TELFAIR COUNTY, GEORGIA

FINANCIAL STATEMENTS
AS OF **JUNE 30, 2020**
TOGETHER WITH AUDITOR'S REPORT

TELFAIR COUNTY, GEORGIA
FINANCIAL STATEMENTS

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FINANCIAL STATEMENTS

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I. FINANCIAL SECTION

- **INDEPENDENT AUDITOR'S REPORT**
- **BASIC FINANCIAL STATEMENTS**

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INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners
of Telfair County, Georgia
McRae, 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 Telfair County, Georgia, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents. We did not audit the financial statements of the Telfair County Department of Leisure Services, the Telfair County Hospital Authority, the Development Authority of Telfair County or the Telfair County Board of Health which collectively represent 100% of the assets, net position, and revenues of the aggregate discretely presented component units.

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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Telfair County Department of Leisure Services, the Telfair County Hospital Authority, the Development Authority of Telfair County or the Telfair County Board of Health, which represent 100% of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the aggregate discretely presented component units, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall financial statement 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 Telfair County Georgia, as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter – Restatement

As discussed in Note IV., F., subsequent to the issuance of its financial statements for the year ended June 30, 2020, the 2020 financial statements have been restated to correct a misstatement. Our opinion is 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 require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the schedule of changes in the net pension liability and related ratios on page 44, the schedule of contributions on page 45, and the budgetary comparison information on pages 46 through 49, as well as the note to required supplementary information on page 50 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that ollectively comprise Telfair County, Georgia's basic financial statements. The combining and individual fund financial statements on pages 52 through 58 are presented for purposes of additional analysis and are not a required part of the financial statements. The schedule of expenditures of special purpose local option sales tax proceeds on page 59 is presented for purposes of additional analysis as required by Official Code of Georgia 48-8-121, and is not a required part of the basic financial statements.

The combining and individual fund financial statements and the schedule of expenditures of special purpose local option sales tax proceeds, are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 the other auditors, the combining and individual fund financial statements and the schedules of expenditures of special purpose local option sales tax proceeds are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 29, 2021, on our consideration of Telfair County, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and other matters. The purpose of that report is to describe the scope of our testing 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 Telfair County, Georgia's internal control over financial reporting and compliance.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Tifton, Georgia
March 29, 2021, except for Note IV., F., as to which the date is August 17, 2021

TELFAIR COUNTY, GEORGIA
STATEMENT OF NET POSITION
JUNE 30, 2020

	Primary Government			Component
	Governmental Activities	Business-type Activities	Total	Units
ASSETS				
Cash and cash equivalents	$ 5,380,029	$ 794,087	$ 6,174,116	$ 3,547,529
Investments	-	-	-	100,889
Taxes receivable -				
net of uncollectible accounts	1,075,958	-	1,075,958	-
Other receivables, net	481,960	159,341	641,301	46,770
Internal balances	(447,536)	447,536	-	-
Prepaids	234,326	-	234,326	-
Capital assets:				
Nondepreciable	4,757,300	707,670	5,464,970	134,368
Depreciable, net	9,140,385	4,438,382	13,578,767	863,843
Total assets	20,622,422	6,547,016	27,169,438	4,693,399
DEFERRED OUTFLOWS OF RESOURCES				
Related to defined benefit pension plan and OPEB	464,365	31,041	495,406	182,520
LIABILITIES				
Accounts payable	294,034	65,451	359,485	-
Other liabilities	126,076	15,323	141,399	79,256
Noncurrent liabilities:				
Due within one year:				
Lease payable	180,994	145,332	326,326	-
Notes payable	10,502	147,749	158,251	32,139
Revenue bond payable	-	26,605	26,605	-
Due in more than one year:				
Lease payable	347,368	171,957	519,325	-
Notes payable	11,329	151,592	162,921	146,870
Revenue bond payable	-	1,495,395	1,495,395	-
Closure/post closure accrued liability	-	2,502,871	2,502,871	-
Proportionate share of net pension liability	812,883	54,338	867,221	432,914
Proportionate share of net OPEB liability	-	-	-	69,103
Total liabilities	1,783,186	4,776,613	6,559,799	760,282
DEFERRED INFLOWS OF RESOURCES				
Related to defined benefit pension plan and OPEB	275,802	18,436	294,238	169,757
NET POSITION				
Net investment in capital assets	13,347,492	3,007,422	16,354,914	819,202
Restricted:				
Special revenue	160,439	-	160,439	-
Capital projects	3,737,766	-	3,737,766	-
Prior year program income	-	-	-	152,310
Unrestricted	1,782,102	(1,224,414)	557,688	2,974,368
Total net position	$ 19,027,799	$ 1,783,008	$ 20,810,807	$ 3,945,880

The accompanying Notes to Financial Statements are an integral part of these statements.

TELFAIR COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions
Primary government:			
Governmental activities:			
General government	$ 1,662,154	$ 73,902	$ -
Judicial	782,969	207,854	-
Public safety	3,385,884	655,606	-
Public works	1,991,973	-	-
Health and welfare	492,608	255,705	-
Culture and recreation	250,906	-	-
Housing and development	238,460	740	-
Interest on long-term debt	44,412	-	-
Total governmental activities	8,849,366	1,193,807	-
Business-type activities -			
Landfill	1,480,295	1,003,284	-
Total business-type activities	1,480,295	1,003,284	-
Total primary government	10,329,661	2,197,091	-
Component units:			
Governmental type	861,826	419,267	622,728
Total component units	$ 861,826	$ 419,267	$ 622,728
General revenues:			
Property taxes			
Timber taxes			
Local Option Sales taxes			
Special Purpose Local Option Sales taxes			
Transportation Local Option Sales taxes			
Hotel and motel taxes			
Beer and wine taxes			
Insurance premium taxes			
Other taxes			
Investment earnings			
Miscellaneous			
Total general revenues and transfers			
Change in net position			
Net position - beginning			
Prior period adjustments:			
Intergovernmental capital grant			
Net position - beginning, as restated			
Net position - ending			

Program Revenues	Net (Expense) Revenue and Changes in Net Position			
	Primary Government			Component Unit
Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Component Units
$ 258,147	$ (1,330,105)	$ -	$ (1,330,105)	
-	(575,115)	-	(575,115)	
16,159	(2,714,119)	-	(2,714,119)	
503,206	(1,488,767)	-	(1,488,767)	
-	(236,903)	-	(236,903)	
-	(250,906)	-	(250,906)	
-	(237,720)	-	(237,720)	
-	(44,412)	-	(4,412)	
777,512	(6,878,047)	-	(6,878,047)	
274,564	-	(202,447)	(202,447)	
274,564	-	(202,447)	(202,447)	
1,052,076	(6,878,047)	(202,447)	(7,080,494)	
-				180,169
$ -				180,169
	4,973,894	-	4,973,894	-
	139,365	-	139,365	-
	420,119	-	420,119	-
	1,120,298	-	1,120,298	-
	296,310	-	296,310	-
	13,800	-	13,800	-
	1,725	-	1,725	-
	398,141	-	398,141	-
	83,657	-	83,657	-
	3,084	940	4,024	11,078
	302,145	-	302,145	202,775
	7,752,538	940	7,753,478	213,853
	874,491	(201,507)	672,984	394,022
	18,153,308	1,219,079	19,372,387	3,551,858
	-	765,436	765,436	-
	18,153,308	1,984,515	20,137,823	3,551,858
	$ 19,027,799	$ 1,783,008	$ 20,810,807	$ 3,945,880

The accompanying Notes to Financial Statements are an integral part of these statements.

TELFAIR COUNTY, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2020

	General	SPLOST
ASSETS		
Cash and cash equivalents	$ 1,549,101	$ 2,361,261
Taxes receivable - net of allowance for uncollectibles	949,571	99,322
Other receivables, net	481,960	-
Prepaids	234,326	-
Total assets	$ 3,214,958	$ 2,460,583
LIABILITIES		
Accounts payable	$ 234,924	$ 50,045
Other liabilities	126,076	-
Due to other funds	447,536	-
Total liabilities	808,536	50,045
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue - property taxes	1,031,864	-
Total deferred inflows of resources	1,031,864	-
FUND BALANCES		
Nonspendable	234,326	-
Restricted	-	2,410,538
Unassigned	1,140,232	-
Total fund balances	1,374,558	2,410,538
Total liabilities, deferred inflows of resources, and fund balances	$ 3,214,958	$ 2,460,583

T-SPLOST	Other Governmental Funds	Total Governmental Funds
$ 798,750	$ 670,917	$ 5,380,029
27,065	-	1,075,958
-	-	481,960
-	-	234,326
$ 825,815	$ 670,917	$ 7,172,273
$ 1,047	$ 8,018	$ 294,034
-	-	126,076
-	-	447,536
1,047	8,018	867,646
-	-	1,031,864
-	-	1,031,864
-	-	234,326
824,768	662,899	3,898,205
-	-	1,140,232
824,768	662,899	5,272,763
$ 825,815	$ 670,917	$ 7,172,273

The accompanying Notes to Financial Statements are an integral part of these statements.

