TALIAFERRO COUNTY, GEORGIA



ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

JUNE 30, 2023

TALIAFERRO COUNTY, GEORGIA

FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED
JUNE 30, 2023 AND
INDEPENDENT AUDITOR'S REPORT

TALIAFERRO COUNTY, GEORGIA

CONTENTS

Independent Auditor's Report ..... 1 – 3

Basic Financial Statements

Government-Wide Financial Statements

Statement of Net Position ..... 4 – 5
Statement of Activities 6

Fund Financial Statements

Balance Sheet – Governmental Funds 7
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position 8
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds 9
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities 10
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund and Major Special Revenue Funds ..... 11 – 15

Fiduciary Funds

Statement of Fiduciary Net Position 16
Statement of Changes in Fiduciary Net Position 17

Notes to the Financial Statements ..... 18 –36

Supplementary Information

Combining and Individual Fund Statements and Schedules

Combining Balance Sheet – Nonmajor Governmental Funds 37
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds 38
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual -Special Revenue Funds ..... 39 – 42

Custodial Funds

Combining Statement of Fiduciary Net Position 43
Combining Statement of Changes in Fiduciary Net Position 44

Component Unit – Taliaferro County Development Authority

Balance Sheet of the Component Unit 45
Statement of Revenues, Expenditures, and Changes in Fund Balance of the Component Unit 46

Special Purpose Local Option Sales Tax

Schedule of Projects Constructed with Special Purpose Local Options Sales Tax Proceeds 47

Governmental Reports

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* ..... 48 – 49

Schedule of Findings and Responses ..... 50 – 55

MCNAIR MCLEMORE MIDDLEBROOKS & CO
CERTIFIED PUBLIC ACCOUNTANTS

389 Mulberry Street | Macon, Georgia 31201
Post Office Box One | Macon, Georgia 31202
478-746-6277 | mmmcpa.com

January 30, 2024

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** (the County), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise 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 present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2023, and the respective changes in financial position and the budgetary comparison information for the General Fund and the Major Special Revenue Funds (the American Rescue Plan Fund and 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 26 percent, 9 percent, and 95 percent, respectively, of the assets, net position, and revenues of the discretely presented component units. Those financial 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 audit 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 the County, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The County's 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 the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 by 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 and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as 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 opinions on the basic financial statements are 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 the County's basic financial statements. The combining nonmajor fund financial statements, nonmajor fund budgetary comparison schedules, custodial fund statements, Development Authority of Taliaferro County's financial statements, and the schedule of projects constructed with special purpose local options sales tax proceeds are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining nonmajor fund financial statements, nonmajor fund budgetary comparison schedules, custodial fund statements, Development Authority of Taliaferro County's financial statements, and the schedule of projects constructed with special purpose local options sales tax proceeds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, combining nonmajor fund financial statements, nonmajor fund budgetary comparison schedules, custodial fund statements, Development Authority of Taliaferro County's financial statements, and the schedule of projects constructed with special purpose local options sales tax proceeds is 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 January 30, 2024 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

McNair, McLemore, Middlebrooks & Co., LLC

McNAIR, McLEMORE, MIDDLEBROOKS & CO., LLC

FINANCIAL STATEMENTS

TALIAFERRO COUNTY, GEORGIA
STATEMENT OF NET POSITION
JUNE 30, 2023

	Primary Government	Component Units	
	Governmental Activities	Health Department	Development Authority
Assets			
Cash and Cash Equivalents	$ 4,756,245	$ 244,614	$ 302,198
Receivables, Net of Allowance			
Taxes	102,234	-	-
Accounts	16,231	14,167	-
Due from Other Governments	301,495	-	-
Prepaid Items	142,959	-	-
Lease Receivable	43,464	-	-
Nondepreciable Assets	2,119,740	-	878,544
Depreciable Assets, Net	7,473,038	-	-
Proportionate Share of Collective Net			
SEAD-OPEB Asset	-	27,635	-
Total Assets	14,955,406	286,416	1,180,742
Deferred Outflows of Resources			
Deferred Outflows of Resources Related			
To Pensions	-	107,521	-
To OPEBs	-	21,692	-
Total Deferred Outflows of Resources	-	129,213	-

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

TALIAFERRO COUNTY, GEORGIA
STATEMENT OF NET POSITION
JUNE 30, 2023
(CONTINUED)

	Primary Government	Component Units	
	Governmental Activities	Health Department	Development Authority
Liabilities			
Accounts Payable	$ 79,696	$ 3,858	$ -
Accrued Salaries and Benefits	40,700	-	-
Unearned Revenue	139,251	-	-
Noncurrent Liabilities			
Due within One Year			
Compensated Absences	54,982	-	-
Landfill Postclosure Cost	18,641	-	-
Due in More than One Year			
Compensated Absences	-	12,692	-
Landfill Postclosure Cost	442,332	-	-
Net Pension Liability	-	230,941	-
Net OPEB Liability	-	13,228	-
Total Liabilities	775,602	260,719	-
Deferred Inflows of Resources			
Deferred Inflows of Resources Related			
Leases	43,062	-	-
To Pensions	-	8,858	-
To OPEBs	-	25,744	-
Total Deferred Inflows of Resources	43,062	34,602	-
Net Position			
Investment in Capital Assets	9,592,778	-	878,544
Restricted			
Transportation	723,499	-	-
Capital Outlay	882,733	-	-
Drug Awareness	87,622	-	-
Law Enforcement	62,106	-	-
Public Safety	11,538		
Road Improvements	373,132	-	-
Health and Welfare Programs	96,275	61,803	-
Unrestricted	2,307,059	58,505	302,198
Total Net Position	$ 14,136,742	$ 120,308	$ 1,180,742

