TAYLOR COUNTY, GEORGIA

FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2021

TAYLOR COUNTY, GEORGIA

FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2021

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MAULDIN & JENKINS
CPAs & ADVISORS

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
of Taylor County, Georgia
Butler, Georgia

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Taylor County Department of Public Health, which represent 6%, 3%, and 40%, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Taylor County Department of Public Health, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County as of June 30, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof and the budgetary comparison information for the General Fund and Solid Waste Surcharge Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 15, the County implemented Governmental Accounting Standards Board ("GASB") Statement No. 84, *Fiduciary Activities*, as of July 1, 2020. This standard significantly changed the accounting for the County's activities previously reported as agency funds. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other 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 and individual nonmajor fund financial statements and schedules and the schedules of expenditures of special purpose local option sales proceeds, as required by the Official Code of Georgia Annotated ("O.C.G.A.") §48-8-121, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules and the schedules of expenditures of special purpose local option sales tax proceeds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the 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 by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of other auditors, the combining and individual nonmajor fund financial statements and schedules and the schedules of expenditures of special purpose local option sales tax proceeds are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2021, 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 the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Taylor County, Georgia's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Macon, Georgia
December 30, 2021

BASIC FINANCIAL STATEMENTS

TAYLOR COUNTY, GEORGIA

STATEMENT OF NET POSITION
JUNE 30, 2021

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	$ 16,045,981	$ 40,308	$ 16,086,289
Receivables, net of allowances:			
Taxes receivable	383,845	-	383,845
Accounts receivable	343,915	1,071	344,986
Due from other governments	58,200	-	58,200
Due from component units	110,469	-	110,469
Internal balances		(969)	(969)
Inventories	2,500	-	2,500
Prepaid items	192,452	-	192,452
Capital assets, nondepreciable	416,793	-	416,793
Capital assets, depreciable, net of accumulated depreciation	12,443,872	607,107	13,050,979
Total assets	29,998,027	647,517	30,645,544
DEFERRED OUTFLOWS OF RESOURCES			
Pension and OPEB plans	-	-	-
Total deferred outflows of resources	-	-	-
LIABILITIES			
Accounts payable	837,930	350	838,280
Accrued liabilities	117,189	-	117,189
Due to other governments	24,747	-	24,747
Due to primary government	-	-	-
Capital leases due within one year	52,527	-	52,527
Capital leases due in more than one year	147,166	-	147,166
Compensated absences due within one year	106,093	-	106,093
Compensated absences due in more than one year	26,522	-	26,522
Landfill post-closure costs due within one year	11,000	-	11,000
Landfill post-closure costs due in more than one year	55,000	-	55,000
Net OPEB liability	-	-	-
Net pension liability	-	-	-
Total liabilities	1,378,174	350	1,378,524

Component Units				
Department of Public Health	Development Authority	Recreation Commission	Airport Authority	Building Authority
$ 488,614	$ 1,208,016	$ 39,575	$ 101,517	$ 72,045
-	-	-	-	-
17,497	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	281,997	-	1,240,932	-
12,060	135,441	-	3,793,037	871,920
518,171	1,625,454	39,575	5,135,486	943,965
101,711	-	-	-	-
101,711	-	-	-	-
122	-	2,404	42,601	620
-	-	-	-	-
-	-	-	-	-
-	-	110,469	-	-
-	-	-	-	-
-	-	-	-	-
7,257	-	-	-	-
9,268	-	-	-	-
-	-	-	-	-
-	-	-	-	-
28,803	-	-	-	-
288,851	-	-	-	-
334,301	-	112,873	42,601	620

(Continued)

TAYLOR COUNTY, GEORGIA

STATEMENT OF NET POSITION
JUNE 30, 2021

	Primary Government		
	Governmental Activities	Business-type Activities	Total
DEFERRED INFLOWS OF RESOURCES			
Pension and OPEB plans	$ -	$ -	$ -
Total deferred inflows of resources	-	-	-
NET POSITION			
Net investment in capital assets	12,660,972	607,107	13,268,079
Restricted for:			
Judicial	40,283	-	40,283
Public safety	274,080	-	274,080
Public works	4,620,163	-	4,620,163
Capital projects	1,806,012	-	1,806,012
Other purposes	-	-	-
Unrestricted	9,219,312	40,060	9,259,372
Total net position	$ 28,620,822	$ 647,167	$ 29,267,989

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

Component Units				
Department of Public Health	Development Authority	Recreation Commission	Airport Authority	Building Authority
$ 74,088	$ -	$ -	$ -	$ -
74,088	-	-	-	-
12,060	417,438	-	5,033,969	871,920
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
27,264	-	-	-	-
172,169	1,208,016	(73,298)	58,916	71,425
$ 211,493	$ 1,625,454	$ (73,298)	$ 5,092,885	$ 943,345

TAYLOR COUNTY, GEORGIA

STATEMENT OF ACTIVITIES
JUNE 30, 2021

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	$ 1,671,851	$ 261,858	$ 16,020	$ -
Judicial	500,027	161,417	-	-
Public safety	2,733,061	551,980	335,309	-
Public works	2,453,099	1,743,161	-	148
Health and welfare	215,753	79,546	233,513	-
Culture and recreation	120,765	-	-	-
Housing and development	514,521	17,707	-	-
Interest on long-term debt	6,178	-	-	-
Total governmental activities	8,215,255	2,815,669	584,842	148
Business-type activities:				
Water and sewer	39,301	15,335	-	-
Total business-type activities	39,301	15,335	-	-
Total primary government	$ 8,254,556	$ 2,831,004	$ 584,842	$ 148
Component units:				
Department of Public Health	$ 399,910	$ 142,593	$ 303,033	$ -
Development Authority	76,436	-	283,122	-
Recreation Commission	124,640	26,330	113,952	-
Airport Authority	163,043	39,660	247,881	31,788
Building Authority	69,238	24,819	-	-
Total component units	$ 833,267	$ 233,402	$ 947,988	$ 31,788
General revenues:				
Property taxes				
Sales taxes				
Other taxes				
Unrestricted investment earnings				
Total general revenues				
Change in net position				
Net position (deficit), beginning of year				
Net position (deficit), end of year				