TELFAIR COUNTY, GEORGIA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2020

Amounts reported for governmental activities in the statement of net position are different because:		
Total governmental fund balances		$ 5,272,763
Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds.		
Cost of capital assets	$ 20,721,317	
Less accumulated depreciation	(6,823,632)	13,897,685
Other long-term assets are not available to pay for current-period expenditures and, therefore, are reported as unavailable revenue in the funds.		1,031,864
Some liabilities, including net pension obligations, are not due and payable in the current period and, therefore, are not reported in the funds.		
Net pension liability		(812,883)
Deferred outflow and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.		
Deferred outflow of employer contributions after the measurement date		151,394
Asset (gain)/loss		(119,773)
Liability (gain)/loss		64,670
(Gain)/loss due to assumption change		92,272
Long-term liabilities, such as compensated absences and lease liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		(550,193)
Net position of governmental activities		$ 19,027,799

The accompanying Notes to Financial Statements are an integral part of these statements.

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

	General	SPLOST
REVENUES		
General property taxes	$ 5,083,683	$ -
Other taxes	903,642	1,120,298
Charges for services	586,452	-
Intergovernmental	325,856	-
Fines and forfeitures	289,115	-
Investment earnings	2,573	746
Miscellaneous	302,145	-
Total revenues	7,493,466	1,121,044
EXPENDITURES		
Current:		
General government	1,481,650	-
Judicial	752,963	-
Public safety	3,146,469	-
Public works	698,493	-
Health and welfare	471,118	-
Culture and recreation	217,900	-
Housing and development	226,968	-
Intergovernmental	-	562,446
Debt service:		
Principal	135,235	-
Interest	9,927	-
Capital outlay :		
Public safety	47,000	2,936,991
Public works	262,210	-
Culture and recreation	-	28,315
Housing and development	32,576	-
Total expenditures	7,482,509	3,527,752
OTHER FINANCING SOURCES (USES)		
Lease financing	262,210	-
Transfers in (out)	-	-
Total other financing sources	262,210	-
Net change in fund balances	273,167	(2,406,708)
Fund balances, beginning	1,101,391	4,817,246
Fund balances, ending	$ 1,374,558	$ 2,410,538

T-SPLOST	Other Governmental Funds	Total Governmental Funds
$ -	$ -	$ 5,083,683
296,310	13,800	2,334,050
-	73,726	660,178
-	518,619	844,475
-	-	289,115
-	511	3,830
-	6,257	308,402
296,310	612,913	9,523,733
-	80,074	1,561,724
-	11,156	764,119
-	-	3,146,469
75,343	-	773,836
-	6,305	477,423
-	-	217,900
-	5,520	232,488
-	-	562,446
135,671	-	270,906
34,485	-	44,412
-	-	2,983,991
25,550	274,073	561,833
	-	28,315
-	-	32,576
271,049	377,128	11,658,438
-	-	262,210
(32,249)	32,249	-
(32,249)	32,249	262,210
(6,988)	268,034	(1,872,495)
831,756	394,865	7,145,258
$ 824,768	$ 662,899	$ 5,272,763

The accompanying Notes to Financial Statements are an integral part of these statements.

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

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds		$ (1,872,495)
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.		
Capital outlay	$ 3,606,715	
Depreciation expense	(945,763)	2,660,952
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property taxes:		
Unavailable revenue - property taxes at June 30, 2020	$ 1,031,864	
Unavailable revenue - property taxes at June 30, 2019	(831,740)	200,124
Governmental funds report pension contributions as expenditures. However, in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense.		
Pension contributions	$ 151,394	
Cost of benefits earned net of employee contributions	(274,180)	(122,786)
The issuance of long-term debt (e.g. bonds, leases), 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.		
Capital lease proceeds	$ (262,210)	
Principal repayments	270,906	8,696
Change in net position of governmental activities		$ 874,491

The accompanying Notes to Financial Statements are an integral part of these statements.

TELFAIR COUNTY, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2020

	Business-Type Activity - Enterprise Fund Landfill
ASSETS	
Current assets:	
Cash	$ 794,087
Accounts receivable, net	159,341
Due from other funds	447,536
Total current assets	1,400,964
Noncurrent assets -	
Capital assets:	
Land, nondepreciable	707,670
Equipment, depreciable	6,916,596
Buildings and improvements, depreciable	40,257
Intangible asset - leased equipment	706,447
Less - accumulated depreciation/amortization	(3,224,918)
Total noncurrent assets	5,146,052
Total assets	6,547,016
DEFERRED OUTFLOWS OF RESOURCES	31,041
LIABILITIES	
Current liabilities:	
Accounts payable	65,451
Accrued liabilities	15,323
Lease payable	145,332
Note payable	147,749
Revenue bonds payable	26,605
Total current liabilities	400,460
Noncurrent liabilities:	
Lease payable	171,957
Note payable	151,592
Revenue bonds payable	1,495,395
Net pension liability	54,338
Closure/post closure accrued liability	2,502,871
Total noncurrent liabilities	4,376,153
Total liabilities	4,776,613
DEFERRED INFLOWS OF RESOURCES	18,436
NET POSITION	
Net investment in capital assets	3,007,422
Unrestricted	(1,224,414)
Total net position	$ 1,783,008

The accompanying Notes to Financial Statements are an integral part of these statements.

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

	Business-Type Activity - Enterprise Fund
	Landfill
OPERATING REVENUES	
Charges for services	$ 1,003,284
Total operating revenues	1,003,284
OPERATING EXPENSES	
Personnel services	112,359
Employee benefits	75,949
Professional services	121,978
Repairs and maintenance	30,745
Communication services	11,066
Other purchased services	376,412
Supplies	6,581
Utilities	7,295
Gasoline / diesel	33,349
Depreciation	317,389
Closure / post closure	164,060
Bad debt expense	87,000
Other operating	6,736
Total operating expenses	1,350,919
Operating income (loss)	(347,635)
NONOPERATING REVENUES (EXPENSES)	
Investment earnings	940
Intergovernmental capital grant	274,564
Interest expense	(129,376)
Total nonoperating revenues (expenses)	146,128
Change in net position	(201,507)
Net position, beginning	1,219,079
Prior period adjustment	765,436
Net position, beginning, as restated	1,984,515
Net position, ending	$ 1,783,008

The accompanying Notes to Financial Statements are an integral part of these statements.

TELFAIR COUNTY, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2020

	Business-Type Activity - Enterprise Fund Landfill
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	$ 2,089,401
Payments to suppliers for goods and services	(654,921)
Payments to employees for services	(112,359)
Payments for employee taxes and benefits	(68,332)
Receipts from other funds	(39,115)
Net cash used by operating activities	1,214,674
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Principal paid on leases and notes payable	(1,667,510)
Interest paid on leases and notes payable	(113,249)
Proceeds from revenue bond payable	1,522,000
Acquisition and construction of capital assets	(461,267)
Net cash provided by operating activities	(720,026)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest on investments	940
Net cash provided by investing activities	940
Net increase in cash	495,588
Cash, beginning of year	298,499
Cash, end of year	$ 794,087
Reconciliation of income from operations to net cash used by operating activities:	
Loss from operations	$ (347,635)
Depreciation	317,389
Change in accounts receivable	1,086,118
Change in due from other funds	(39,115)
Change in accounts payable	26,241
Change in accrued liabilities	(805)
Change in net pension liability and related deferrals	8,421
Change in accrued closure/post closure	164,060
Net cash provided by operating activities	$ 1,214,674

The accompanying Notes to Financial Statements are an integral part of these statements.

TELFAIR COUNTY, GEORGIA
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2020

ASSETS		
Cash	$	284,363
Taxes receivable (net allowance for uncollectible accounts)		863,660
Total assets	$	1,148,023
LIABILITIES		
Other liabilities	$	1,148,023
Total liabilities	$	1,148,023

The accompanying Notes to Financial Statements are an integral part of these statements.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of government-wide 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 primary government and its component units. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

B. Reporting entity

Telfair County, Georgia (the County), was incorporated December 10, 1807, under provisions of the laws of the State of Georgia. The County is governed by a five-member elected board of commissioners and provides the following services in addition to general administrative responsibilities: public safety, roads and bridges, health, recreation activities and sanitation. The accompanying financial statements present the County and its component units, entities for which the County is considered to be financially accountable.

In evaluating the County as a reporting entity, management has addressed all potential component units (traditionally separate reporting entities) for which the County may be financially accountable and, as such, should be included within the County's financial statements. The County (the primary government) is financially accountable if it appoints a voting majority of the organization's governing board and (1) it is able to impose its will on the organization or (2) there is a potential for the organization to provide specific financial burden on the County. Additionally, the primary government is required to consider other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The component units are discretely presented and are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the County.

Brief descriptions of discretely presented component units follow:

Telfair County Department of Leisure Services - Actively serves the Community by planning and providing recreational activities for the children and youth of the community. The County appoints the majority of the Board of Directors and has a significant relationship with the Department.