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, 2023

Functions / Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Component Units: Health Department	Net (Expense) Revenue and Changes in Net Position: Component Units: Development Authority
Primary Government							
Governmental Activities							
General Government	$ 963,754	$ 16,265	$ 104,317	$ -	$ (843,172)		
Public Safety	1,933,254	1,354,609	33,105	-	(545,540)		
Public Works	1,136,866	17,336	368	381,543	(737,619)		
Judicial	371,003	-	-	-	(371,003)		
Health and Welfare	350,837	-	139,584	-	(211,253)		
Culture and Recreation	79,134	-	-	-	(79,134)		
Housing and Development	97,986	2,575	74,215	-	(21,196)		
Total Governmental Activities	4,932,834	1,390,785	351,589	381,543	(2,808,917)		
Total Primary Government	$ 4,932,834	$ 1,390,785	$ 351,589	$ 381,543	(2,808,917)		
Component Units							
Health Department	$ 244,985	$ 25,835	$ 203,151	$ -		$ (15,999)	$ -
Development Authority	3,015	-	10,000	-		-	6,985
Total Component Units	$ 248,000	$ 25,835	$ 213,151	$ -		(15,999)	6,985
		General Revenues					
		Property Tax			2,022,965	-	-
		Sales Tax			885,177	-	-
		Other Tax			270,340	-	-
		Interest Revenue			4,135	344	1,439
		Miscellaneous			7,515	-	200
		Insurance Recoveries			48,451	-	-
		Total General Revenues			3,238,583	344	1,639
		Change in Net Position			429,666	(15,655)	8,624
		Net Position - Beginning of Year			13,707,076	135,963	1,172,118
		Net Position - End of Year			$ 14,136,742	$ 120,308	$ 1,180,742

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

THIS PAGE INTENTIONALLY LEFT BLANK

TALIAFERRO COUNTY, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023

	General Fund	Special Revenue Funds: American Rescue Plan Fund	Special Revenue Funds: TIA Discretionary Projects Fund	Capital Projects Fund: 2017 SPLOST Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets						
Cash and Cash Equivalents	$ 2,922,004	$ 139,251	$ 684,289	$ 860,973	$ 149,728	$ 4,756,245
Receivables, Net of Allowance						
Taxes	102,234	-	-	-	-	102,234
Accounts	16,231	-	-	-	-	16,231
Due from Other Governments	230,703	-	39,310	21,760	9,722	301,495
Due from Other Funds	100	-	-	-	17,848	17,948
Prepaid Items	142,959	-	-	-	-	142,959
Lease Receivable	43,464	-	-	-	-	43,464
Total Assets	$ 3,457,695	$ 139,251	$ 723,599	$ 882,733	$ 177,298	$ 5,380,576
Liabilities						
Accounts Payable	$ 73,775	$ -	$ -	$ -	$ 5,921	$ 79,696
Accrued Expenses	39,639	-	-	-	1,061	40,700
Due to Other Funds	17,848	-	100	-	-	17,948
Unearned Revenues	-	139,251	-	-	-	139,251
Total Liabilities	131,262	139,251	100	-	6,982	277,595
Deferred Inflows of Resources						
Unavailable Revenue						
Property Taxes	99,443	-	-	-	-	99,443
Leases	43,062	-	-	-	-	43,062
Total Deferred Inflows of Resources	142,505	-	-	-	-	142,505
Fund Balances						
Nonspendable	143,361	-	-	-	-	143,361
Restricted	460,357	-	723,499	882,733	170,316	2,236,905
Assigned	800,000	-	-	-	-	800,000
Unassigned	1,780,210	-	-	-	-	1,780,210
Total Fund Balances	3,183,928	-	723,499	882,733	170,316	4,960,476
Total Liabilities, Deferred Inflow of Resources, and Fund Balances	$ 3,457,695	$ 139,251	$ 723,599	$ 882,733	$ 177,298	$ 5,380,576

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, 2023

Total Fund Balances - Governmental Funds	$ 4,960,476
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	17,701,604
Accumulated Depreciation	(8,108,826)
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	(54,982)
Landfill Postclosure Cost	(460,973)
Revenues	
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.	99,443
Net Position of Governmental Activities	$ 14,136,742

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, 2023

		Special Revenue Funds		Capital Projects Fund		
	General Fund	American Rescue Plan Fund	TIA Discretionary Projects Fund	2017 SPLOST Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues						
Taxes	$ 2,489,004	$ -	$ 467,929	$ 236,402	$ -	$ 3,193,335
License and Permits	2,575	-	-	-	-	2,575
Intergovernmental	577,065	102,069	-	-	53,630	732,764
Charges for Services	33,601	-	-	-	30,738	64,339
Fines and Forfeitures	1,246,106	-	-	-	77,765	1,323,871
Interest Income	4,135	-	-	368	-	4,503
Other Revenue	7,515	-	-	-	-	7,515
Total Revenues	4,360,001	102,069	467,929	236,770	162,133	5,328,902
Expenditures						
Current						
General Government	999,166	-	-	15,000	-	1,014,166
Judicial	371,003	-	-	-	-	371,003
Public Safety	1,858,811	53,140	-	-	47,949	1,959,900
Public Works	453,470	-	362,001	13,498	-	828,969
Health and Welfare	188,845	48,929	-	-	86,240	324,014
Culture and Recreation	70,047	-	-	-	-	70,047
Housing and Development	97,986	-	-	-	-	97,986
Capital Outlay	-	-	-	19,700	-	19,700
Total Expenditures	4,039,328	102,069	362,001	48,198	134,189	4,685,785
Excess (Deficiency) of Revenues Over (Under) Expenditures	320,673	-	105,928	188,572	27,944	643,117
Other Financing Sources (Uses)						
Transfers from Other Funds	3,903	-	-	-	32,589	36,492
Transfers to Other Funds	(32,589)	-	-	-	(3,903)	(36,492)
Insurance Recoveries	48,451	-	-	-	-	48,451
Total Other Financing Sources (Uses)	19,765	-	-	-	28,686	48,451
Net Change in Fund Balances	340,438	-	105,928	188,572	56,630	691,568
Fund Balances - Beginning of Year	2,843,490	-	617,571	694,161	113,686	4,268,908
Fund Balances - End of Year	$ 3,183,928	$ -	$ 723,499	$ 882,733	$ 170,316	$ 4,960,476