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

Net (Expenses) Revenues and Changes in Net Position								
Primary Government			Component Units					
Governmental Activities	Business-type Activities	Total	Department of Public Health	Development Authority	Recreation Commission	Airport Authority	Building Authority
$ (1,393,973)	$ -	$ (1,393,973)	$ -	$ -	$ -	$ -	$ -
(338,610)	-	(338,610)	-	-	-	-	-
(1,845,772)	-	(1,845,772)	-	-	-	-	-
(709,790)	-	(709,790)	-	-	-	-	-
97,306	-	97,306	-	-	-	-	-
(120,765)	-	(120,765)	-	-	-	-	-
(496,814)	-	(496,814)	-	-	-	-	-
(6,178)	-	(6,178)	-	-	-	-	-
(4,814,596)	-	(4,814,596)	-	-	-	-	-
-	(23,966)	(23,966)	-	-	-	-	-
-	(23,966)	(23,966)	-	-	-	-	-
(4,814,596)	(23,966)	(4,838,562)	-	-	-	-	-
-	-	-	45,716	-	-	-	-
-	-	-	-	206,686	-	-	-
-	-	-	-	-	15,642	-	-
-	-	-	-	-	-	156,286	-
-	-	-	-	-	-	-	(44,419)
-	-	-	45,716	206,686	15,642	156,286	(44,419)
2,452,365	-	2,452,365	-	-	-	-	-
2,485,158	-	2,485,158	-	-	-	-	-
1,538,475	-	1,538,475	-	-	-	-	-
1,544	-	1,544	85	34,449	-	-	-
6,477,542	-	6,477,542	85	34,449	-	-	-
1,662,946	(23,966)	1,638,980	45,801	241,135	15,642	156,286	(44,419)
26,957,876	671,133	27,629,009	165,692	1,384,319	(88,940)	4,936,599	987,764
$ 28,620,822	$ 647,167	$ 29,267,989	$ 211,493	$ 1,625,454	$ (73,298)	$ 5,092,885	$ 943,345

TAYLOR COUNTY, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021

	General Fund	Solid Waste Surcharge Fund	Capital Projects T-SPLOST Fund	Capital Projects 2011 SPLOST Fund
ASSETS				
Cash and cash equivalents	$ 9,300,900	$ 3,113,078	$ 1,517,652	$ 70,207
Taxes receivable	304,016	-	-	-
Accounts receivable	169,856	104,347	69,712	-
Due from other governments	56,590	-	-	-
Due from other funds	969	1,100	-	-
Due from component units	65,469	45,000	-	-
Inventories	2,500	-	-	-
Prepaid items	185,952	6,500	-	-
Total assets	$ 10,086,252	$ 3,270,025	$ 1,587,364	$ 70,207
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ 602,487	$ 8,420	$ 222,306	$ -
Accrued liabilities	117,189	-	-	-
Due to other governments	-	-	-	-
Due to other funds	1,100	-	-	-
Total liabilities	720,776	8,420	222,306	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	246,819	-	-	-
Total deferred inflows of resources	246,819	-	-	-
FUND BALANCES				
Fund balances				
Nonspendable for:				
Inventory	2,500	-	-	-
Prepaid items	185,952	6,500	-	-
Restricted for:				
Judicial	-	-	-	-
Public safety	-	-	-	-
Public works	-	3,255,105	1,365,058	-
Capital projects	-	-	-	70,207
Committed for:				
Public safety	-	-	-	-
Unassigned	8,930,205	-	-	-
Total fund balances	9,118,657	3,261,605	1,365,058	70,207
Total liabilities, deferred inflows of resources and fund balances	$ 10,086,252	$ 3,270,025	$ 1,587,364	$ 70,207

Amounts reported for governmental activities in the statement of net position are different because:
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.
Net position of governmental activities

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

Capital Projects 2017 SPLOST Fund	Nonmajor Governmental Funds	Total Governmental Funds
$ 1,680,763	$ 363,381	$ 16,045,981
79,829	-	383,845
-	-	343,915
-	1,610	58,200
-	-	2,069
-	-	110,469
-	-	2,500
-	-	192,452
$ 1,760,592	$ 364,991	$ 17,139,431
$ 40	$ 4,677	$ 837,930
-	-	117,189
24,747	-	24,747
-	-	1,100
24,787	4,677	980,966
-	-	246,819
-	-	246,819
-	-	2,500
-	-	192,452
-	40,283	40,283
-	274,080	274,080
-	-	4,620,163
1,735,805	-	1,806,012
-	45,951	45,951
-	-	8,930,205
1,735,805	360,314	15,911,646
$ 1,760,592	$ 364,991	
		12,860,665
		246,819
		(398,308)
		$ 28,620,822

TAYLOR COUNTY, GEORGIA

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

	General Fund	Solid Waste Surcharge Fund	Capital Projects T-SPLOST Fund	Capital Projects 2011 SPLOST Fund
Revenues				
Property taxes	$ 2,392,454	$ -	$ -	$ -
Sales tax	597,168	-	851,895	-
Other taxes	1,538,475	-	-	-
Licenses and permits	63,342	-	-	-
Intergovernmental	568,822	-	-	-
Fines and forfeitures	124,478	-	-	-
Charges for services	1,125,494	1,270,902	-	-
Investment income	1,245	276	138	10
Miscellaneous	175,976	-	-	-
Total revenues	6,587,454	1,271,178	852,033	10
Expenditures				
Current:				
General government	1,087,052	221,179	-	-
Judicial	460,288	32,941	-	-
Public safety	2,375,756	112,130	-	-
Public works	1,404,466	97,052	-	-
Health and welfare	183,198	-	-	-
Culture and recreation	71,753	-	-	-
Housing and development	508,349	-	-	-
Intergovernmental	-	-	-	-
Capital outlay	-	-	683,412	58,595
Debt service:				
Principal	50,679	-	-	-
Interest	6,178	-	-	-
Total expenditures	6,147,719	463,302	683,412	58,595
Excess (deficiency) of revenues over (under) expenditures	439,735	807,876	168,621	(58,585)
Other financing sources (uses)				
Transfers in	400,000	-	-	-
Transfers out	-	(200,000)	(200,000)	-
Total other financing sources (uses)	400,000	(200,000)	(200,000)	-
Net change in fund balances	839,735	607,876	(31,379)	(58,585)
Fund balance, beginning of year	8,278,922	2,653,729	1,396,437	128,792
Fund balance, end of year	$ 9,118,657	$ 3,261,605	$ 1,365,058	$ 70,207

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

Capital Projects 2017 SPLOST Fund	Nonmajor Governmental Funds	Total Governmental Funds
$ -	$ -	$ 2,392,454
1,036,095	-	2,485,158
-	-	1,538,475
-	-	63,342
-	-	568,822
-	57,666	182,144
-	13,831	2,410,227
-	23	1,692
-	-	175,976
1,036,095	71,520	9,818,290
-	-	1,308,231
-	3,530	496,759
-	31,121	2,519,007
-	-	1,501,518
-	-	183,198
-	-	71,753
-	-	508,349
321,178	-	321,178
587,388	-	1,329,395
-	-	50,679
-	-	6,178
908,566	34,651	8,296,245
127,529	36,869	1,522,045
-	-	400,000
-	-	(400,000)
-	-	-
127,529	36,869	1,522,045
1,608,276	323,445	14,389,601
$ 1,735,805	$ 360,314	$ 15,911,646

TAYLOR COUNTY, GEORGIA

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

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds	$	1,522,045
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.		13,704
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		59,911
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.		61,679
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		5,607
Changes in net position - governmental activities	$	1,662,946