Telfair County Hospital Authority - Actively serves the community by providing for the planning and availability of health care facilities, encouraging physicians and other necessary medical personnel to locate and practice within the County and to assist in funding indigent care. The County appoints the majority of the Board of Directors and has a significant relationship with the Authority.

Development Authority of Telfair County - Provides for the development and promotion for the public good, trade, commerce industry and employment opportunities and to promote the general welfare of the State of Georgia. The County appoints the majority of the Board of Directors and has a significant relationship with the Authority.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Telfair County Board of Health - Provides for various health services for citizens in Telfair County under a contract with the Georgia Department of Human Resources. The County appoints the majority of the Board of Directors and has a significant relationship with the Board of Health.

A complete copy of the component unit financial statements can be obtained from the Telfair County Board of Commissioners, 713 Telfair Avenue, McRae, Georgia 31055.

Governmental accounting standards require reasonable separation between the Primary Government and its discretely presented component units, both in the financial statements and in the related notes and required supplementary information. Because the discretely presented component units, although legally separate, have been and are operated as if each is part of the primary government, there are limited instances where special note reference or separation will be required. If no separate note reference or categorization is made, the user should assume that information presented is equally applicable.

C. Basis of presentation – government-wide financial statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds, while business-type activities incorporate data from the government's enterprise fund. 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.

As discussed earlier, the County has four discretely presented component units. While none are considered to be a major component unit, they are nevertheless shown in a separate column in the government-wide financial statements.

D. Basis of presentation – fund financial statements

The fund financial statements provide information about the County's funds, including its fiduciary funds. Separate statements for each fund category - governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County reports the following major governmental funds:

General Fund is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund.

SPLOST Fund is a capital projects fund and accounts for 1% sales tax proceeds required to be used for capital outlay projects for purposes authorized by local referendum.

T-SPLOST Fund accounts for the 1% regional sales tax proceeds received as part of the Transportation Investment Act to be used for capital outlay for highways and street enhancement projects.

The County reports the following major proprietary fund:

Landfill Fund is a proprietary fund which accounts for the operations of the landfill and is treated similar to a private business enterprise.

Additionally, the County reports the following fund types:

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of revenue sources other than special assessments that are legally restricted to expenditures for specified purposes. They include the Multipurpose Grant Fund, Sheriff Commissary Fund, Expendable Trust Fund and Hotel-Motel Tax Fund.

Capital Projects Funds – Capital Projects Funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds. They include the SPLOST Fund, T-SPLOST Fund and LMIG Program Fund.

Agency Funds - Agency Funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

During the course of operations the County has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

E. Measurement focus and basis of accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. 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.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government 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. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the County.

The proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The agency funds have no measurement focus but utilizes the *accrual basis of accounting* for reporting their assets and liabilities.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

G. Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance

1. ***Cash and Cash Equivalents*** - include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the County.

   State statutes authorize the County to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements and investment pools. Investments in non-negotiable certificates of deposit are stated using a cost-based measure.

   The investments of the Telfair County Hospital Authority consist of Marketable Debt Securities with a cost of $100,889 and a market value of $104,839.

   The Telfair County Board of Health certificate of deposits balance at 6/30/2020 was $619,993.

2. ***Short-term Interfund Receivables/Payables*** - During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. The purpose of the interfund balances is to account for those transactions that have not been settled as of the financial statement date. These receivables and payables are classified as "due from other funds" or "due to other funds" on the respective fund's balance sheet and as internal balances on the statement of net position. All interfund balances shown are expected to be settled within one year.

3. ***Taxes Receivable and Other Receivables*** - Taxes receivable and other receivables, are shown net of an allowance for uncollectible accounts. The allowance for general government accounts receivable is derived from the age of the individual receivable and consists of a percentage of the receivable, based upon actual historical losses.

4. ***Prepaid Items*** - Payments made to vendors for services that will benefit periods beyond June 30, 2020, are recorded as prepaid items.

5. ***Capital Assets*** - Capital assets purchased or acquired are carried at historical cost or estimated historical cost. Contributed assets are recorded at fair market value as of the date donated. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized in the government-wide financial statements to the extent the County's capitalization threshold of $5,000 is met. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on capital assets is calculated on the straight-line basis over the estimated useful lives of the respective assets as follows:

• Buildings and plant	40 years
• Machinery and equipment	5 - 20 years

6. ***Compensated Absences*** - National Council on Governmental Accounting Statement 4, effective for fiscal years beginning after December 31, 1982, requires that vacation and sick pay benefits be accrued when: 1) the employer's obligation to employees' right to receive compensation for future benefits is attributable to employee's service already rendered; 2) the obligation relates to rights that vest or accumulate; 3) payment of the compensation is probable; and 4) the amount can be reasonably estimated.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County compensates all employees for unused vacation at fiscal year-end; therefore, no accrual for vacation is necessary at June 30, 2020.

There is no liability for unpaid accumulated sick leave since the County does not have a policy to pay any amounts when the employees separate from service with the County.

7. ***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 and is recorded as an adjustment to interest expense. Bonds payable are reported net of the applicable bond premium or discount. In accordance with GASB Codification Section I30: Interest Costs – Imputation, bond issuance costs are expensed in the period incurred except for prepaid insurance costs.

   In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

8. ***Pensions*** - For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position, and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

9. ***Deferred outflows/inflows of resources***

   In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/ expenditure) until then. Under the full accrual method of accounting, the County has reported certain actuarial changes and the contributions to the defined benefit pension plan subsequent to the measurement date and prior to the fiscal year end as deferred outflows of resources.

   In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The County has reported various actuarial changes in its defined benefit pension plan. Additionally, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from one source: property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

10. Fund Equity:

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

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

- **Nonspendable** - fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (ie., 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 Commissioners through the adoption of a resolution. The County Commissioners also 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 purpose, but are neither restricted nor committed. Through resolution, the County Commissioners have authorized the Chairman to assign fund balances.

- **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.

11. Fund balance flow assumptions

Sometimes the County will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the County's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

12. Net position flow assumption

Sometimes the County 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 County's policy to consider restricted – net position to have been depleted before unrestricted - net position is applied.

13. Management Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the period. Actual results could differ from those estimates.

H. Revenues and expenditures/expenses

1. Program revenues

Amounts reported as 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 (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

2. Proprietary Funds Operating and Nonoperating Revenues and Expenses

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

I. Subsequent events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, March 29, 2021. See Note III. I. No subsequent events occurring after this date have been evaluated for inclusion in these consolidated financial statements.

J. *Recently Issued and Implemented Accounting Pronouncements*

In May 2020, the GASB issued Statement No. 91, Conduit Debt Obligations. The primary objectives of this statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures.

The County is evaluating the requirements of the above statements and the impact on reporting.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary basis of accounting

The County's procedures in establishing, maintaining and revising budgetary data reflected in the financial statements are as follows: Prior to July 1, the Board of Commissioners (the Board) prepares a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and expected means of financing. Public hearings are conducted in the Board's Office to obtain taxpayer comments. Prior to July 1, the budget is legally enacted through approval by the Board.

The Board is authorized to transfer budgeted amounts between departments within any fund. Formal budgetary integration is employed as a management control device during the year for the General and Special Revenue Funds. Budgets for the General Fund and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles. All appropriations lapse at the end of the fiscal year on June 30th.

B. Encumbrances

Encumbrances accounting, the method by which purchase orders, contracts, and other commitments for expenditures of funds are recorded in order to reserve that portion of the applicable appropriation of expected revenues, is not utilized by the County because it is, at present, not considered necessary to assure effective budgetary control or to facilitate effective cash planning and control.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

C. Expenditures exceed appropriations

During the year ended June 30, 2020, expenditures exceeded appropriations in the following functions:

Fund	Department	Expenditures Over Budget
General	General government:	
	Tax Commisioner	$ 18,728
	General government buildings and plant	7,969
	Judicial:	
	Magistrate court	8,222
	Probate court	14,236
	Public safety:	
	Law enforcement administration	10,910
	Fire administration	12,116
	Coroner / medical examiner	2,768
	Enhanced 911	6
	Public works -	
	Highways and streets	23,687
	Health and welfare -	
	Community services	19,868
	Housing and development:	
	Agricultural resources	3,195
	Farmers market	294
	Debt service -	
	Principal	135,235
	Capital outlay:	
	Highways and streets	262,210
	Agricultural resources	32,576

III. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

A. Deposits and Investments

A summary of the County's deposits and investments at June 30, 2020 follows:

Account Balances	
Petty cash	$ 1,073
Demand deposits	9,064,642
Certificates of deposit	655,930
Investments	100,889
Total reporting entity	$ 9,822,534

Ownership of Funds	
Primary Government -	
Governmental funds:	
Cash and cash equivalents	$ 5,380,029
Proprietary fund -	
Cash	794,087
Total primary government	$ 6,174,116
Component Units:	
Cash and cash equivalents	$ 3,547,529
Investments	100,889
Total component units	3,648,418
Total reporting entity	$ 9,822,534

Custodial Credit Risk is the risk that in the event of a bank failure, the County's deposits (in excess of FDIC insurance) may not be returned to us.