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, 2023

Net Change in Fund Balances - Total Governmental Funds	$	691,568

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	332,826
Total Depreciation	(557,096)

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	(4,138)
Landfill Postclosure Cost	(18,641)

Revenues

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(14,853)

Change in Net Position of Governmental Activities	$	429,666

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, 2023

	General Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Taxes				
Property Taxes	$ 2,539,817	$ 2,020,685	$ 2,037,818	$ 17,133
Sales Tax	72,000	177,707	180,846	3,139
Motor Vehicle Taxes	-	94,134	95,442	1,308
Insurance Premium Taxes	60,000	73,438	73,438	-
Alcoholic Beverage Taxes	3,400	6,406	6,406	-
Recording Intangibles	8,500	17,741	6,355	(11,386)
Real Estate Transfer	5,000	21,068	23,073	2,005
Penalties and Interest	-	26,398	28,397	1,999
Other Taxes	20,000	37,582	37,229	(353)
Licenses and Permits	1,200	2,575	2,575	-
Intergovernmental Revenues	140,000	441,945	577,065	135,120
Charges for Services	22,300	34,326	33,601	(725)
Fines and Forfeitures	476,400	1,208,174	1,246,106	37,932
Investment Earnings	-	2,010	4,135	2,125
Miscellaneous	850	8,271	7,515	(756)
Total Revenues	3,349,467	4,172,460	4,360,001	187,541
Expenditures				
Current				
General Government				
General Administration	129,150	139,094	149,779	(10,685)
Board of Commissioners	523,700	700,096	558,335	141,761
Tax Commissioner	100,625	98,038	106,315	(8,277)
Tax Assessor	80,800	80,370	81,588	(1,218)
Tax Equalization	2,450	200	200	-
County Attorney	1,000	977	977	-
Voter Registrar	50,600	41,998	44,495	(2,497)
Elections	14,300	-	-	-
Public Buildings	52,100	52,292	57,477	(5,185)
Total General Government	954,725	1,113,065	999,166	113,899

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, 2023
(CONTINUED)

	General Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
Judicial				
Superior Court	117,516	115,084	127,960	(12,876)
Probate Court	301,897	210,319	232,731	(22,412)
District Attorney	6,000	7,095	7,095	-
Public Defender	2,600	3,217	3,217	-
Total Judicial	428,013	335,715	371,003	(35,288)
Public Safety				
Sheriff's Office	958,960	1,041,022	1,107,193	(66,171)
Jail	113,300	139,212	141,517	(2,305)
Emergency Management Agency	4,000	9,292	9,430	(138)
Fire Departments	242,500	243,563	255,107	(11,544)
Ambulance Service	78,000	78,000	84,500	(6,500)
E911	477,740	212,152	233,993	(21,841)
Coroner	30,138	26,733	27,071	(338)
Total Public Safety	1,904,638	1,749,974	1,858,811	(108,837)
Public Works				
Highways and Streets	295,915	293,228	313,214	(19,986)
Solid Waste and Recycling	121,550	134,543	140,256	(5,713)
Total Public Works	417,465	427,771	453,470	(25,699)
Health and Welfare				
Senior Center	53,000	58,029	59,041	(1,012)
Department of Family and Children Services	1,860	1,367	1,367	-
Family Connection / Collaborative	38,001	93,692	62,319	31,373
Enterprise Community	4,550	11,708	11,708	-
Board of Health	31,503	31,778	31,778	-
Community Center	6,200	4,082	4,082	-
Adult Literacy	8,400	13,550	13,550	-
Helping Hands Humane Society	5,000	5,000	5,000	-
Total Health and Welfare	148,514	219,206	188,845	30,361

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, 2023
(CONTINUED)

	General Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
Culture and Recreation				
Library	16,450	43,642	43,642	-
Recreation	6,500	26,405	26,405	-
Total Culture and Recreation	22,950	70,047	70,047	-
Housing and Development				
Forestry	11,624	11,624	11,624	-
Planning and Zoning	4,700	625	625	-
Development Authority	10,000	10,000	10,000	-
Workforce Investment	59,647	137,133	75,737	61,396
Total Housing and Development	85,971	159,382	97,986	61,396
Total Expenditures	3,962,276	4,075,160	4,039,328	35,832
Excess of Revenue Over (Under) Expenditures	(612,809)	97,300	320,673	223,373
Other Financing Sources (Uses)				
Transfers from Other Funds	-	4,578	3,903	(675)
Transfers to Other Funds	-	(20,847)	(32,589)	(11,742)
Insurance Recoveries	5,000	48,451	48,451	-
Total Other Financing Sources (Uses)	5,000	32,182	19,765	(12,417)
Net Change in Fund Balances	(607,809)	129,482	340,438	210,956
Fund Balances - Beginning of Year	2,843,490	2,843,490	2,843,490	-
Fund Balances - End of Year	$ 2,235,681	$ 2,972,972	$ 3,183,928	$ 210,956

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

TALIAFERRO COUNTY, GEORGIA
AMERICAN RESCUE PLAN FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	American Rescue Plan Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Intergovernmental	$ 149,272	$ 149,272	$ 102,069	$ (47,203)
Total Revenues	149,272	149,272	102,069	(47,203)
Expenditures				
Current				
General Government	251,341	149,272	-	149,272
Public Safety	-	53,140	53,140	-
Health and Welfare	-	48,929	48,929	-
Total Expenditures	251,341	251,341	102,069	149,272
Net Change in Fund Balances	(102,069)	(102,069)	-	102,069
Fund Balances - Beginning of Year	-	-	-	-
Fund Balances - End of Year	$ (102,069)	$ (102,069)	$ -	$ 102,069

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, 2023

	TIA Discretionary Projects Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Taxes				
Sales Tax	$ 290,000	$ 468,258	$ 467,929	$ (329)
Total Revenues	290,000	468,258	467,929	(329)
Expenditures				
Current				
Public Works	175,000	362,001	362,001	-
Total Expenditures	175,000	362,001	362,001	-
Net Change in Fund Balances	115,000	106,257	105,928	(329)
Fund Balances - Beginning of Year	617,571	617,571	617,571	-
Fund Balances - End of Year	$ 732,571	$ 723,828	$ 723,499	$ (329)