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

TAYLOR COUNTY, GEORGIA

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

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues				
Property taxes	$ 2,093,923	$ 2,093,923	$ 2,392,454	$ 298,531
Sales tax	500,000	500,000	597,168	97,168
Other taxes	1,057,650	1,057,650	1,538,475	480,825
Licenses and permits	46,700	46,700	63,342	16,642
Intergovernmental	505,000	505,000	568,822	63,822
Fines and forfeitures	225,500	225,500	124,478	(101,022)
Charges for services	1,240,446	1,240,446	1,125,494	(114,952)
Investment income	2,600	2,600	1,245	(1,355)
Miscellaneous	132,197	132,197	175,976	43,779
Total revenues	5,804,016	5,804,016	6,587,454	783,438
Expenditures				
Current				
General government:				
Governing body	647,747	647,747	380,196	267,551
General administration	121,900	121,900	104,232	17,668
Tax commissioner	184,921	184,921	184,775	146
Tax assessor	126,064	126,064	122,487	3,577
Registrar	87,579	87,579	79,284	8,295
Buildings and plant	205,500	205,500	214,524	(9,024)
Board of equalization	3,285	3,285	1,554	1,731
Total general government	1,376,996	1,376,996	1,087,052	289,944
Judicial:				
Superior court	254,907	254,907	232,920	21,987
Probate court	221,677	221,677	211,419	10,258
Public defender	15,949	15,949	15,949	-
Total judicial	492,533	492,533	460,288	32,245
Public safety:				
Sheriff	739,721	739,721	732,987	6,734
Jail	567,915	567,915	504,027	63,888
Ambulances	762,203	762,203	957,478	(195,275)
Emergency management	17,870	17,870	7,613	10,257
Fire	72,501	72,501	118,719	(46,218)
Coroner	18,975	18,975	12,989	5,986
Emergency communication	41,943	41,943	41,943	-
Total public safety	2,221,128	2,221,128	2,375,756	(154,628)
Public works:				
Roads and bridges	1,301,821	1,301,821	1,171,467	130,354
Garage	-	-	-	-
Landfill	230,229	230,229	232,999	(2,770)
Total public works	1,532,050	1,532,050	1,404,466	127,584

(Continued)

TAYLOR COUNTY, GEORGIA

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

	Budget			Variance with
	Original	Final	Actual	Final Budget
Expenditures (Continued)				
Current (Continued)				
Health and welfare:				
Health department	$ 121,718	$ 121,718	$ 119,347	$ 2,371
Family and children services	31,181	31,181	24,378	6,803
Mental retardation	10,616	10,616	10,616	-
Council on aging	28,148	28,148	27,748	400
Neighborhood service center	2,500	2,500	1,109	1,391
Total health and welfare	194,163	194,163	183,198	10,965
Culture and recreation:				
Parks	46,974	46,974	46,974	-
Libraries	24,779	24,779	24,779	-
Total culture and recreation	71,753	71,753	71,753	-
Housing and development:				
County agent	54,442	54,442	50,430	4,012
Planning and zoning	64,930	64,930	62,839	2,091
Transit	256,313	256,313	256,251	62
Airport	10,000	10,000	10,250	(250)
Forestry	24,042	24,042	24,042	-
Soil conservation	41,275	41,275	40,105	1,170
Industrial development authority	64,391	64,391	64,432	(41)
Total housing and development	515,393	515,393	508,349	7,044
Debt service				
Principal	-	-	50,679	(50,679)
Interest	-	-	6,178	(6,178)
Total debt service	-	-	56,857	(56,857)
Total expenditures	6,404,016	6,404,016	6,147,719	256,297
Excess (deficiency) of revenues over (under) expenditures	(600,000)	(600,000)	439,735	1,039,735
Other financing sources				
Transfers in	600,000	600,000	400,000	(200,000)
Transfers out	-	-		-
Total other financing sources	600,000	600,000	400,000	(200,000)
Net change in fund balance	-	-	839,735	839,735
Fund balance, beginning of year	8,278,922	8,278,922	8,278,922	-
Fund balance, end of year	$ 8,278,922	$ 8,278,922	$ 9,118,657	$ 839,735

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

TAYLOR COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
SOLID WASTE SURCHARGE FUND – BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues				
Charges for services	$ 1,299,500	$ 1,299,500	$ 1,270,902	$ (28,598)
Investment income	500	500	276	(224)
Total revenues	1,300,000	1,300,000	1,271,178	(28,822)
Expenditures				
Current				
General government	222,200	222,200	221,179	1,021
Judicial	51,000	51,000	32,941	18,059
Public safety	325,000	325,000	112,130	212,870
Public works	489,300	489,300	97,052	392,248
Health and welfare	2,500	2,500	-	2,500
Housing and development	10,000	10,000	-	10,000
Total expenditures	1,100,000	1,100,000	463,302	636,698
Excess of revenues over expenditures	200,000	200,000	807,876	607,876
Other financing uses				
Transfers out	(200,000)	(200,000)	(200,000)	-
Total other financing uses	(200,000)	(200,000)	(200,000)	-
Net change in fund balance	-	-	607,876	607,876
Fund balance, beginning of year	2,653,729	2,653,729	2,653,729	-
Fund balance, end of year	$ 2,653,729	$ 2,653,729	$ 3,261,605	$ 607,876

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

TAYLOR COUNTY, GEORGIA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2021

	Major Enterprise Fund Water and Sewer Fund
ASSETS	
Current assets:	
Cash	$ 40,308
Accounts receivable, net of allowance	1,071
Total current assets	41,379
Capital assets:	
Capital assets, depreciable, net of accumulated depreciation	607,107
Total assets	648,486
LIABILITIES	
Current liabilities:	
Accounts payable	350
Due to other funds	969
Total current liabilities	1,319
NET POSITION	
Investment in capital assets	607,107
Unrestricted	40,060
Total net position	$ 647,167

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

TAYLOR COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Major Enterprise Fund Water and Sewer Fund
Operating revenues	
Charges for services:	
Water and sewer sales	$ 15,335
Total operating revenues	15,335
Operating expenses	
Repairs and maintenance	359
Utilities	2,834
Dues and supplies	9,715
Depreciation	26,393
Total operating expenses	39,301
Change in net position	(23,966)
Net position, beginning of year	671,133
Net position, end of year	$ 647,167

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

TAYLOR COUNTY, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Major Enterprise Fund Water and Sewer Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	$ 14,472
Payments to suppliers and service providers	(12,438)
Net cash provided by operating activities	2,034
Net increase in cash and cash equivalents	2,034
Cash and cash equivalents:	
Beginning of year	38,274
End of year	$ 40,308
Reconciliation of operating loss to net cash provided by operating activities:	
Operating loss	$ (23,966)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation	26,393
Increase in accounts receivable	(863)
Increase in due to other funds	498
Decrease in accounts payable	(28)
Net cash provided by operating activities	$ 2,034

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

TAYLOR COUNTY, GEORGIA

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
JUNE 30, 2021

	Custodial Funds
ASSETS	
Cash and cash equivalents	$ 347,687
Taxes receivable	590,986
Total assets	$ 938,673
LIABILITIES	
Due to others	$ 179,751
Uncollected taxes	590,986
Total liabilities	$ 770,737
NET POSITION	
Restricted for individuals, organizations, and other governments	$ 167,936

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

TAYLOR COUNTY, GEORGIA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2021

		Custodial Funds
ADDITIONS		
Taxes collected	$	10,712,243
Fines and fees collected		512,065
Total additions		11,224,308
DEDUCTIONS		
Taxes disbursed		10,712,243
Fines and fees disbursed		462,598
Total deductions		11,174,841
Change in net position		49,467
Net position, beginning of year, as restated		118,469
Net position, end of year	$	167,936

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The County is governed by an elected five-member Board of Commissioners. As required by GAAP, the financial statements of the reporting entity include those of the County (the "Primary Government") and its component units. The component units discussed below are included in the County's reporting entity because of the significance of their operational or financial relationships with the County. In conformity with GAAP, as set forth in GASB Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statements No. 39 and 61, the financial statements of the component units are discretely presented in the financial statements.