Deposits:

The County's deposits at year-end were entirely covered by federal depository insurance or by collateral held by the County's custodial banks in the County's name.

Investments:

Interest Rate Risk is the risk that changes in interest rates will adversely affect the value of an investment. 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.

III. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

Credit Risk is the risk that an issuer or counterparty to an investment will not fulfill its obligations. The County has no investment policy that would further limit its investment choices from those authorized and listed in Note I G 1.

B. Receivables and Allowances for Uncollectible Accounts

Receivables and allowances for uncollectible accounts at June 30, 2020 are as follows:

	Receivable	Allowance	Net
Governmental activities:			
Property taxes	$ 968,829	$ (56,507)	$ 912,322
Special purpose local option sales tax	99,322	-	99,322
Transportation SPLOST	27,065	-	27,065
Local option sales taxes	37,249	-	37,249
Grants	258,147	-	258,147
Customers	468,813	(245,000)	223,813
Business-type activities			
Customers	332,341	(173,000)	159,341
Total	$ 2,191,766	$ (474,507)	$ 1,717,259

Property taxes for 2019 were levied September 10, 2019 and due December 20, 2019 on property valued as of January 1, 2019. The tax rate to finance general governmental services for the fiscal year ended June 30, 2020 was $16.428 per $1,000 of assessed taxable property value for the unincorporated areas of Telfair County, and $16.428 per $1,000 of assessed taxable property value for the incorporated areas. Property tax revenues are recognized when they have become available. Available means when due, or past due and receivable within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. Taxes relating to the current budget and collected within 60 days after the fiscal year end are recognized as revenue currently.

C. Interfund Receivables and Payables

Generally, outstanding balances between funds reported as due to/from other funds includes outstanding charges by one fund to another for services or goods, subsidy commitments outstanding, and other miscellaneous receivables and payables between funds. Balances to which a fiduciary fund is a party are treated as external receivables and payables.

III. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

A summary of interfund receivables and payables at June 30, 2020 follows:

Payable from -	Payable to: Landfill	Total
General fund	$ 447,536	$ 447,536

D. Transfers

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them; to move unrestricted revenues collected in the funds to finance various programs accounted for in other funds in accordance with budgetary authorizations; and to segregate money for anticipated capital projects.

The voter referendum which created the SPLOST Fund authorized a portion of the SPLOST proceeds to be used for roads and bridges as well as for the landfill. From time to time, such expenditures of the SPLOST Fund for these approved projects are reported as a transfer out of the SPLOST Fund to either the General Fund or Landfill Fund. Therefore, the related improvements are reported in these respective funds.

III. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

E. Capital Assets

Following is a summary of changes in Capital Assets:

Primary Government:

	Balance June 30, 2019	Additions	Retirements or Transfers	Balance June 30, 2020
Governmental activities:				
Capital assets, not being depreciated -				
Land	$ 304,511	$ -	$ -	$ 304,511
Construction in progress	1,487,483	2,965,306	-	4,452,789
Total not being depreciated	1,791,994	2,965,306	-	4,757,300
Capital assets, being depreciated:				
Equipment	4,023,490	79,576	-	4,103,066
Buildings and improvements	10,734,996	299,623	-	11,034,619
Intangible lease asset - equipment	690,065	304,191	(167,924)	826,332
Total being depreciated	15,448,551	683,390	(167,924)	15,964,017
Less accumulated depreciation for:				
Equipment	3,008,186	280,366	-	3,288,552
Buildings and improvements	2,590,683	526,153	-	3,116,836
Intangible lease asset - equipment	404,943	139,244	(125,943)	418,244
Total accumulated depreciation	6,003,812	945,763	(125,943)	6,823,632
Total being depreciated, net	9,444,739	(262,373)	(41,981)	9,140,385
Governmental activities capital assets, net	$ 11,236,733	$ 2,702,933	$ (41,981)	$ 13,897,685

III. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

	Balance June 30, 2019	Additions	Retirements or Transfers	Balance June 30, 2020
Business-type activities:				
Capital assets, not being depreciated -				
Land	$ 707,670	$ -	$ -	$ 707,670
Construction in progress	1,800,125	-	(1,800,125)	-
Total not being depreciated	2,507,795	-	(1,800,125)	707,670
Capital assets, being depreciated:				
Equipment	4,655,204	461,267	1,800,125	6,916,596
Buildings and improvements	40,257	-	-	40,257
Intangible asset - leased equipment	706,447	-	-	706,447
Total being depreciated	5,401,908	461,267	1,800,125	7,663,300
Less accumulated depreciation for:				
Equipment	2,538,074	175,093	-	2,713,167
Buildings and improvements	24,529	1,006	-	25,535
Intangible asset - leased equipment	344,926	141,290	-	486,216
Total accumulated depreciation	2,907,529	317,389	-	3,224,918
Total being depreciated, net	2,494,379	143,878	1,800,125	4,438,382
Business-type activities capital assets, net	$ 5,002,174	$ 143,878	$ -	$ 5,146,052

Depreciation expense was charged to functions / programs as follows:

Governmental activities:	
General government	$ 70,252
Public safety	179,958
Public works	644,770
Health and welfare	11,805
Culture and recreation	33,006
Housing and development	5,972
Total depreciation expense - governmental activities	$ 945,763
Business-type activities -	
Landfill	$ 317,389
Total depreciation expense - business-type activities	$ 317,389

III. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

Component Units:

	Balance June 30, 2019	Additions	Retirements or Transfers	Balance June 30, 2020
Capital assets, not being depreciated -				
Land	$ 134,368	$ -	$ -	$ 134,368
Total not being depreciated	134,368	-	-	134,368
Capital assets, being depreciated:				
Equipment	97,746	38,159	(1,397)	134,508
Buildings and improvements	1,121,436	-	-	1,121,436
Total being depreciated	1,219,182	38,159	(1,397)	1,255,944
Less accumulated depreciation for:				
Equipment	32,780	17,920	(1,397)	49,303
Buildings and improvements	309,686	33,112	-	342,798
Total accumulated depreciation	342,466	51,032	(1,397)	392,101
Total being depreciated, net	876,716	(12,873)	-	863,843
Component units capital assets, net	$ 1,011,084	$ (12,873)	$ -	$ 998,211

Depreciation expense was charged to functions / programs as follows:

Component units:	
Telfair County Department of Leisure Services	$ 7,144
Telfair County Hospital Authority	23,964
Development Authority of Telfair County	17,741
Telfair County Board of Health	2,183
Total depreciation expense - component units	$ 51,032

III. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

F. Long-Term Obligations

The following is a summary of changes in long-term obligations of the County for the year ended June 30, 2020

	Beginning Balance	Additions	Payments/ Retirements	Ending Balance	Current Portion	Long-term Portion
Primary Government:						
Governmental activities:						
Leases payable	$ 527,324	$ 262,210	$ (261,172)	$ 528,362	$ 180,994	$ 347,368
Note payable	31,565	-	(9,734)	21,831	10,502	11,329
Governmental activity - long-term liabilities	$ 558,889	$ 262,210	$ (270,906)	$ 550,193	$ 191,496	$ 358,697
Business-type activities -						
Leases payable	$ 424,843	$ -	$ (107,554)	$ 317,289	$ 145,332	$ 171,957
Note payable	1,859,297	-	(1,559,956)	299,341	147,749	151,592
Revenue bond payable	-	1,522,000	-	1,522,000	26,605	1,495,395
Closure/post closure	2,338,811	164,060	-	2,502,871	-	2,502,871
Business-type activity - long-term liabilities	$ 4,622,951	$ 1,686,060	$ (1,667,510)	$4,641,501	$ 319,686	$ 4,321,815

Leases Payable

During fiscal year 2015 the County entered into a lease agreement with Caterpillar Financial Services Corporation for the purchase of a Caterpillar 416F Backhoe for use by the highways and streets department with an original amount of $96,566. The agreement calls for five annual payments of $12,026 beginning in August of 2015 and ending in August of 2020 and a balloon payment of $46,000 due August 2019 at an interest rate of 2.35%. As of June 30, 2020 the lease terminated. The net book value of this leased equipment was $18,701. This year, $17,263 was included in depreciation expense.