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

THIS PAGE INTENTIONALLY LEFT BLANK

TALIAFERRO COUNTY, GEORGIA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2023

	Custodial Funds
Assets	
Cash and Cash Equivalents	$ 361,314
Taxes Receivable for Other Governments	337,214
Total Assets	698,528
Liabilities	
Funds Due to Other Local Governments	68,332
Funds Due to Others	195,476
Uncollected Taxes	337,214
Total Liabilities	601,022
Net Position	
Restricted for Individuals, Organizations, and Other Governments	97,506
Total Net Position	$ 97,506

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, 2023

	Custodial Funds
Additions	
Taxes Collected for Other Governments	$ 1,987,626
Fines Collected for Other Governments	257,573
Funds Collected for Others	578,039
Total Additions	2,823,238
Deductions	
Taxes Distributed to Other Governments	1,958,723
Fines Distributed to Other Governments	245,998
Funds Distributed to Others	581,976
Total Deductions	2,786,697
Changes in Net Position	36,541
Net Position - Beginning of Year	60,965
Net Position - End of Year	$ 97,506

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

THIS PAGE INTENTIONALLY LEFT BLANK

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, health and welfare, culture and recreation, and housing and development.

The accounting policies of the County conform to generally accepted accounting principles (GAAP) 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 GAAP, 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 GAAP, 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, 2023 and the Taliaferro County Health Department, as of June 30, 2023. 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)

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 Health Department)

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 Health Department.

Taliaferro County Health Department
55 Alexander Street
Crawfordville, Georgia 30631

Central Savannah River Area Regional Commission (CSRA RC)– Joint Venture

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 CSRA District, is a member of the CSRA RC and is required to pay annual dues thereto. Membership in an RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the RC in Georgia. The CSRA 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 Regional Commission
3626 Walton Way Ext., Suite 300
Augusta, Georgia 30909

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.

(1) Summary of Significant Accounting Policies (Continued)

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

Fund Financial Statements (Continued)

American Rescue Plan Fund – This special revenue fund is used to account for the federating funding from the Coronavirus Local Fiscal Recovery Fund and the restricted expenditures of the program.

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.

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.

Custodial Funds - 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.

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.

Lease Receivables

The County reports lease receivables for leases in which it is the lessor. Lease receivables are measured at the present value of lease payments expected to be received during the lease term, plus any residual value guaranteed by the lessee or a third party unrelated to the lessor. Lease payments include fixed payments, variable payments that depend on an index or rate, and certain other payments such as termination penalties and residual value guarantees. Lease receivables are reduced by any uncollectible amounts and any deferred inflows of resources related to leases.

(1) Summary of Significant Accounting Policies (Continued)

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.

The cost of normal maintenance and repairs that do not add to the value of the assets 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 assets 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 assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Accordingly, the governmental funds report two items in this category, unavailable revenues from property taxes and deferred inflows of resources related to leases. 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.

(1) Summary of Significant Accounting Policies (Continued)

Lease Liabilities

The County reports lease liabilities for leases in which it is the lessee. Lease liabilities are measured at the present value of lease payments expected to be made during the lease term, plus any residual value guaranteed by the lessee or a third party related to the lessee. Lease payments include fixed payments, variable payments that depend on an index or rate, and certain other payments such as termination penalties and residual value guarantees. Lease liabilities are increased by any interest accrued and reduced by any lease payments made.

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.

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, 2023:

	General Fund	TIA Discretionary Capital Projects Fund	2017 SPLOST Special Revenue Fund	Nonmajor Governmental Funds	Total
Fund Balances					
Nonspendable					
Prepaids	$ 142,959	$ -	$ -	$ -	$ 142,959
Leases	402	-	-	-	402
Restricted					
Transportation	-	723,499	-	-	723,499
Capital Outlay	-	-	882,733	-	882,733
Drug Awareness	-	-	-	87,622	87,622
Law Enforcement	-	-	-	62,106	62,106
Public Safety	-	-	-	11,538	11,538
Road Improvements	373,132	-	-	-	373,132
Health and Welfare	87,225	-	-	9,050	96,275
Assigned					
Fund Balance Appropriation	800,000	-	-	-	800,000
Unassigned	1,780,210	-	-	-	1,780,210
Total Fund Balances	$ 3,183,928	$ 723,499	$ 882,733	$ 170,316	$ 4,960,476

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, 2023, the County's total contribution was $21,404 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, 2022 - June 30, 2023, the County's total contribution was $104,136 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.

Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources / uses in governmental funds. Repayments from funds responsible for particular expenditures to the funds that initially paid for them are not presented on the financial statements (i.e., they are netted). Transfers between funds reported in the governmental activities' column are eliminated.

Estimates

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

(2) New Accounting Pronouncements

GASB Statement No. 91, Conduit Debt

The County and its component units, as applicable, have implemented GASB Statement 91, "*Conduit Debt"*. The requirements of this statement are effective for periods beginning after December 15, 2021. The implementation of this new standard had no impact on the County's or component units' net position.

GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements

The County and its component units, as applicable, have implemented GASB Statement 94, "*Public-Private and Public-Public Partnerships and Availability Payment Arrangements*". The requirements of this statement are effective for periods beginning after June 15, 2022. The implementation of this new standard had no impact on the County's or component units' financial statements.

GASB Statement No. 96, Subscription-Based Information Technology Arrangements (SBITAs)

The County and its component units, as applicable, have implemented GASB Statement 96, "*Subscription-Based Information Technology Arrangements (SBITAs)"*. The requirements of this statement are effective for periods beginning after June 15, 2022. The objective of this standard is to better meet the information needs of financial statement users by establishing uniform accounting and financial reporting requirements for SBITAs, improving the comparability of financial statements among governments that have entered into SBITAs, and enhancing the understandability, reliability, relevance, and consistency of information about SBITAs. There were no material changes to the recognition of subscriptions, and therefore, no impact to the County's or component units' financial statements upon adoption.