The Taylor County Airport Authority (the "Airport Authority") was established as a legally separate entity in 1994 and given the power to acquire, construct, equip, maintain, operate, own, and improve airports and landing fields for the use of aircraft and related buildings and equipment. The five members of the Airport Authority are appointed by the Board of Commissioners.

The Taylor County Recreation Commission (the "Commission") was established as a legally separate entity in 1946. The Commission is governed by a six-member board composed of two members from the County and two from the City of Reynolds and the City of Butler. The County approves the budget of the Commission, and carries out its day-to-day operations.

The Taylor County Building Authority (the "Building Authority") was established as a legally separate entity in 1995 and is responsible for the operations of the Taylor County Multi-Purpose Facility. The five members of the Building Authority are appointed by the Board of Commissioners.

The Taylor County Department of Public Health (the "Health Department") is governed by a seven-member board, of which four members are appointed by the governing authority of the County. The County approves the required local match portion of the budget requested by the Health Department which is administered by the appointed Board of the Health Department. The Health Department's financial statements have been presented separately and can be obtained by writing to the Taylor County Department of Public Health, P.O. Box 158, Butler, Georgia 31006.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

The Taylor County Development Authority (the "Development Authority") was established as a legally separate entity in 1984. The seven members of the Development Authority are appointed by the Board of Commissioners.

The Development Authority, the Airport Authority, the Recreation Commission and the Building Authority are audited along with the primary government financial statements in accordance with GASB Statement No. 14. However, separate financial statements are not prepared.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the government. For the most part, the effect of interfund activity has been removed from these statements. *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.

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 those 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, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

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

Property taxes, intergovernmental grants, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the County.

The format of the fund financial statements has been modified by GASB Statement No. 34. Major individual governmental funds are reported as separate columns in the fund financial statements. GASB Statement No. 34 also requires, as required supplementary information, the Management's Discussion and Analysis which includes an analytical overview of the County's financial activity.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The County reports the following major governmental funds:

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

The ***Solid Waste Surcharge Fund*** is a special revenue fund used to account for the funds received from the use of the S.R. 137 landfill in accordance with the Official Code of Georgia Annotated ("O.C.G.A.") §12-8-39.

The ***T-SPLOST Fund*** is a capital projects fund used to account for the construction and acquisition of major capital facilities financed by Transportation Special Purpose Local Option Sales Tax proceeds.

The ***SPLOST 2011 Fund*** is a capital projects fund used to account for the construction and acquisition of major capital facilities financed by 2011 Special Purpose Local Option Sales Tax proceeds.

The ***SPLOST 2017 Fund*** is a capital projects fund used to account for the construction and acquisition of major capital facilities financed by 2017 Special Purpose Local Option Sales Tax proceeds.

The County reports the following major proprietary fund:

The ***Water and Sewer Fund*** accounts for the operation of the water and sewerage system including all revenues from sources applicable to these operations and all expenses of the operation.

Additionally, the County reports the following fund types:

The ***Special Revenue Funds*** account for specific revenues that are legally restricted to expenditures for particular purposes.

The ***Custodial Funds*** are used to account for the collection and disbursement of monies by the County on behalf of other governments and individuals. These include the Tax Commissioner, Clerk of Superior Court, Probate Court, Magistrate Court, and Sheriff.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

D. Budgets

Budgets are adopted on a basis consistent with GAAP. Annual appropriated budgets are adopted for the General Fund and each special revenue fund. Project length budgets are adopted for the capital projects fund. All annual appropriations lapse at fiscal year-end.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to commit or assign that portion of the applicable appropriation, is not employed by the County.

E. Deposits and Investments

For purposes of the statement of cash flows, the Water and Sewer Fund considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

State statutes authorize the County to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds and repurchase agreements.

Investments are reported at fair value. At June 30, 2021, the County has no investments.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Interfund Receivables/Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year as well as all other outstanding balances between funds are reported as “due to/from other funds.” Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

G. Inventories

Inventories are valued at cost, which approximates market, using the first-in/first-out (“FIFO”) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

H. 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.

I. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than $1,500 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 their acquisition value at the date of donation. In accordance with GASB Statement No. 34, the County has elected not to include infrastructure acquired or constructed prior to July 1, 2003.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Capital Assets (Continued)

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

Asset Category	Years
Land improvements	15 – 20
Buildings and improvements	15 – 40
Machinery and equipment	5 – 10
Infrastructure	20 – 50
Water system	40

J. 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 County does not have a policy to pay any amount when employees separate from service with the County. All vacation pay is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations or retirements.

K. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Deferred Outflows/Inflows of Resources

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

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. At June 30, 2021, the County has no items that qualify for reporting in this category.

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

M. Fund Equity

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

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Fund Equity (Continued)

Fund Balance (Continued)

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

- ***Restricted*** – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

- ***Committed*** – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the County Commission through the adoption of a resolution. Only the County Commission may modify or rescind the commitment.

- ***Assigned*** – Fund balances are reported as assigned when amounts are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Through policy, authorization to assign fund balance remains with the Board.

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

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Fund Equity (Continued)

Flow Assumptions (Continued)

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

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

N. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

O. Tax Abatement Agreements

During the year ended June 30, 2017, the County implemented GASB Statement No. 77, *Tax Abatement Disclosures*. This statement requires the County to disclose information for any tax abatement agreements either entered into by the County, or agreements entered into by other governments that reduce the County's tax revenues.

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS

A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that "long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds." The details of this $398,308 difference are as follows:

Capital leases payable	$ (199,693)
Landfill post-closure costs	(66,000)
Compensated absences	(132,615)
Net adjustment to reduce *fund balance - total governmental funds* to arrive at *net position - governmental activities*	$ (398,308)

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-wide Statement of Activities

The governmental fund statement of revenues, expenditures and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this $13,704 difference are as follows:

Capital outlay	$ 849,912
Depreciation expense	(836,208)
Net adjustment to increase *net changes in fund balances - total governmental funds* to arrive at *changes in net position - governmental activities*	$ 13,704

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS (CONTINUED)

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-wide Statement of Activities (Continued)

Another element of the reconciliation states that "The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets." The details of this $61,679 difference are as follows:

Principal repayments:		
Capital leases	$	50,679
Landfill post-closure costs		11,000
Net adjustment to increase *net changes in fund balances - total governmental funds* to arrive at *changes in net position - governmental activities*	$	61,679

NOTE 3. LEGAL COMPLIANCE - BUDGETS

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

1. Prior to May 1, the Department Heads submit to the County Manager proposed operating budgets for the fiscal year commencing the following July 1, for the General Fund and each special revenue fund. The operating budget includes proposed expenditures and the means of financing them. The proposed budgets are then submitted to the Board of Commissioners by the County Manager for study.