During fiscal year 2016 the County entered into a lease agreement with Caterpillar Financial Services Corporation for the purchase of a Caterpillar wheel loader for use by the highways and streets department with an original amount of $223,797. The agreement calls for five annual payments of $32,339 beginning in August of 2016 and ending in August of 2020 and a balloon payment of $82,000 due August 2020 at an interest rate of 2.30%. As of June 30, 2020 the net book value of this leased equipment was $7,460. This year, $44,759 was included in depreciation expense. The annual requirements to amortize the remaining balance of $111,768 as of June 30, 2020, including interest payments of $2,571 are as follows:

III. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

Year Ending June 30	Principal	Interest	Total
2021	$ 111,768	$ 2,571	$ 114,339
Total	$ 111,768	$ 2,571	$ 114,339

During fiscal year 2019 the County entered into a lease agreement with Caterpillar Financial Services for the purchase of a Caterpillar 12M3 Motorgrader for use by the highways and streets department with an original amount of $177,505. The agreement calls for annual payments of $48,828 beginning in December of 2020 and ending in December of 2023 at an interest rate of 10.117%. As of June 30, 2020 the net book value of this leased equipment was $109,461. This year, $35,501 was included in depreciation expense. The annual requirements to amortize the remaining balance of $154,384 as of June 30, 2020, including interest payments of $40,926 are as follows:

Year Ending June 30	Principal	Interest	Total
2021	$ 33,208	$ 15,620	$ 48,828
2022	36,568	12,260	48,828
2023	40,267	8,560	48,827
2024	44,342	4,486	48,828
Total	$ 154,385	$ 40,926	$ 195,311

During fiscal year 2020 the County entered into a lease agreement with Caterpillar Financial Services for the purchase of a Caterpillar 420F2IT Backhoe for use by the highways and streets department with an original amount of $107,117. The agreement calls for annual payments of $13,960 beginning in February of 2021 and ending in February of 2025 at an interest rate of 3.85%. As of June 30, 2020 the net book value of this leased equipment was $91,815. This year, $15,302 was included in depreciation expense. The annual requirements to amortize the remaining balance of $107,117 as of June 30, 2020, including interest payments of $16,684 are as follows:

Year Ending June 30	Principal	Interest	Total
2021	$ 10,128	$ 3,833	$ 13,961
2022	10,188	3,772	13,960
2023	10,580	3,380	13,960
2024	10,988	2,972	13,960
2025	65,233	2,727	67,960
Total	$ 107,117	$ 16,684	$ 123,801

III. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

During fiscal year 2020 the County entered into a lease agreement with Caterpillar Financial Services for the purchase of a Caterpillar 12M3 Motorgrader for use by the highways and streets department with an original amount of $197,074. The agreement calls for annual payments of $39,923 beginning in December of 2020 and ending in December of 2024 at an interest rate of 9.049%. As of June 30, 2020 the net book value of this leased equipment was $180,651. This year, $16,423 was included in depreciation expense. The annual requirements to amortize the remaining balance of $155,093 as of June 30, 2020, including interest payments of $44,524 are as follows:

Year Ending June 30	Principal	Interest	Total
2021	$ 25,890	$ 14,034	$ 39,924
2022	28,232	11,691	39,923
2023	30,787	9,136	39,923
2024	33,573	6,350	39,923
2025	36,611	3,313	39,924
Total	$ 155,093	$ 44,524	$ 199,617

Note Payable

During fiscal year 2018 the County entered into a finance purchase with Stryker Flex Financial for the purchase of power stretchers for use by the EMS department with an original amount of $48,970. The agreement calls for monthly payments of $983 beginning in July of 2017 and ending in June of 2022 at an interest rate of 7.60%. The annual requirements to amortize the remaining balance of $21,831 as of June 30, 2020, including interest payments of $1,771 are as follows:

Year Ending June 30	Principal	Interest	Total
2021	$ 10,502	$ 1,299	$ 11,801
2022	11,329	472	11,801
Total	$ 21,831	$ 1,771	$ 23,602

During fiscal year 2017 the County entered into a lease agreement with BancorpSouth for the purchase of a Bomag landfill compactor for use at the County landfill with an original amount of $439,247. The agreement calls for sixty monthly payments of $6,226 beginning in August of 2017 and ending in July of 2022 and a balloon payment of $101,000 due August 2022 at an interest rate of 2.54%. As of June 30, 2020 the net book value of this leased equipment was $175,699. This year, $87,849 was included in depreciation expense. The annual requirements to amortize the remaining balance of $241,344 as of June 30, 2020, including interest payments of $9,082 are as follows:

III. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

Year Ending June 30	Principal	Interest	Total
2021	$ 69,387	$ 5,326	$ 74,713
2022	71,170	3,543	74,713
2023	100,787	213	101,000
Total	$ 241,344	$ 9,082	$ 250,426

During fiscal year 2016 the County entered into a lease agreement with Komatsu Financial for the purchase of a Komatsu Dozier for use at the County landfill with an original amount of $267,200. The agreement calls five annual payments of $43,746 beginning in April of 2016 and ending in April of 2020 and a balloon payment of $80,160 due April 2018 at an interest rate of 4.10%. As of June 30, 2020 the net book value of this leased equipment was $44,533. This year, $53,440 was included in depreciation expense. The annual requirements to amortize the remaining balance of $75,945 as of June 30, 2020, including interest payments of $4,215 are as follows:

Year Ending June 30	Principal	Interest	Total
2021	$ 75,945	$ 4,215	$ 80,160
Total	$ 75,945	$ 4,215	$ 80,160

Notes Payable

During fiscal year 2017 the County entered into a finance purchase with Caterpillar Financial for the purchase of a Caterpillar 623K Scraper for use at the County landfill with an original amount of $720,500. The agreement calls for five annual payments of $155,532 beginning in July of 2017 and ending in July of 2021 at an interest rate of 2.60%. The annual requirements to amortize the remaining balance of $299,341 as of June 30, 2020, including interest payments of $11,723 are as follows:

Year Ending June 30	Principal	Interest	Total
2021	$ 147,749	$ 7,783	$ 155,532
2022	151,592	3,940	155,532
Total	$ 299,341	$ 11,723	$ 311,064

III. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

Revenue Bonds Payable

Telfair County Solid Waste Facility Improvement Revenue Bond - On November 22, 2019, the County issued $1,522,000 in fixed rate revenue bonds to provide funds to acquire, construct, and equip extensions of and additions and improvements to the County's solid waste facility, fully fund the Debt Service Reserve Account, and pay the necessary costs of issuing the bonds. The revenues of the Landfill Fund are pledged to secure these outstanding bonds.

Revenue bonds payable at June 30, 2020, are comprised of the following individual issue: $1,522,000 facility improvement revenue bonds which is to mature and be payable on the fortieth anniversary date following the date of issuance of the Initial Bond, being November 22, 2019, subject to scheduled installment payments prior to maturity. As called for in the bond ordinance, the first payment shall be made on November 22, 2020, and on the same day of each year thereafter for a total of 39 annual payments of principal and interest in equal, amortized annual installments, in the amount of $53,240 until the Bond is paid in full at 1.75%.

The annual requirements to amortize outstanding revenue bonds as of June 30, 2020, including interest payments of $606,885 are as follows:

Year Ending June 30th	Principal	Interest	Total Payment
2021	$ 26,605	$ 26,635	$ 53,240
2022	27,071	26,169	53,240
2023	27,544	25,696	53,240
2024	28,026	25,214	53,240
2025	28,517	24,723	53,240
2026-2030	150,247	115,953	266,200
2031-2035	163,862	102,338	266,200
2036-2040	178,710	87,490	266,200
2041-2045	194,904	71,296	266,200
2046-2050	212,566	53,634	266,200
2051-2055	231,827	34,372	266,199
2056-2059	252,121	13,365	265,486
	$ 1,522,000	$ 606,885	$ 2,128,885

III. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

The following is a summary of changes in long-term obligations of the component units for the year ended June 30, 2020

	Beginning Balance	Additions	Payments/ Retirements	Ending Balance	Current Portion	Long-term Portion
Component Units:						
Telfair County Department of Leisure Services -						
Note payable	$ -	$ 21,665	$ (5,156)	$ 16,509	$ 7,139	$ 9,370
Development Authority of Telfair County -						
One Georgia loan	193,750	-	(31,250)	162,500	25,000	137,500
Total component units long-term liabilities	$ 193,750	$ 21,665	$ (36,406)	$ 179,009	$ 32,139	$ 146,870

Component unit long-term debt – Development Authority of Telfair County

The annual requirements to amortize the remaining balance of principal and interest are as follows:

Year Ending June 30	Note payable			One Georgia Loan		
	Principal	Interest	Total	Principal	Interest	Total
2021	$ 7,139	$ 573	$ 7,712	$ 25,000	$ -	$ 25,000
2022	7,453	259	7,712	25,000	-	25,000
2023	1,917	12	1,929	25,000	-	25,000
2024	-	-	-	25,000	-	25,000
2025	-	-	-	25,000	-	25,000
2026-2027	-	-	-	37,500	-	37,500
	$ 16,509	$ 844	$ 17,353	$ 162,500	$ -	$ 162,500

III. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

G. Fund Equity

Fund Balances:

- ***Nonspendable*** – The following fund balances are nonspendable because they are allocated to:

General fund -	
Prepaids	$ 234,326

- ***Restricted*** - The following fund balances are restricted for:

Capital Projects Funds:	
Special Purpose Local Option Sales Tax Fund (SPLOST) – used to account for capital projects financed with SPLOST.	$ 2,410,538
Transportation Special Purpose Local Option Sales Tax (T-SPLOST) used to account for capital projects financed with T-SPLOST.	824,768
LMIG Program used to account for road projects financed with LMIG funds.	502,460
Special Revenue Funds:	
Multipurpose Grant Fund - used to account for the proceeds of revenue sources legally restricted to expenditures for specific capital or operating projects.	95,836
Sheriff Commissary - used to account for the activities of the inmate canteen	6,593
Law Library - used to account for the operations of the County law library.	58,010
	$ 3,898,205

III. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

Net Position:

Net investment in capital assets reported on the government-wide statement of net position as of June 30, 2020 are as follows:

	Governmental Activities	Business-Type Activities
Net investment in capital assets		
Cost of capital assets	$ 20,721,317	$ 8,370,970
Less accumulated depreciation	(6,823,632)	(3,224,918)
Book value	13,897,685	5,146,052
Less capital related debt	(550,193)	(2,138,630)
Net investment in capital assets	$ 13,347,492	$ 3,007,422

H. Commitments and Contingencies

The County receives grant monies for various purposes. All grant monies received by the County are subject to examination and adjustment by the applicable governmental agency or their designee. However, in the opinion of the County officials, adjustments resulting from such examination are not expected to differ materially from amounts reflected in the accompanying financial statements.