(3) 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, American Rescue Plan 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 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.

(3) Budgets and Budgetary Accounting (Continued)

Excess of Expenditures Over Appropriations

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

General Fund		
General Government		
General Administration	$	10,685
Tax Commissioner		8,277
Tax Assessor		1,218
Voter Registrar		2,497
Public Buildings		5,185
Judicial		
Superior Court		12,876
Probate Court		22,412
Public Safety		
Sheriff's Office		66,171
Jail		2,305
Emergency Management Agency		138
Fire Departments		11,544
Ambulance Service		6,500
E911		21,841
Coroner		338
Public Works		
Highways and Streets		19,986
Solid Waste and Recycling		5,713
Health and Welfare		
Senior Center		1,012
Transfers to Other Funds		11,742
Special Revenue Fund		
Section 5311 Transportation Fund		11,192

Funds Not Budgeted

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

(4) 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, 2023, 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.

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 Authority's bank balances of deposits as of June 30, 2023, are entirely insured or collateralized with securities held by the Authority's agent in the Authority'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, 2023, the County's carrying amount of deposits was $4,756,245, and the bank balance was $4,732,866.

As of June 30, 2023, the carrying amount of deposits for the Authority was $302,198, and the bank balance was $301,857. The entire bank balance was covered by federal depository insurance or by collateral held.

As of June 30, 2023, the carrying amount of deposits for the Health Department, was $244,614. The entire bank balance was covered by federal depository insurance or by collateral held.

(5) 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 2022 property taxes were mailed (levied) as of September 15th with a due date of December 9th.

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.

(5) Property Taxes (Continued)

The tax billing cycle for 2022 is as follows:

Assessment Date	January 1, 2022
Levy Date	September 15, 2022
Due Date and Collection Date	December 9, 2022
Tax Execution Date / Lien Date	December 10, 2022

(6) Receivables

Receivables at June 30, 2023, consist of the following:

	General Fund
Receivables	
Taxes	$ 181,922
Accounts	16,231
Gross Receivables	198,153
Allowance for Uncollectibles	(79,688)
Net Total Receivables	$ 118,465

(7) Due from Other Governments

Amounts due from other governments at June 30, 2023, are as follows:

	Federal	State	Other	Total
Fund				
General Fund	$ 2,955	$ 209,002	$ 18,746	$ 230,703
TIA Discretionary Projects Fund	-	39,310	-	39,310
2017 SPLOST Fund	-	21,760	-	21,760
Nonmajor Funds	5,196	4,526	-	9,722
Total Due From Other Governments	$ 8,151	$ 274,598	$ 18,746	$ 301,495

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

(8) Lease Receivables

The County has entered into a lease agreement with a lessee for the use of a building. The lease term is 4 years, and the lease payments are due in monthly installments of $1,250. The County has recorded a lease receivable of $43,464, which represents the present value of the lease payments discounted at the County's incremental borrowing rate of 2.267 percent. The lease receivable is reported as a noncurrent asset in the government-wide statement of net position. The County recognizes interest revenue on the lease receivable over the lease term using the effective interest method.

In fiscal year 2023, the County recognized $14,276 in lease revenue and $1,126 in interest revenue under the lease.

(8) Lease Receivables (Continued)

The present value of future minimum rent payments are as follows:

Year	Principal	Interest	Total
2024	$ 14,161	$ 839	$ 15,000
2025	14,486	514	15,000
2026	14,817	183	15,000
Total	$ 43,464	$ 1,536	$ 45,000

(9) Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2023, is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	TIA Discretionary Projects Fund	$ 100
Nonmajor Governmental Funds	General Fund	17,848

Transfers Out	Transfers In	Amount
General Fund	Nonmajor Governmental Fund	$ 32,589
Nonmajor Governmental Fund	General Fund	3,903

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.

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.

(10) Capital Assets

Capital assets activity for the year ended June 30, 2023, was as follows:

Primary Government

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Nondepreciable Capital Assets				
Land	$ 2,119,740	$ -	$ -	$ 2,119,740
Construction in Progress	11,000	94,700	(105,700)	-
Total Nondepreciable Capital Assets	2,130,740	94,700	(105,700)	2,119,740
Depreciable Capital Assets				
Infrastructure	8,712,450	-	-	8,712,450
Buildings	3,500,006	63,000	105,700	3,668,706
Machinery and Equipment	1,610,004	60,409	-	1,670,413
Vehicles	1,415,578	114,717	-	1,530,295
Total Depreciable Capital Assets	15,238,038	238,126	105,700	15,581,864
Accumulated Depreciation				
Infrastructure	(3,618,975)	(174,249)	-	(3,793,224)
Buildings	(2,071,085)	(90,462)	-	(2,161,547)
Machinery and Equipment	(746,465)	(185,339)	-	(931,804)
Vehicles	(1,115,205)	(107,046)	-	(1,222,251)
Total Accumulated Depreciation	(7,551,730)	(557,096)	-	(8,108,826)
Governmental Activities Capital Assets, Net	$ 9,817,048	$ (224,270)	$ -	$ 9,592,778

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

Governmental Activities	
General Government	$ 53,947
Public Safety	159,342
Public Works	307,897
Health and Welfare	26,823
Culture and Recreation	9,087
Total Depreciation Expense - Governmental Activities	$ 557,096

(10) 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.

Development Authority	Beginning Balance	Increase	Decrease	Ending Balance
Component Unit Activities				
Nondepreciable Capital Assets				
Land	$ 878,544	$ -	$ -	$ 878,544
Total Nondepreciable Capital Assets	878,544	-	-	878,544
Component Unit Activities Capital Assets	$ 878,544	$ -	$ -	$ 878,544

(11) 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 $460,973 reported as landfill closure and postclosure care liability at June 30, 2023 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 2023. The County has estimated the closure and postclosure costs associated with this landfill to be $460,973. The County is not required to commit current financial resources to guarantee future maintenance and monitoring activities.