2. Public hearings are conducted at the courthouse to obtain taxpayer comments.

3. The budget is legally adopted by the Board of Commissioners.

4. Any revisions of the budget must be approved by the Board of Commissioners.

5. Formal budgetary integration is employed as a management control device during the year for the General Fund and each special revenue fund.

NOTE 3. LEGAL COMPLIANCE – BUDGETS (CONTINUED)

6. Budgets for the General Fund and each special revenue fund were adopted on a basis consistent with GAAP.

Budgeted amounts are as originally adopted on June 30, 2020, or as amended by the Board of Commissioners. Individual amendments were not material in relation to the original appropriations.

For the year ended June 30, 2021, expenditures exceeded the appropriations as follows:

General Fund:		
Buildings and plant	$	9,024
Ambulances		195,275
Fire		46,218
Landfill		2,770
Industrial development authority		41
Housing and development		
Airport		250
Debt Service:		
Principal		50,679
Interest		6,178

These over-expenditures were funded by under-expenditures in other departments, unanticipated revenues, and opening fund balance.

NOTE 4. DEPOSITS AND INVESTMENTS

Credit Risk. State statutes authorize the County to invest in obligations of the State of Georgia or other states; obligations issued by the U.S. government; obligations fully insured or guaranteed by the U.S. government or by a government agency of the United States; obligations of any corporation of the U.S. government; prime bankers' acceptances; the local government investment pool established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia. The County had no investments as of June 30, 2021.

Interest Rate Risk. The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

Custodial Credit Risk – Deposits. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of June 30, 2021, all of the deposits maintained by the

County were properly insured and collateralized as required by the O.C.G.A. §45-8-12(c) and as defined by GASB pronouncements.

NOTE 5. RECEIVABLES

Taxes were levied on October 6, 2020 and payable on or before December 20, 2020. The County bills and collects its own property taxes. Property taxes levied for 2020 are recorded as receivables, net of estimated uncollectibles.

The net receivables collected during the year ended June 30, 2021, and expected to be collected by August 31, 2021, are recognized as revenues in the year ended June 30, 2021. Net receivables estimated to be collectible subsequent to August 31, 2021, are recorded as revenue when received. Prior year levies were recorded using substantially the same principles, and remaining receivables are re-evaluated annually.

Receivables consisted of the following at June 30, 2021:

	General	Solid Waste Surcharge	T-SPLOST	2017 SPLOST
Receivables:				
Taxes	$ 386,289	$ -	$ 69,712	$ 79,829
Accounts	169,856	104,347	-	-
Due from other governments	56,590	-	-	-
Gross receivables	612,735	104,347	69,712	79,829
Less allowance	82,273	-	-	-
Net total receivables	$ 530,462	$ 104,347	$ 69,712	$ 79,829

	Water and Sewer Fund	Nonmajor Governmental Funds	Total
Receivables:			
Taxes	$ -	$ -	$ 535,830
Accounts	1,127	-	275,330
Due from other governments	-	1,610	58,200
Gross receivables	1,127	1,610	869,360
Less allowance	56	-	82,329
Net total receivables	$ 1,071	$ 1,610	$ 787,031

NOTE 6. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2021, is as follows:

Governmental activities	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	$ 389,348	$ -	$ -	$ 389,348
Construction in progress	-	27,445	-	27,445
Total	389,348	27,445	-	416,793
Capital assets, being depreciated:				
Land improvements	94,295	-	-	94,295
Buildings and improvements	8,502,942	-	-	8,502,942
Machinery and equipment	7,435,141	607,234	-	8,042,375
Infrastructure	6,831,710	215,233	-	7,046,943
Total	22,864,088	822,467	-	23,686,555
Less accumulated depreciation for:				
Land improvements	93,868	212	-	94,080
Buildings and improvements	3,435,422	241,753	-	3,677,175
Machinery and equipment	5,795,741	455,209	-	6,250,950
Infrastructure	1,081,444	139,034	-	1,220,478
Total	10,406,475	836,208	-	11,242,683
Total capital assets, being depreciated, net	12,457,613	(13,741)	-	12,443,872
Governmental activities capital assets, net	$ 12,846,961	$ 13,704	$ -	$ 12,860,665

NOTE 6. CAPITAL ASSETS (CONTINUED)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities				
Capital assets, being depreciated:				
Buildings and improvements	$ 7,800	$ -	$ -	$ 7,800
Water system	1,002,766	-	-	1,002,766
Total	1,010,566	-	-	1,010,566
Less accumulated depreciation for:				
Buildings and improvements	6,327	520	-	6,847
Water system	370,739	25,873	-	396,612
Total	377,066	26,393	-	403,459
Total capital assets, being depreciated, net	633,500	(26,393)	-	607,107
Business-type activities capital assets, net	$ 633,500	$ (26,393)	$ -	$ 607,107

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

Governmental activities	
General government	$ 105,936
Judicial	4,180
Public safety	320,027
Public works	335,882
Health and welfare	32,555
Culture and recreation	31,987
Housing and development	5,641
Total depreciation expense - governmental activities	$ 836,208
Business-type activities:	
Water and sewer	$ 26,393
Total depreciation expense - business-type activities	$ 26,393

NOTE 6. CAPITAL ASSETS (CONTINUED)

Capital asset activity for the Taylor County Development Authority for the fiscal year ended June 30, 2021, is as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Capital assets, not being depreciated:					
Land	$ 257,606	$ 30,306	$ 5,915	$ -	$ 281,997
Capital assets, being depreciated:					
Equipment	6,889	-	-	-	6,889
Building	151,302	-	-	-	151,302
Total	158,191	-	-		158,191
Less accumulated depreciation for:					
Equipment	4,465	984	-	-	5,449
Building	13,421	3,880	-	-	17,301
Total	17,886	4,864	-		22,750
Total capital assets, being depreciated, net	140,305	(4,864)	-	-	135,441
Capital assets, net	$ 397,911	$ 25,442	$ 5,915	$ -	$ 417,438

Capital asset activity for the Taylor County Airport Authority for the fiscal year ended June 30, 2021, is as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Capital assets, not being depreciated:					
Land	$ 1,181,299	$ -	$ -	$ -	$ 1,181,299
Construction in progress	284,596	147,955	-	(372,918)	59,633
Total	1,465,895	147,955	-	(372,918)	1,240,932
Capital assets, being depreciated:					
Equipment	7,209	-	-	-	7,209
Buildings	400,536	-	-	372,918	773,454
Infrastructure	4,036,158	-	-	-	4,036,158
Total	4,443,903	-	-	372,918	4,816,821
Less accumulated depreciation for:					
Equipment	7,209	-	-	-	7,209
Buildings	121,162	26,702	-	-	147,864
Infrastructure	773,784	94,927	-	-	868,711
Total	902,155	121,629	-	-	1,023,784
Total capital assets, being depreciated, net	3,541,748	(121,629)	-	372,918	3,793,037
Capital assets, net	$ 5,007,643	$ 26,326	$ -	$ -	$ 5,033,969