There are several lawsuits pending in which the County is involved. The County Attorney has advised that potential claims against the County resulting from such litigation are such that they would not materially affect the financial statements of the County.

I. Subsequent Events

In March 2020, the World Health Organization made the assessment that the outbreak of a novel coronavirus (COVID-19) can be characterized as a pandemic. As a result, uncertainties have arisen that may have a significant negative impact on the operating activities and results of the County. The occurrence and extent of such an impact will depend on future developments, including (i) the duration and spread of the virus, (ii) government quarantine measures, (iii) voluntary and precautionary restrictions on travel or meetings, (iv) the effects on the financial markets, and (v) the effects on the economy overall, all of which are uncertain.

IV. OTHER INFORMATION

A. Risk Management

The County is exposed to various risks of loss related to tort; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has joined together with other municipalities in the state as part of the Georgia Interlocal Risk Management Agency Property and Liability.

The County is also part of the ACCG 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 Government 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, and in accordance with any coverage descriptions issued, all incidents which could result in the fund 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 responsibilities of the pool are 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 purview of the Workers' Compensation Law of Georgia, or on the basis of employer's liability. The pool 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.

B. Landfill Closure and Post closure Care Costs

Under state and federal laws and regulations, the County is required to place a final cover upon closure and to continue to perform various maintenance and monitoring functions at the landfill site for a period of 30 years after closure. The expense and related liability are based on landfill capacity used to date. The estimated total cost of the landfill closure and postclosure care is estimated to be $3,020,900. This amount is based on equipment, facilities, and services necessary to close, monitor, and maintain the landfill. However, the actual cost may vary due to inflation or deflation, changes in technology, or changes in landfill laws and regulations. To date, the County has used 79% of the landfill capacity and the landfill has an estimated remaining life of 4.58 years.

IV. OTHER INFORMATION

C. Joint Venture

Telfair County, in conjunction with cities and counties in the sixteen (16) county Heart of Georgia area are members of the Heart of Georgia Altamaha Regional Commission (RC). Membership in an RC is automatic for each municipality and county in the state. The official Code of Georgia Section 50-8-34 (Georgia Planning Act of 1989) provides for the organizational structure of the RCs. Each county and municipality in the state is required by law to pay minimum annual dues to the RC. The county paid annual dues in the amount of $6,043 to the RC for the year ended June 30, 2020. The RC Board membership includes the chief elected official of each county and the chief elected official of each municipality. The County board members and municipal board members from the same county elect one member of the Board who is a resident (but not an elected or appointed official or employee of the County or municipality) to serve as the nonpublic Board member from a County. Copies of the RC's financial statements may be obtained from the Heart of Georgia Altamaha Regional Commission.

The Georgia Planning Act of 1989 (O.C.G.A. 50-8-34) defines RDCs as "public agencies and instrumentalities of their members". Georgia laws also provide that the member governments are liable for any debts or obligations of a RC beyond its resources. (O.C.G.A. 50-8-39.1)

D. Hotel/Motel Tax

The County levies a hotel/motel tax under the provisions of O.C.G.A. 48-13-51. The code section provides that the County shall expend for the purpose of promoting tourism, conventions, and trade shows a percentage of the total taxes collected under this Code section which is not less than the percentage of such tax collections expended for such purposes during the immediately preceding fiscal year. For the year ended June 30, 2020, the County received $13,800 in hotel/motel tax. The County distributed $5,520 to the Telfair County Chamber of Commerce for the promotion of tourism and retained $8,280 for general government purposes. The expended amounts total 100% of the amount received by the County.

For the year ended June 30, 2020, the County has complied with the expenditure requirements of code section 48-13-51.

E. Retirement Plan

Plan Description

The County sponsors the Association County Commissioners of Georgia Restated Pension Plan for Telfair County Employees (The Plan), which is a defined benefit pension plan.

The Plan provides retirement, disability, and death benefits to plan participants and beneficiaries. The Plan, through execution of the adoption agreement, is affiliated with the Association County Commissioners of Georgia Third Restated Defined Benefit Plan (The ACCG Plan), an agent multiple-employer pension plan, administered by GEBCorp. The ACCG, in its role as the Plan Sponsor, has the sole authority to amend the provisions of the ACCG Plan, as provided in Section 19.03 of the ACCG Plan document. The County has the authority to amend the adoption agreement, which defines the specific benefit provisions of the Plan, as provided in Section 19.02 of the ACCG Plan document.

IV. OTHER INFORMATION

All full-time County employees are eligible to participate in the Plan after completing three years of service. Benefits vest after five years of service. Participants become eligible to retire at age 65 with 3 years of participation in the Plan. Upon eligibility to retire, participants are entitled to a monthly benefit for life equal to 1.0% of average annual compensation plus $36.00 for each year of service. Average annual compensation is the highest average of the Participant's annual compensation over five consecutive years during the ten plan years preceding the date of retirement or termination. The Plan also provides benefits in the event of death or disability. These benefit provisions were established by an adoption agreement executed by the County Board of Commissioners.

The following is the plan membership at January 1, 2020

Active plan participants	44
Retirees and beneficiaries currently receiving benefits	51
Active or terminated plan participants entitled to, but not yet receiving benefits	38
Total	133

Copies of the Plan's financial statements may be obtained by contacting:

Government Employee Benefits Corporation of Georgia
400 Galleria Parkway, Suite 1250
Atlanta, Georgia 30339

Contributions

The County employees are not required to contribute to the Plan. The County is required to contribute at an actuarially determined rate annually to the Plan's trust. The contribution amount is determined using actuarial methods and assumptions approved by the ACCG Plan trustees and must satisfy the minimum contribution requirements contained in the State of Georgia statutes. The County can always meet its funding obligation by making the Recommended Contribution.

The Georgia Constitution enables the governing authority of the County, the Board of County Commissioners, to establish and amend from time to time the contribution rates for the County and its plan participants.

The County's funding policy is to contribute at least the minimum actuarially determined contribution in accordance with the State of Georgia's requirements. There are no legal or contractual maximum contributions to the plan. The County's contributions to the Plan totaled $161,514 for the year ended June 30, 2020.

IV. OTHER INFORMATION

Net Pension Liability

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

The total pension liability in the June 30, 2020 actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation:	3.25%
Salary increases:	3.00% per year with an aged based scale as follows:
Age	Salary increase
Under 30	3.0% rate plus 1.0%
30-39	3.0% rate plus 0.5%
40-49	3.0% rate less 0.5%
50+	3.0% rate less 1.0%
Investment rate of return:	7.00% per year
Mortality rates:	RP-2000, projected with Scale AA

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

The Trustees shall rebalance the portfolio at least annually for asset allocation purposes. The guidelines for allocation are: equities shall not exceed 70% of total plan assets, valued at cost. Fixed income shall be targeted at 30% of total plan assets, valued at cost. The guidelines for asset allocation are as follows:

	Target Allocation	Range
Fixed income:	30%	25% - 35%
Equities:	70%	65% - 75%
Large Cap	30%	25% - 35%
Mid Cap	5%	2.5% - 10%
Small Cap	5%	2.5% - 10%
REIT	5%	2.5% - 10%
International	15%	10% - 20%
Multi Cap	5%	2.5% - 10%
Global allocation	5%	2.5% - 10%

IV. OTHER INFORMATION

Discount rate: The discount rate used to measure the total pension liability was 7.00 %. The discount rate is determined through a blend of using a building blocks approach based on 20-year benchmarks (25%) and 30-year benchmarks (25%), as well as the forward-looking capital market assumptions for a moderate asset allocation (50%), as determined by UBS. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Building block expected return based on 20-year benchmarks	6.82%
Building block expected return based on 30-year benchmarks	8.28%
UBS capital market assumption for a moderate asset allocation	6.40%
20-year building blocks return (7.44% x .25)	2.27%
30-year building blocks return (9.49% x .25)	2.76%
UBS capital market assumption for a moderate asset allocation (6.30% x .50)	2.13%
Discount rate (7.16% rounded to nearest .25%)	7.25%