(12) Long-Term Debt

Changes in Long-Term Liability

Primary Government

Changes in the County's long-term debt obligations consisted of the following for the year ended June 30, 2023:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities					
Compensated Absences	$ 50,844	$ 61,107	$ 56,969	$ 54,982	$ 54,982
Landfill Postclosure Cost	442,332	18,641	-	460,973	18,641
Total Governmental Activities Long-Term Debt	$ 493,176	$ 79,748	$ 56,969	$ 515,955	$ 73,623

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

(12) Long-Term Debt (Continued)

Changes in Long-Term Liability (Continued)

Discretely Presented Component Units

Changes in the Health Department's long-term debt obligations consisted of the following for the year ended June 30, 2023:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities					
Compensated Absences	$ 14,620	$ 8,826	$ 10,754	$ 12,692	$ -
Net Pension Liability	85,861	145,080	-	230,941	-
Net State OPEB Liability	9,774	3,454	-	13,228	-
Total Governmental Activities Long-Term Debt	$ 110,255	$ 157,360	$ 10,754	$ 256,861	$ -

(13) 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, 2023, there were 8 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 two percent, if the employee contributes two percent to the Taliaferro County Deferred Compensation 457 Plan. Total contributions for the year ended June 30, 2023, were $9,497 by the employees and $8,147 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.

(14) 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.

(14) Special Funding Defined Benefit Pension Plans (Continued)

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 contributions 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.

(15) 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.

(15) Contingent Liabilities (Continued)

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, 2023, 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.

(16) Conduit Debt – Development Authority (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, 2023, 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

(17) 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.

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.

(17) Tax Abatements (Continued)

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 years, 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 2023 is included below:

Purpose	Description	Amount of County Taxes Abated during the Fiscal Year	Abatement Ends
Industrial Development	100% Real Property Taxes with PILOT	$ 57,538	2039

There are no real property taxes assessed on this property as of June 30, 2023. The County has not made additional commitments as part of the agreement.

(18) General Fund Transportation Expenditures

Amounts expended on transportation include transportation maintenance and operation costs and correspond with classification and subclassifications specified in the local government uniform chart of accounts under subsection (e) of Code Section 36-81-3 within section 4200, including noncapital expenditures within sections 4210-4290.

Total General Fund expenditures within these categories totaled $313,214 for the current fiscal year.

SUPPLEMENTARY INFORMATION

THIS PAGE INTENTIONALLY LEFT BLANK

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.

TALIAFERRO COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2023

	Special Revenue Funds				Total
	Confiscated Assets	Drug Abuse Treatment	E-911	Section 5311 Transportation	Nonmajor Governmental Funds
Assets					
Cash and Cash Equivalents	$ 62,106	$ 87,622	$ -	$ -	$ 149,728
Due from Other Governments	-	-	4,526	5,196	9,722
Due from Other Funds	-	-	12,933	4,915	17,848
Total Assets	$ 62,106	$ 87,622	$ 17,459	$ 10,111	$ 177,298
Liabilities and Fund Balances					
Liabilities					
Accounts Payable	$ -	$ -	$ 5,921	$ -	$ 5,921
Accrued Expenses	-	-	-	1,061	1,061
Total Liabilities	-	-	5,921	1,061	6,982
Fund Balances					
Restricted	62,106	87,622	11,538	9,050	170,316
Total Fund Balances	62,106	87,622	11,538	9,050	170,316
Total Liabilities and Fund Balances	$ 62,106	$ 87,622	$ 17,459	$ 10,111	$ 177,298

TALIAFERRO COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Special Revenue Funds				Total
Revenues	**Confiscated Assets**	**Drug Abuse Treatment**	**E-911**	**Section 5311 Transportation**	**Nonmajor Governmental Funds**
Intergovernmental Revenue	$ -	$ -	$ -	$ 53,630	$ 53,630
Charges for Services	-	-	27,269	3,469	30,738
Fines and Forfeitures	74,345	3,420	-	-	77,765
Total Revenues	74,345	3,420	27,269	57,099	162,133
Expenditures					
Current					
Public Safety	24,265	-	23,684	-	47,949
Health and Welfare	-	-	-	86,240	86,240
Total Expenditures	24,265	-	23,684	86,240	134,189
Excess (Deficiency) of Revenues Over (Under) Expenditures	50,080	3,420	3,585	(29,141)	27,944
Other Financing Sources (Uses)					
Transfers from Other Funds	-	-	-	32,589	32,589
Transfers to Other Funds	-	-	(3,903)	-	(3,903)
Total Other Financing Sources (Uses)	-	-	(3,903)	32,589	28,686
Net Change in Fund Balances	50,080	3,420	(318)	3,448	56,630
Fund Balances - Beginning of Year	12,026	84,202	11,856	5,602	113,686
Fund Balances - End of Year	$ 62,106	$ 87,622	$ 11,538	$ 9,050	$ 170,316

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, 2023

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	$ -	$ 74,345	$ 74,345
Total Revenues	-	74,345	74,345
Expenditures			
Current			
Public Safety	-	24,265	(24,265)
Total Expenditures	-	24,265	(24,265)
Net Change in Fund Balance	-	50,080	50,080
Fund Balances - Beginning of Year	12,026	12,026	-
Fund Balances - End of Year	$ 12,026	$ 62,106	$ 50,080

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, 2023

	Final Budget	Actual	Variance with Final Budget
Revenue			
Fines and Forfeitures	$ -	$ 3,420	$ 3,420
Total Revenues	-	3,420	3,420
Expenditures			
Current			
Public Safety	-	-	-
Total Expenditures	-	-	-
Net Change in Fund Balance	-	3,420	3,420
Fund Balances - Beginning of Year	84,202	84,202	-
Fund Balances - End of Year	$ 84,202	$ 87,622	$ 3,420

