS
Management agrees with the finding. A new methodology of keeping the capital assets in a current schedule will be devised and implemented. The debt service accounting will be added to the general ledger program and a report designed from the payroll system to show accrued and taken absences will be implemented.

(3) Compliance Findings

2021-005 Uniform Chart of Accounts

CRITERIA
OCG 36-81-3 requires that local governments adopt the uniform chart of accounts in their financial reporting system.

CONDITION
The County has not adopted the Uniform Chart of Accounts.

CONTEXT
General ledger accounts were not numbered in accordance with their classification (i.e. current asset, current liability, deferred inflows/outflows, net position, revenues and expenditures). Additionally, all funds are included in the same trial balance.

EFFECT
The accounting system setup increased the difficulty of producing accurate financial reports on a timely basis.

CAUSE
The County lacked adequate training in governmental financial reporting to properly design and setup the financial reporting system.

RECOMMENDATION
We recommend the County modify its financial reporting system to conform to the required uniform system of accounts.

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTIONS
Management agrees with the finding. The County will bring in a consultant to do away with the walk-over used in the past and convert to the Standardized COA.

2021-006 Budgetary Control-Expenditures Exceeding Appropriations (36-81-3)

CRITERIA
In order to comply with the applicable legal requirements regarding budgets, procedures must exist to properly monitor compliance with the State law. Georgia code (36-81-3) requires an annual balanced budget for the General Fund and each special revenue fund.

CONDITION
The expenditures in the County's General Fund exceeded appropriations in various departments. Expenditures also exceeded appropriations in the E-911 and Section 5311 Transportation special revenue funds. In addition, the County did not adopt a budget for the Confiscated Asset Fund, Drug Abuse Fund, and EIP Revolving Loan Fund.

(3) Compliance Findings (Continued)

2021-006 Budgetary Control-Expenditures Exceeding Appropriations (36-81-3) (Continued)

CONTEXT
Expenditures exceeded appropriations as follows:

General Fund		
General Government		
General Administration	$	6,824
Tax Commissioner		6,317
Tax Assessor		1,981
Voter Registrar		2,672
Public Buildings		776
Judicial		
Superior Court		21,595
Probate Court		20,230
Public Safety		
Sheriff's Office		65,210
Jail		7,245
Emergency Management Agency		275
Fire Departments		10,585
Ambulance Service		6,500
E911		16,864
Coroner		143
Public Works		
Highways and Streets		32,790
Solid Waste and Recycling		4,782
Health and Welfare		
Rural Health		70
Transfers to other funds		32,684
Special Revenue Funds		
E-911 Fund		
Public Safety		3,529
Section 5311 Transportation Fund		
Health and Welfare		4,470

EFFECT
The County is not in compliance with State law.

CAUSE
The County failed to properly monitor the status of budgeted expenditures.

RECOMMENDATION
We recommend the County modify its financial reporting system to more closely monitor budgeted expenditures. In addition, the County must adopt future special revenue fund budgets as required by State law.

(3) Compliance Findings (Continued)

2021-006 Budgetary Control-Expenditures Exceeding Appropriations (36-81-3) (Continued)

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTIONS

Management agrees with the finding. The County will prepare budgets for all special revenue funds going forward. Any budgetary amendments will be documented in the commission meetings as opposed to just expenditure approvals.

TALIAFERRO COUNTY, GEORGIA

SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

2020-001 General Ledger Maintenance

CONDITION
Beginning fund balances did not reconcile with the prior year ending fund balances. In addition, payroll was not properly allocated across departments and funds.

UPDATE
Unresolved, see current year finding 2021-001.

2020-002 Accounts Payable/Expenditures or Expenses

CONDITION
Expenditures were not recorded in the proper fiscal period for FY 2020.

UPDATE
Unresolved, see current year finding 2021-002.

2020-003 Accounts Receivable/Revenue

CONDITION
Various revenue items were not recorded in the proper fiscal period for FY 2020.

UPDATE
Unresolved, see current year finding 2021-003.

2020-004 Bank Reconciliation

CONDITION
Bank reconciliations did not agree to the general ledger.

UPDATE
Resolved.

2020-005 Subsidiary Schedules

CONDITION
The County did not have adequate accounting procedures to ensure that subsidiary schedules are maintained.

UPDATE
Unresolved, see current year finding 2021-004.

2020-006 Uniform Chart of Accounts

CONDITION
The County has not adopted the Uniform Chart of Accounts.

UPDATE
Unresolved, see current year finding 2021-005.

2020-007 Budgetary Control-Expenditures Exceeding Appropriations (36-81-3)

CONDITION

The expenditures in the County's General Fund exceeded appropriations in various departments. In addition, the County did not adopt a budget for the Confiscated Asset Fund, Drug Abuse Fund, and EIP Revolving Loan Fund.

UPDATE

Unresolved, see current year finding 2021-006.

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