	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances at December 31, 2018	$ 3,043,766	$ 2,100,521	$ 943,245
Changes for the year:			
Service cost	$ 50,095	$ -	$ 50,095
Interest	206,746	-	206,746
Differences between expected and actual experience	83,701	-	83,701
Assumption change	133,557	-	133,557
Contributions - employer	-	159,370	(159,370)
Net investment income	-	438,989	(438,989)
Benefit payments	(180,515)	(180,515)	-
Administrative expense	-	(22,304)	22,304
Other	-	(25,932)	25,932
Net changes	$ 293,584	$ 369,608	$ (76,024)
Balances at December 31, 2019	$ 3,337,350	$ 2,470,129	$ 867,221

IV. OTHER INFORMATION

Sensitivity of the net pension liability changes in the discount rate. The following presents the net pension liability of the County, calculated using the discount rate of 7.00%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Total pension liability	$ 3,684,647	$ 3,337,350	$ 3,044,360
Fiduciary net position	2,470,129	2,470,129	2,470,129
Net pension liability	$ 1,214,518	$ 867,221	$ 574,231

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued GEBCorp financial report.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2020, the County recognized pension expense of $292,721. At June 30, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Asset (Gain)/Loss	$ 166,459	$ (294,238)
Liability (Gain)/Loss	68,993	-
Changes of assumptions	98,440	-
Employer contributions subsequent to the measurement date	161,514	-
Total	$ 495,406	$ (294,238)

IV. OTHER INFORMATION

The County's contributions subsequent to the measurement date of $161,514 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2021	$ (72,624)
2022	(26,175)
2023	2,356
2024	56,789
2025	-
Thereafter	-

IV. OTHER INFORMATION

F. Restatement

Subsequent to the issuance of its financial statements for the year ended June 30, 2020, the County identified a federal award program that should have been subject to single audit for the year ended June 30, 2020. This error resulted in the misstatement of grants receivable and intergovernmental revenues. The County has restated its financial statements to correct the error as follows:

	Balance At June 30, 2020 As Previously Reported	Correction of Amounts Due From Other Agencies and Grant Revenue Recognition	Balance At June 30, 2020 As Restated
Business-type Activities			
Statement of Activities			
Capital grants and contributions	$ 1,040,000	$ (765,436)	$ 274,564
Change in net position	563,929	(765,436)	(201,507)
Net position - beginning	1,219,079	765,436	1,984,515
Landfill Fund			
Statement of Revenues, Expenses and Changes in Net Position			
Intergovernmental capital grant	$ 1,040,000	$ (765,436)	$ 274,564
Change in net position	563,929	(765,436)	(201,507)
Net position - beginning	1,219,079	765,436	1,984,515

TELFAIR COUNTY, GEORGIA
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS

	Fiscal Year End									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Total pension liability										
Service cost	$ 50,095	$ 40,374	$ 43,782	$ 39,615	$ 35,838	$ 30,411				
Interest	206,746	197,658	192,421	186,836	174,410	175,522				
Differences between expected and actual experience	83,701	91,105	(4,463)	29,984	34,367	-	(Historical information prior to implementation of GASB 67/68 is not			
Changes of assumptions	133,557	75,490	5,084	62,819	73,656	-				
Changes of benefit terms	-	-	-	-	-	-				
Benefit payments, including refunds of employee contributions	(180,515)	(174,337)	(154,852)	(157,785)	(147,406)	(147,056)				
Net change in total pension liability	293,584	230,290	81,972	161,469	170,865	58,877	-	-	-	-
Total pension liability - beginning	3,043,766	2,813,476	2,731,504	2,570,035	2,399,170	2,340,293				
Total pension liability - ending (a)	$ 3,337,350	$ 3,043,766	$ 2,813,476	$ 2,731,504	$ 2,570,035	$ 2,399,170	$ -	$ -	$ -	$ -
Plan fiduciary net position										
Contributions - employer	$ 159,370	$ 111,125	$ 131,483	$ 136,495	$ 127,232	$ 115,554				
Contributions - employee	-	-	-	-	-	-				
Net investment income	438,989	(101,954)	320,007	133,649	15,428	140,261	(Historical information prior to implementation of GASB 67/68 is not			
Benefit payments, including refunds of employee contributions	(180,515)	(174,337)	(154,852)	(157,785)	(147,406)	(141,741)				
Administrative expense	(22,304)	(10,075)	(7,650)	(10,479)	(6,748)	(5,903)				
Other	(25,932)	(10,068)	(37,425)	(22,227)	(27,122)	(42,347)				
Net change in fiduciary net position	369,608	(185,309)	251,563	79,653	(38,616)	65,824	-	-	-	-
Plan fiduciary net position - beginning	2,100,521	2,285,830	2,034,267	1,954,614	1,993,230	1,927,406				
Plan fiduciary net position - ending (b)	$ 2,470,129	$ 2,100,521	$ 2,285,830	$ 2,034,267	$ 1,954,614	$ 1,993,230	$ -	$ -	$ -	$ -
Net pension liability - ending: (a)-(b)	$ 867,221	$ 943,245	$ 527,646	$ 697,237	$ 615,421	$ 405,940	$ -	$ -	$ -	$ -
Plan's fiduciary net position as a percentage of the total pension liability	74.01%	69.01%	81.25%	74.47%	76.05%	83.08%	(Historical information prior to implementation of GASB 67/68 is not			
Covered-employee payroll	$ 1,359,298	$ 1,113,907	$ 1,007,717	$ 881,125	$ 811,582	$ 709,626				
Net pension liability as a percentage of covered-employee payroll	63.80%	84.68%	52.36%	79.13%	75.83%	57.20%				

Refer to Notes To Required Supplementary Information

TELFAIR COUNTY, GEORGIA
SCHEDULE OF CONTRIBUTIONS

	Fiscal Year End									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Actuarially determined contribution	$ 145,454	$ 104,146	$ 131,483	$ 136,495	$ 127,232	$ 115,554	$ 131,152			
Contributions in relation to the actuarially determined contribution	$ 159,370	$ 111,125	$ 131,483	$ 136,495	$ 127,232	$ 115,554	131,152			
Contribution deficiency (excess)	(13,916)	(6,979)	-	-	-	-	-			
Covered-employee payroll	$ 1,359,298	$ 1,113,907	$ 1,007,717	$ 881,125	$ 811,582	$ 709,626	756,495			
Contributions as a percentage of covered-employee payroll	11.72%	9.98%	13.05%	15.49%	15.68%	16.28%	17.34%			

(Historical information prior to implementation of GASB 67/68 is not required)

Refer to Notes To Required Supplementary Information

TELFAIR COUNTY, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2020

	Budgeted Amounts			Variance with Final Budget - Over
	Original	Final	Actual	(Under)
REVENUES				
Taxes	$ 5,897,580	$ 5,897,580	$ 5,987,325	$ 89,745
Charges for services and fines	887,250	887,250	875,567	(11,683)
Other	399,976	399,976	630,574	230,598
Total revenues	7,184,806	7,184,806	7,493,466	308,660
EXPENDITURES				
Current:				
General government:				
General government	167,267	167,267	147,969	(19,298)
Elections	129,700	129,700	127,568	(2,132)
General adminstration	596,583	596,583	581,228	(15,355)
Tax Commisioner	314,000	314,000	332,728	18,728
Tax Assessor	253,694	253,694	244,439	(9,255)
General government buildings and plant	39,750	39,750	47,719	7,969
Judicial:				
Superior court	200,934	200,934	190,878	(10,056)
Clerk of court	245,830	245,830	231,043	(14,787)
Board of equalizatior	2,616	2,616	2,449	(167)
Magistrate court	137,400	137,400	145,622	8,222
Probate court	168,735	168,735	182,971	14,236
Public safety:				
Law enforcement administration	989,085	989,085	999,995	10,910
Jail operations	877,000	877,000	861,278	(15,722)
Fire administration	28,632	28,632	40,748	12,116
Emergency medical services	956,778	956,778	949,773	(7,005)
Emergency Management Agency	17,750	17,750	16,949	(801)
Coroner / medical examiner	31,292	31,292	34,060	2,768
Enhanced 911	243,660	243,660	243,666	6
Public works:				
Highways and streets	674,806	674,806	698,493	23,687
Health and welfare:				
Public health administration	95,010	95,010	87,741	(7,269)
Health department building	32,300	32,300	31,983	(317)
Intergovernment - Welfare	3,500	3,500	1,834	(1,666)
Senior citizens center	168,907	168,907	152,083	(16,824)