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, 2023

	Final Budget	Actual	Variance with Final Budget
Revenue			
Charges for Services	$ 28,261	$ 27,269	$ (992)
Total Revenues	28,261	27,269	(992)
Expenditures			
Current			
Public Safety	23,684	23,684	-
Total Expenditures	23,684	23,684	-
Excess of Revenue Over (Under) Expenditures	4,577	3,585	(992)
Other Financing Sources (Uses)			
Transfers to Other Funds	(4,577)	(3,903)	674
Total Other Financing Sources (Uses)	(4,577)	(3,903)	674
Net Change in Fund Balance	-	(318)	(318)
Fund Balance - Beginning of Year	11,856	11,856	-
Fund Balance - End of Year	$ 11,856	$ 11,538	$ (318)

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, 2023

	Final Budget	Actual	Variance with Final Budget
Revenue			
Intergovernmental Revenue	$ 50,732	$ 53,630	$ 2,898
Charges for Services	3,469	3,469	-
Total Revenues	54,201	57,099	2,898
Expenditures			
Current			
Health and Welfare	75,048	86,240	(11,192)
Total Expenditures	75,048	86,240	(11,192)
Excess of Revenue Over (Under) Expenditures	(20,847)	(29,141)	(8,294)
Other Financing Sources (Uses)			
Transfers from Other Funds	20,847	32,589	11,742
Total Other Financing Sources (Uses)	20,847	32,589	11,742
Net Change in Fund Balance	-	3,448	3,448
Fund Balances - Beginning of Year	5,602	5,602	-
Fund Balances - End of Year	$ 5,602	$ 9,050	$ 3,448

TALIAFERRO COUNTY, GEORGIA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
JUNE 30, 2023

	Superior Court	Magistrate Court	Probate Court	Sheriff's Department	Tax Commissioner's Office	Total
Assets						
Cash and Cash Equivalents	$ 104,807	$ 1,215	$ 73,255	$ 79,806	$ 102,231	$ 361,314
Taxes Receivable For Other Governments	-	-	-	-	337,214	337,214
Total Assets	104,807	1,215	73,255	79,806	439,445	698,528
Liabilities						
Fines Due to Other Local Governments	7,628	200	4,179	10,015	46,310	68,332
Funds Due to Others	1,724	1,015	67,038	69,778	55,921	195,476
Uncollected Taxes	-	-	-	-	337,214	337,214
Total Liabilities	9,352	1,215	71,217	79,793	439,445	601,022
Net Position						
Restricted for Individuals, Organizations, and Other Governments	95,455	-	2,038	13	-	97,506
Total Net Position	$ 95,455	$ -	$ 2,038	$ 13	$ -	$ 97,506

TALIAFERRO COUNTY, GEORGIA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Superior Court	Magistrate Court	Probate Court	Sheriff's Department	Tax Commissioner's Office	Total
Additions						
Taxes Collected for Other Governments	$ -	$ -	$ -	$ -	$ 1,987,626	$ 1,987,626
Fines Collected for Other Governments	26,617	2,100	49,656	179,200	-	257,573
Funds Collected for Others	51,365	5,760	415,715	15,929	89,270	578,039
Total Additions	77,982	7,860	465,371	195,129	2,076,896	2,823,238
Deductions						
Taxes Distributed to Other Governments	-	-	-	-	1,958,723	1,958,723
Fines Distributed to Other Governments	22,712	2,150	48,546	172,590	-	245,998
Funds Distributed to Others	18,750	5,710	416,678	22,665	118,173	581,976
Total Deductions	41,462	7,860	465,224	195,255	2,076,896	2,786,697
Changes in Net Position	36,520	-	147	(126)	-	36,541
Net Position - Beginning of Year	58,935	-	1,891	139	-	60,965
Net Position - End of Year	$ 95,455	$ -	$ 2,038	$ 13	$ -	$ 97,506

TALIAFERRO COUNTY, GEORGIA
BALANCE SHEET
DEVELOPMENT AUTHORITY
COMPONENT UNIT
JUNE 30, 2023

Assets		
Cash and Cash Equivalents	$	302,198
Total Assets	$	302,198
Liabilities and Fund Balances		
Liabilities		
Accounts Payable	$	-
Total Liabilities		-
Fund Balances		
Assigned		226,914
Unassigned		75,284
Total Fund Balances		302,198
Total Liabilities and Fund Balances	$	302,198
Total Fund Balances - Component Unit	$	302,198

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	$	1,180,742

TALIAFERRO COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
DEVELOPMENT AUTHORITY
COMPONENT UNIT
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Revenues		
Intergovernmental Revenue		
County Appropriation	$	10,000
Interest Earnings		1,439
Miscellaneous Revenues		200
Total Revenues		11,639
Expenditures		
Current		
Economic Development		3,015
Total Expenditures		3,015
Net Change in Fund Balances		8,624
Fund Balances - Beginning of Year		293,574
Fund Balances - End of Year	$	302,198

TALIAFERRO COUNTY, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED
WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS-2017
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Project	Original Estimated Cost	Revised Estimated Cost	Expenditures		
			Prior Years	Current Year	Total
Courthouse Repair, Maintenance, and Renovation	$ 1,000,000	$ 1,362,728	$ 1,449,850	$ 34,700	$ 1,484,550
Construction, Repair, and Maintenance of Roads, Streets, and Bridges	1,000,000	1,000,000	825,171	13,498	838,669
Totals	$ 2,000,000	$ 2,362,728	$ 2,275,021	$ 48,198	$ 2,323,219

GOVERNMENTAL REPORT

MCNAIR MCLEMORE MIDDLEBROOKS & CO
CERTIFIED PUBLIC ACCOUNTANTS

389 Mulberry Street | Macon, Georgia 31201
Post Office Box One | Macon, Georgia 31202
478-746-6277 | mmmcpa.com

January 30, 2024

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

Board of Commissioners
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** (the County) as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated January 30, 2024. 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 the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying *the schedule of findings and responses* as items 2023-001, 2023-002, and 2023-003 that we consider to be material weaknesses.

Report on Compliance and Other Matters

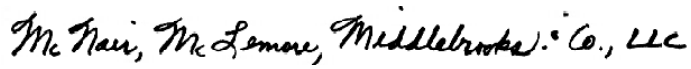
As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed 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 2023-004, 2023-005, and 2023-006.