NOTE 6. CAPITAL ASSETS (CONTINUED)

Capital asset activity for the Taylor County Building Authority for the fiscal year ended June 30, 2021, is as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Capital assets, being depreciated:					
Building	$ 1,558,339	$ -	$ -	-	$ 1,558,339
Less accumulated depreciation for:					
Building	646,462	39,957	-	-	686,419
Total capital assets, being depreciated, net	911,877	(39,957)	-	-	871,920
Capital assets, net	$ 911,877	$ (39,957)	$ -	$ -	$ 871,920

NOTE 7. LONG-TERM DEBT

The following is a summary of long-term debt activity for the primary government for the fiscal year ended June 30, 2021:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities					
Capital leases	$ 250,372	$ -	$ 50,679	$ 199,693	$ 52,527
Landfill post-closure	77,000	-	11,000	66,000	11,000
Compensated absences	138,222	114,073	119,680	132,615	106,093
Totals	$ 465,594	$ 114,073	$ 181,359	$ 398,308	$ 169,620

For governmental activities, compensated absences are ordinarily liquidated by the General Fund, while landfill post-closure costs are liquidated by the Solid Waste Surcharge Fund.

Conduit Debt Obligations – Development Authority. During the past five fiscal years, the Development Authority has issued seven separate revenue bonds to acquire capital projects consisting of equipment which will be used in solar energy facilities. The issuances total $765,000,000. The acquired equipment will be leased to a third party. The Development Authority is not obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

NOTE 8. INTERFUND TRANSACTIONS

As of June 30, 2021, the General Fund had a payable to the Solid Waste Surcharge Fund of $1,100 and the Water and Sewer Fund had a payable to the General Fund of $969.

This balance resulted from the time lag between the dates that payments between funds are made.

The Solid Waste Surcharge Fund transferred $200,000 to the General Fund and the TSPLOST Fund transferred $200,000 to the General Fund during the year ended June 30, 2021.

Transfers are used to: 1) move revenues from the fund that statute or budget requires collecting them to the fund that the statute or budget requires to expend them, and 2) use of unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 9. OPERATING LEASES

The County has four one-year lease agreements and one four-year lease agreement for excavators, four one-year lease agreements for motor graders and one four-year lease agreement for a front loader, all used for public works. For the year ended June 30, 2021, rent expense under these leases totaled $132,619. The remaining future minimum lease payments of $141,055 will be paid in 2022.

NOTE 10. DEFINED CONTRIBUTION PENSION PLAN

A. Plan Description

The Taylor County, Georgia Retirement Plan (the “Plan”) is a defined contribution plan which was established and may be amended by the County to provide benefits at retirement to general employees of the County. The Plan is administered by Nationwide Life Insurance Company. Plan members are not required to contribute to this plan. The County is required to contribute 5% of annual covered payroll. Plan provisions and contribution requirements are established and may be amended by the Taylor County Board of Commissioners. Total contributions made to the Plan by the County during the fiscal year ended June 30, 2021, were $110,183.

B. Significant Accounting Policies

Basis of Accounting: The Plan financial statements are prepared using the accrual basis of accounting. Employer contributions are recognized in the period that the contributions are due.

NOTE 10. DEFINED CONTRIBUTION PENSION PLAN (CONTINUED)

B. Significant Accounting Policies (Continued)

Methods Used to Value Investments: Plan investments are reported at fair value. Short-term investments are purchased at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have an established market are reported at estimated fair values.

NOTE 11. LANDFILL POST-CLOSURE COSTS

Effective July 16, 1990, the Taylor County Landfill was closed and no additional waste has been accepted. According to state and federal laws and regulations, the County must perform certain maintenance and monitoring functions at the site for a minimum of 30 years. Engineering studies estimate post-closure costs of approximately $66,000 over the remaining six-year period. These costs are based on what it would cost to perform all post-closure care in 2021. Actual costs may be higher due to changes in inflation, changes in technology, or changes in regulations. Should any problems occur during this post-closure period, the costs and time period required for the maintenance and monitoring functions may substantially increase.

NOTE 12. RISK MANAGEMENT

The County is exposed to various risks of losses related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County purchases commercial insurance to cover property and liability and professional liability claims.

The County participates in the Association of County Commissioners of Georgia Group Self-Insurance Workers' Compensation Fund, a public entity risk pool currently operating as a common risk management and insurance program for member local governments. As part of this risk pool, the County is obligated to pay all contributions and assessments as prescribed by the pool; to cooperate with the pool’s agents and attorneys; to follow loss reduction procedures established by the fund; and to report as promptly as possible, in accordance with any coverage descriptions issued, all incidents which could result in the funds being required to pay any claim of loss. The County is also to allow the pool’s agents and attorneys to represent the County in investigation, settlement discussions and all levels of litigation arising out of any claim made against the County within the scope of loss protection furnished by the funds.

The fund is to defend and protect the members of the fund against liability or loss as prescribed in the member government contract and in accordance with the workers' compensation law of Georgia. 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.

NOTE 12. RISK MANAGEMENT (CONTINUED)

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

NOTE 13. JOINT VENTURE

River Valley Regional Commission

Under Georgia law, the County, in conjunction with other cities and counties in the 16-county west central Georgia area, is a member of the River Valley Regional Commission ("RC") and is required to pay annual dues thereto. During its year ended June 30, 2021, the County paid $5,292 in such dues. Membership in an RC is required by O.C.G.A. §50-8-34 which provides for the organizational structure of the RC in Georgia.

The RC Board membership includes the chief elected official of each county and municipality of the area. O.C.G.A. §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: River Valley Regional Commission, 228 West Lamar Street, Americus, Georgia 31709.

Middle Flint Regional E-911 Authority

The Middle Flint Regional E-911 Authority (the "E-911 Authority") is comprised of eight board members: two appointed by the County and the remaining six appointed by the other representative counties. The County allocated to the E-911 Authority $41,943 during the year to assist with general operating expenses. The County's governing body does not approve the budget nor does it have any oversight of the day-to-day operations of the E-911 Authority. The E-911 Authority was established to provide emergency communications services to Dooly, Macon, Marion, Schley, Sumter, Talbot, Taylor, and Webster counties. Separate financial statements may be obtained from: Middle Flint Regional E-911 Authority, 222 Hayes Avenue, Ellaville, Georgia 31806.

NOTE 14. COMMITMENTS AND CONTINGENCIES

Litigation

The County is not involved in any lawsuits at year-end.

Grant Contingencies

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

NOTE 15. TAX ABATEMENT AGREEMENTS

State statutes control the creation and operation of Development Authorities under O.C.G.A. §36-62. The PILOT Restriction Act defined in O.C.G.A. §36-80-16 provides an Authority permission to issue revenue bonds for capital projects for private companies and arrange for payments in lieu of taxes so long as each of the local governments that have property tax levying authority in the area in which such capital project is located consents by ordinance or resolution. The County participates in agreements with the Development Authority to provide tax abatements to foster economic development. The agreements provide for the real property and equipment of the projects to be acquired with bond proceeds titled in the name of the Authority applicable, and the Authority leases the projects back to the companies. The Authority pays no property tax on its real or personal property. To compensate local jurisdictions for the taxes that would have otherwise been paid during the term of the leases, the projects provide a PILOT (payment in lieu of tax).