Taliaferro County, Georgia's Responses to Findings

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

Purpose of this Report

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



McNAIR, McLEMORE, MIDDLEBROOKS & CO., LLC

TALIAFERRO COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND RESPONSES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

(1) Summary of Auditor's Results

Financial Statements

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP:	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, 2023, 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*:

2023-001 <u>General Ledger Maintenance</u>

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
- Audit adjustments were required to correct beginning balances for the year ended June 30, 2023, as follows:
  - General Fund – to increase fund balance by $446,985.
  - American Rescue Plan Fund – to decrease fund balance by $241,321.
  - TIA Discretionary Fund – to increase fund balance by $39,639.
  - 2017 SPLOST Fund – to increase fund balance by $16,349.
  - Additional adjustments were required to correct beginning fund balances in the E-911 Fund and 5311 Transportation Fund.
- Material adjustments were required in the General Fund of $204,539 to allocate payroll and payroll tax expenditures across various departments in the General Fund and $11,742 to nonmajor governmental funds.
- The Confiscated Assets and Drug Abuse funds are maintained in manual check registers and are not reflected in the County's accounting system.

(2) Financial Statement Findings (Continued)

2023-001 General Ledger Maintenance (Continued)

CONTEXT (CONTINUED)

- A material adjustment of $189,187 was required in the General Fund to increase cash and intergovernmental 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 properly record prior year audit entries. The County did not have procedures 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.

2023-002 Accounts Payable / Expenditures

CRITERIA

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

CONDITION

Expenditures were not recorded in the proper fiscal period for FY 2023.

CONTEXT

Audit adjustments were required to fairly state and classify expenditures for the year ended June 30, 2023. The adjustments are summarized as follows:

- An adjustment of $38,136 was required in the General Fund to increase payroll expenditures and accrued expenses.
- A material adjustment of $31,394 was required in the General Fund to increase expenditures and accounts 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 are recorded and properly classified when a liability is incurred.

(2) Financial Statement Findings (Continued)

2023-002 Accounts Payable / Expenditures (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.

2023-003 Accounts Receivable and Unearned Grant Revenue / 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 fiscal year 2023.

CONTEXT
Audit adjustments were required to fairly state and classify revenues for the year ended June 30, 2023.

General Fund

- An adjustment was required to increase property tax receivables by $35,413, to decrease the allowance for uncollectible accounts by $17,733, unavailable property tax revenue by $14,853, current year property tax revenue by $2,827.
- Material adjustments totaling $156,201 were required to increase revenues due from custodial funds. Additionally, an adjustment of $16,766 was required to reverse prior year property tax revenue due from the Tax Commissioner custodial fund.
- Material adjustments of $230,289 were required to record intergovernmental receivables and state grant revenues. Additionally, an adjustment of $16,646 was required to record intergovernmental receivables and Local Options Sales Tax (LOST) revenue.
- A material adjustment of $189,187 was required in the General Fund to increase cash and intergovernmental revenue.

American Rescue Plan Fund

- A material adjustment was required to decrease American Rescue Fund grant revenue and to increase unearned grant revenue by $47,203.

TIA Discretionary Fund

- A material adjustment of $39,310 was required to record intergovernmental receivables and sales tax revenue.

2017 SPLOST Fund

- A material adjustment of $21,760 was required to record intergovernmental receivables and sales tax revenue.

Nonmajor Governmental Funds

- A material adjustment of $19,695 was required to record additional forfeitures due from the Clerk of Court custodial fund.

(2) Financial Statement Findings (Continued)

2023-003 Accounts Receivable and Unearned Grant Revenue / Revenue (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 have controls in place to ensure transactions are being recorded in the correct fiscal year.

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 develop procedures to ensure that revenues are recognized in the current fiscal year and that transactions are recorded to the correct accounting period.

(3) Compliance Findings

2023-004 Uniform Chart of Accounts

CRITERIA
Georgia Code § 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.

(3) Compliance Findings (Continued)

2023-005 Superior Court Custodial Fund

CRITERIA
In accordance with Georgia Code § 15-21-2, the County shall pay into the County treasury of the County where the Court is held, all moneys arising from fines and bond forfeitures collected by them.

CONDITION
The Superior Court failed to properly enter online payments of fines and fees into the accounting software.

CONTEXT
Fines and fees received during fiscal year 2023 totaling $10,532, were not entered into the accounting system during fiscal year.

EFFECT
The Superior Court accumulated excess funds which were not disbursed to the appropriate entities.

CAUSE
The Constitutional Officer lacked adequate training in recording accounting transactions.

RECOMMENDATION
We recommend the Clerk of Court implement procedures to ensure that all receipts are properly entered into the accounting system and disbursed in a timely manner.

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTIONS
Management agrees with the finding. The Clerk of Court will implement procedures to ensure that all fines and fees received by the Court are properly entered into the Court's accounting software.

2023-006 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 Section 5311 Transportation Fund Major Special Revenue Fund. In addition, the County did not adopt a budget for the Confiscated Asset Fund, and Drug Abuse Fund special revenue funds.

(3) Compliance Findings (Continued)

2023-006 Budgetary Control-Expenditures Exceeding Appropriations (36-81-3) (Continued)

CONTEXT
Expenditures exceeded appropriations as follows:

General Fund		
General Government		
General Administration	$	10,685
Tax Commissioner		8,277
Tax Assessor		1,218
Voter Registrar		2,497
Public Buildings		5,185
Judicial		
Superior Court		12,876
Probate Court		22,412
Public Safety		
Sheriff's Office		66,171
Jail		2,305
Emergency Management Agency		138
Fire Departments		11,544
Ambulance Service		6,500
E911		21,841
Coroner		338
Public Works		
Highways and Streets		19,986
Solid Waste and Recycling		5,713
Health and Welfare		
Senior Center		1,012
Transfers to Other Funds		11,742
Special Revenue Fund		
Section 5311 Transportation Fund		11,192

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.

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.

THIS PAGE INTENTIONALLY LEFT BLANK