The County entered into property tax abatement agreements with multiple companies related to capital projects consisting of equipment which will be used in solar energy facilities. The County entered into these agreements for the purpose of increasing the property tax base. Under these agreements, the County did not assess personal property taxes during the construction phase of the solar energy facilities. These tax abatement agreements are issued on a case-by-case basis for each project. In return for the abatement, the companies commit to a community investment goal, which range from $25,000,000 to $145,000,000 for the various projects.

During the year ended June 30, 2021, the County abated an estimated $1,597,661 in personal property taxes. These tax abatements during the current year represent 74% of the estimated assessed personal property values.

NOTE 16. CHANGE IN ACCOUNTING PRINCIPLE

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

	Custodial Funds
Net position, as previously reported	$ -
Adjustment needed to record beginning net position of the agency funds now reported as custodial funds in accordance with GASB Statement No. 84	118,469
Net position, as restated	$ 118,469

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Jail Fund – To account for revenues collected by the imposition of a 10% add-on fine as provided for by the Georgia Jail Construction and Staffing Act.

Law Library Fund – To account for costs of operating and maintaining the Taylor County Law Library. Financing is provided from a $2 charge added to and collected on all costs in civil and criminal cases.

Special Purpose Drug Fund – To account for monies deemed as forfeited property by courts to the County from cases related to illegal drug activity and the disbursement of these funds for drug prevention activities.

Drug Education Fund – To account for fines collected as required by state law for drug abuse treatment and educational purposes.

Inmate Fund – To account for revenues from telephone commissions at the Sheriff's Office and the disbursement of these funds for items to benefit the inmates.

TAYLOR COUNTY, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021

	Special Revenue					
	Jail Fund	Law Library Fund	Special Purpose Drug Fund	Drug Education Fund	Inmate Fund	Totals
ASSETS						
Cash	$ 191,135	$ 40,283	$ 27,958	$ 54,087	$ 49,918	$ 363,381
Due from other governments	1,610	-	-	-	-	1,610
Total assets	$ 192,745	$ 40,283	$ 27,958	$ 54,087	$ 49,918	$ 364,991
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts payable	$ -	$ -	$ -	$ 710	$ 3,967	$ 4,677
Total liabilities	-	-	-	710	3,967	4,677
Restricted for:						
Judicial	-	40,283	-	-	-	40,283
Public safety	192,745	-	27,958	53,377	-	274,080
Committed for:						
Public safety	-	-	-	-	45,951	45,951
Total fund balances	192,745	40,283	27,958	53,377	45,951	360,314
Total liabilities and fund balances	$ 192,745	$ 40,283	$ 27,958	$ 54,087	$ 49,918	$ 364,991

TAYLOR COUNTY, GEORGIA

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

	Special Revenue					
	Jail Fund	Law Library Fund	Special Purpose Drug Fund	Drug Education Fund	Inmate Fund	Totals
Revenues						
Fines and forfeitures	$ 35,359	$ 4,667	$ 11,763	$ 5,877	$ -	$ 57,666
Charges for services	-	-	-	-	13,831	13,831
Investment income	18	-	-	5	-	23
Total revenues	35,377	4,667	11,763	5,882	13,831	71,520
Expenditures						
Current:						
Judicial	-	3,530	-	-	-	3,530
Public safety	13,277	-	3,071	4,333	10,440	31,121
Total expenditures	13,277	3,530	3,071	4,333	10,440	34,651
Excess of revenues over expenditures	22,100	1,137	8,692	1,549	3,391	36,869
Net change in fund balances	22,100	1,137	8,692	1,549	3,391	36,869
Fund balances, beginning of year	170,645	39,146	19,266	51,828	42,560	323,445
Fund balances, end of year	$ 192,745	$ 40,283	$ 27,958	$ 53,377	$ 45,951	$ 360,314

TAYLOR COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS - 2011 ISSUE FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Project Description Per SPLOST Referendum	Estimated Cost		Expenditures		
	Original	Current	Prior Years	Current Year	Total
Construction of County Courthouse	$ 500,000	$ 500,000	$ 252,075	$ -	$ 252,075
Construction of Recreational Facilities	150,000	150,000	83,196	11,459	94,655
Construction of Public Safety Facilities	100,000	100,000	38,672	2,238	40,910
Construction of County Communication Equipment	100,000	100,000	11,752	12,360	24,112
Construction of Fire Protection and Rescue Facilities	650,000	650,000	424,048	4,646	428,694
Construction and Repair of Roads, Streets and Bridges	4,020,000	4,020,000	2,509,692	27,892	2,537,584
City of Butler	1,360,000	1,360,000	877,484	-	877,484
City of Reynolds	1,120,000	1,120,000	722,637	-	722,637
	$ 8,000,000	$ 8,000,000	$ 4,919,556	$ 58,595	$ 4,978,151

TAYLOR COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS - 2017 ISSUE FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Project Description Per SPLOST Referendum	Estimated Cost		Expenditures		
	Original	Current	Prior Years	Current Year	Total
Construction of County Courthouse	$ 715,000	$ 715,000	$ -	$ 1,926	$ 1,926
Construction of Recreational Facilities	600,000	600,000	-	5,966	5,966
Purchase of Public Safety Equipment	1,080,000	1,080,000	172,132	239,862	411,994
Purchase of Fire Equipment	355,000	355,000	26,893	31,415	58,308
Construction of Administration Buildings	150,000	150,000	-	-	-
Construction and Repair of Roads, Streets and Bridges	4,000,000	4,000,000	669	308,219	308,888
City of Butler	1,700,000	1,700,000	445,778	176,103	621,881
City of Reynolds	1,400,000	1,400,000	366,979	145,075	512,054
	$ 10,000,000	$ 10,000,000	$ 1,012,451	$ 908,566	$ 1,921,017

CUSTODIAL FUNDS

Tax Commissioner – To account for the collection and payment to the County and other taxing units of the property taxes levied, billed, and collected by the Tax Commissioner on behalf of the County and other taxing units.

Clerk of Superior Court – To account for all monies received by the Clerk of Superior Court on behalf of individuals, private organizations, other governmental units, and other funds.

Probate Court – To account for all monies received by the Probate Court on behalf of individuals, private organizations, other governmental units, and other funds.

Magistrate Court – To account for all monies received by the Magistrate Court on behalf of individuals, private organizations, other governmental units, and other funds.

Sheriff – To account for all monies received by the Sheriff's Department on behalf of individuals, private organizations, other governmental units, and other funds.

TAYLOR COUNTY, GEORGIA

COMBINING STATEMENT OF ASSETS AND LIABILITIES
FIDUCIARY FUNDS
JUNE 30, 2021

	Tax Commissioner	Clerk of Superior Court	Probate Court	Magistrate Court	Sheriff	Total
ASSETS						
Cash	$ 161,510	$ 172,348	$ 2,737	$ 7,742	$ 3,350	$ 347,687
Taxes receivable	590,986	-	-	-	-	590,986
Total assets	$ 752,496	$ 172,348	$ 2,737	$ 7,742	$ 3,350	$ 938,673
LIABILITIES						
Due to others	$ 157,700	$ 14,309	$ -	$ 7,742	$ -	$ 179,751
Uncollected taxes	590,986	-	-	-	-	590,986
Total liabilities	$ 748,686	$ 14,309	$ -	$ 7,742	$ -	$ 770,737
NET POSITION						
Restricted for individuals, organizations, and other governments	$ 3,810	$ 158,039	$ 2,737	$ -	$ 3,350	$ 167,936

TAYLOR COUNTY, GEORGIA

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

	Tax Commissioner	Clerk of Superior Court	Probate Court	Magistrate Court	Sheriff	Total
ADDITIONS						
Taxes collected	$ 10,712,243	$ -	$ -	$ -	$ -	$ 10,712,243
Fines and fees collected	-	280,738	103,222	73,638	54,467	512,065
Total additons	10,712,243	280,738	103,222	73,638	54,467	11,224,308
DEDUCTIONS						
Taxes disbursed	10,712,243	-	-	-	-	10,712,243
Fines and fees disbursed	-	231,271	103,222	73,638	54,467	462,598
	10,712,243	231,271	103,222	73,638	54,467	11,174,841
Change in net position	-	49,467	-	-	-	49,467
Net position, beginning of year, as restated	3,810	108,572	2,737	-	3,350	118,469
Net position, end of year	$ 3,810	$ 158,039	$ 2,737	$ -	$ 3,350	$ 167,936

COMPLIANCE SECTION

MAULDIN & JENKINS
CPAs & ADVISORS

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

Board of Commissioners
of Taylor County, Georgia
Butler, Georgia

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of Taylor County, Georgia (the "County"), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated December 30, 2021. Our report includes a reference to other auditors who audited the financial statements of the Taylor County Department of Public Health, as described in our report on the County's financial statements. This report does not include the results of other auditors' testing of internal control over financial reporting on compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered 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.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and responses, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiency described in the accompanying schedule of findings and responses as item 2021-002, to be a material weakness.

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. We consider the deficiency described in the accompanying schedule of findings and responses as item 2021-001, to be a significant deficiency.

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 no instances of noncompliance or another matters that are required to be reported under *Government Auditing Standards*.

Taylor County, Georgia's Responses to Findings

The County's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. The County's responses were not subjected to the 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.

Mauldin & Jenkins, LLC

Macon, Georgia
December 30, 2021

TAYLOR COUNTY, GEORGIA

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

SECTION I
SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weaknesses identified?	X Yes ____ No
Significant deficiencies identified not considered to be material weaknesses?	X Yes ____ No
Noncompliance material to financial statements noted?	____ Yes X No

Federal Awards

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

TAYLOR COUNTY, GEORGIA

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

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES

2021 – 001. Segregation of Duties

Condition: Appropriate segregation of duties does not exist among recording, distribution, and reconciliation of cash accounts and other operational functions in the various funds possessed by the County.

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

Context: Several instances of overlapping duties were noted during interviews regarding internal control procedures. This was noted in the following offices/departments:

- Finance – The same individual is involved with accounts payable, cash disbursements, and general ledger maintenance. Also, the same individual is involved with payroll, personnel records, and general ledger maintenance.
- Water – The same individual is involved with billing, collection, posting to the general ledger, and maintenance of accounts receivable.
- Clerk of Court – The same individual is involved with opening the mail, receipting, deposit slip preparation, and the bank reconciliation process.
- Probate/Magistrate Court – The same individual is involved with opening the mail, receipting, deposit slip preparation, and the bank reconciliation process. Also, the same individual is involved with preparing the checks and approving the amounts to be paid.
- Sheriff's Office – The same individual is involved with opening the mail, receipting, deposit slip preparation, and the bank reconciliation process. Additionally, no one reviews the bank reconciliations.
- Tax Commissioner – The same individual is involved in with opening the mail and recording the receipts. The same individual is involved with the receipting process and the bank reconciliation process. Also, the same individual is involved with the billing and collection function. Additionally, no one is reconciling bank statements.
- Development Authority – The same individual is involved with opening the mail, receipting, deposit slip preparation, and the bank reconciliation process. Additionally, no one reviews the bank reconciliations.

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

TAYLOR COUNTY, GEORGIA

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

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES (CONTINUED)

2021 – 001. Segregation of Duties (Continued)

Recommendation: The duties of recording, distribution, and reconciliation of accounts should be segregated among employees. There should also be a process in which an individual reviews the bank reconciliations and documents their approval of them.

Views of Responsible Officials and Planned Corrective Action: We concur. The offices are in the process of reviewing their respective systems to evaluate and determine the most efficient and effective solution to properly segregate duties among recording, distribution, and reconciliation of accounts to provide reasonable assurance that an individual cannot misappropriate funds without being detected during the normal course of business.

2021 – 002. Revenue/Receivables Cycle

Criteria: Generally accepted accounting principles require revenues to be recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period.

Condition: The County did not appropriately record all transactions involving the receivable and revenue accounts during the year ended June 30, 2021.

Context/Cause: During our testing of revenues and receivables, audit adjustments were required to correct various account balances. These adjustments were due to the inclusion of receivables that should not have been recorded at year-end and additional receivables that should have been recorded.

Effect: Audit adjustments to decrease revenue in the amount of $38,476, increase allowance for doubtful accounts in the amount of $19,970, increase deferred tax revenue in the amount of $59,911, increase accounts receivable in the amount of $72,059, and decrease due from tax commissioner in the amount of $30,654 in the current year were required to be recorded for the General Fund as of June 30, 2021. An audit adjustment to decrease TSPLOST revenue and accounts receivable in the amount of $65,037 was recorded for the TSPLOST Fund as of June 30, 2021. Additionally, an audit adjustment to increase revenue in the amount of $864, increase accounts receivable in the amount of $438, and decrease allowance for doubtful accounts in the amount of $426 was recorded in the Potterville Water & Sewer Fund.

Recommendation: We recommend the County record the necessary adjustments to reflect the accounts receivable balances at the conclusion of each financial reporting cycle.

Views of Responsible Officials and Planned Corrective Action: We concur. We will take appropriate measures to ensure all receivables are appropriately recorded at year-end.

TAYLOR COUNTY, GEORGIA

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

SECTION III
FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

Not applicable.

TAYLOR COUNTY, GEORGIA

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

2020 – 001. Segregation of Duties

Condition: Appropriate segregation of duties does not exist among recording, distribution, and reconciliation of cash accounts and other operational functions in the various funds possessed by the County.

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

Auditee Response/Status: Unresolved. See current year finding number 2021 – 001.

2020 – 002. Revenue/Receivable Cycle

Condition: The County did not appropriately record all transactions involving the receivable and revenue accounts during the year ended June 30, 2020.

Criteria: Generally accepted accounting principles require revenues to be recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period.

Auditee Response/Status: Unresolved. See current year finding number 2021 – 002.