TELFAIR COUNTY, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2020

	Budgeted Amounts			Variance with Final Budget - Over
	Original	Final	Actual	(Under)
EXPENDITURES (Continued)				
Current:				
Community services	78,950	78,950	98,818	19,868
Transportation services	137,845	137,845	98,659	(39,186)
Culture and recreation:				
Culture and recreation administration	157,500	157,500	157,500	-
Library administration	60,400	60,400	60,400	-
Housing and development:				
Conservation administration	32,281	32,281	23,964	(8,317)
Agricultural resources	86,336	86,336	89,531	3,195
Forest resources	38,250	38,250	37,091	(1,159)
Economic development	60,500	60,500	55,500	(5,000)
Airport	47,800	47,800	6,588	(41,212)
Farmers Market	14,000	14,000	14,294	294
Debt service:				
Principal	-	-	135,235	135,235
Interest	11,800	11,800	9,927	(1,873)
Capital outlay :				
Law enforcement administration	60,915	60,915	47,000	(13,915)
Emergency medical services	15,000	15,000	-	(15,000)
Highways and streets	-	-	262,210	262,210
Community services	8,000	8,000	-	(8,000)
Agricultural resources	-	-	32,576	32,576
Total expenditures	7,184,806	7,184,806	7,482,510	297,704
OTHER FINANCING SOURCES (USES)				
Capital lease proceeds	-	-	262,210	262,210
Transfers in (out)	-	-	-	-
Total other financing sources	-	-	262,210	262,210
Net change in fund balance	$ -	$ -	273,166	$ 273,166
Fund balance, beginning			1,101,391	
Fund balance, ending			$ 1,374,557	

TELFAIR COUNTY, GEORGIA
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - DEPARTMENT OF TRANSPORTATION - SECTION 18
FOR THE YEAR ENDED JUNE 30, 2020

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget - Over (Under)
REVENUES			
Georgia Department of Transportation	$ 75,000	$ 109,501	$ 34,501
Fares and other	17,500	17,624	124
Total revenues	92,500	127,125	34,625
EXPENDITURES			
Current:			
Heart of Georgia CAC Administration	135,400	92,085	(43,315)
Repairs and maintenance	1,500	5,662	4,162
Communication services	920	912	(8)
General supplies and materials	25	-	(25)
Total expenditures	137,845	98,659	(39,186)
Excess of revenues over/(under) expenditure	$ (45,345)	$ 28,466	$ 73,811

Note:
The Department of Transportation is included in the Health and Welfare department of the Statement of Revenues, Expenditures and Changes in Fund Balance.

TELFAIR COUNTY, GEORGIA
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - HEART OF GEORGIA - COUNCIL ON AGING
FOR THE YEAR ENDED JUNE 30, 2020

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget - Over (Under)
REVENUES			
Council on Aging - receipts	$ 85,000	$ 128,580	$ 43,580
Total revenues	85,000	128,580	43,580
EXPENDITURES			
Current:			
Salaries	60,458	50,825	(9,633)
Employee benefits	34,199	23,394	(10,805)
Repairs and maintenance	3,000	4,063	1,063
Communications	2,300	2,339	39
Travel	150	128	(22)
Advertising	-	-	-
Small equipment	500	-	(500)
Other purchased services	57,700	60,965	3,265
Supplies and materials	2,100	1,978	(122)
Utilities	8,500	8,391	(109)
Total expenditures	168,907	152,083	(16,824)
Excess of revenues over/(under) expenditure	$ (83,907)	$ (23,503)	$ 60,404

Note:

The Heart of Georgia Council on Aging is included in the Health and Welfare department of the Statement of Revenues, Expenditures and Changes in Fund Balance.

PENSION

1. Changes of Assumptions

- Due to the significant surplus in the Pre-Retirement Death Pool, the 2018 expense for the pre-retirement death benefit has been reduced to zero.
- The mortality improvements for the RP-2000 mortality table is projected to 2018 instead of 2017 with Scale AA.
- The investment return assumption was decreased from 7.25% to 7.00%.
- The turnover table was changed to the Vaughn Select and Ultimate Table through age 54.
- The disability table was changed from the 1977 Social Security Table to the 1985 CIDA Table Class 1 through age 59.
- The salary increase assumption was revised as follows:
- The adjustment to the base rate was reduced from 1.5% to 1.0% for participants under age 30 and from 1.0% to 0.5% for participants from ages 30 - 39.
- The base salary scale remained at 3.0%.

2. Method and Assumptions Used in Calculations of Actuarially Determined Contributions

The actuarially determined contribution rate was determined as of December 31, 2018, with an interest adjustment to the fiscal year. Contributions in relation to this actuarially determined contribution rate will be reported for the fiscal year ending June 30, 2020.

Actuarial cost method	Entry age normal
Amortization method	Level dollar, open
Remaining amortization period	Remaining amortization period varies for the bases, with a net effective amortization period of 10 years
Asset valuation method	Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the market value at end of year. The actuarial value is adjusted, if necessary, to be within 20% of market value.
Actuarial assumptions:	
Net investment rate of return	7.00%
Projected salary increases	3.00% plus service based merit increases
Cost of living adjustments	0.00%
Inflation rate	3.25%

BUDGET

1. Budgetary basis of accounting

The County's procedures in establishing, maintaining and revising budgetary data reflected in the financial statements are as follows: Prior to July 1, the Board of Commissioners (the Board) prepares a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and expected means of financing. Public hearings are conducted in the Board's Office to obtain taxpayer comments. Prior to July 1, the budget is legally enacted through approval by the Board.

TELFAIR COUNTY, GEORGIA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

The Board is authorized to transfer budgeted amounts between departments within any fund. Formal budgetary integration is employed as a management control device during the year for the General and Special Revenue Funds. Budgets for the General Fund and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles. All appropriations lapse at the end of the fiscal year on June 30th.

TELFAIR COUNTY, GEORGIA
COMBINING BALANCE SHEET
BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	Special Revenue				Capital Projects	Total Nonmajor
	Multipurpose Grant	Sheriff Commissary	Expendable Trust Fund	Hotel/Motel Tax	LMIG	Governmental Funds
ASSETS						
Cash and cash equivalents	$ 96,045	$ 14,402	$ 58,010	$ -	$ 502,460	$ 670,917
Total assets	$ 96,045	$ 14,402	$ 58,010	$ -	$ 502,460	$ 670,917
LIABILITIES						
Accounts payable	$ 209	$ 7,809	$ -	$ -	$ -	$ 8,018
FUND BALANCES						
Restricted	95,836	6,593	58,010	-	502,460	662,899
Total fund balances	95,836	6,593	58,010	-	502,460	662,899
Total liabilities and fund balances	$ 96,045	$ 14,402	$ 58,010	$ -	$ 502,460	$ 670,917

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

	Special Revenue				Capital Projects	Total Nonmajor Governmental Funds
	Multipurpose Grant	Sheriff Commissary	Expendable Trust Fund	Hotel/Motel Tax	LMIG	
REVENUES						
Charges for services	$ -	$ 73,726	$ -	$ -	$ -	$ 73,726
Intergovernmental	16,159	-	-	-	502,460	518,619
Other taxes	-	-	-	13,800	-	13,800
Investment earnings	178	-	333	-	-	511
Miscellaneous	-	-	6,257	-	-	6,257
Total revenues	16,337	73,726	6,590	13,800	502,460	612,913
EXPENDITURES						
Current:						
General government	-	71,794	-	8,280	-	80,074
Judicial	-	-	11,156	-	-	11,156
Health and welfare	6,305	-	-	-	-	6,305
Housing and development	-	-	-	5,520	-	5,520
Capital outlay:						
Public works	-	-	-	-	274,073	274,073
Total expenditures	6,305	71,794	11,156	13,800	274,073	377,128
OTHER FINANCING SOURCES						
Transfers in (out)	-	-	-	-	32,249	32,249
Total other financing sources	-	-	-	-	32,249	32,249
Net change in fund balances	10,032	1,932	(4,566)	-	260,636	268,034
Fund balances, beginning	85,804	4,661	62,576	-	241,824	394,865
Fund balances, ending	$ 95,836	$ 6,593	$ 58,010	$ -	$ 502,460	$ 662,899

TELFAIR COUNTY, GEORGIA
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2020

	Agency Funds					
	Clerk of Superior Court	Sheriff	Judge of Probate Court	Tax Commissioner	Magistrate Court	Total Fiduciary Funds
ASSETS						
Cash	$ 79,878	$ 68,953	$ 2,936	$ 116,961	$ 15,635	$ 284,363
Taxes receivable (net allowance for uncollectible accounts)	-	-	-	863,660	-	863,660
Total assets	$ 79,878	$ 68,953	$ 2,936	$ 980,621	$ 15,635	$ 1,148,023
LIABILITIES						
Other liabilities	$ 79,878	$ 68,953	$ 2,936	$ 980,621	$ 15,635	$ 1,148,023
Total liabilities	$ 79,878	$ 68,953	$ 2,936	$ 980,621	$ 15,635	$ 1,148,023

TELFAIR COUNTY, GEORGIA
STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	Balance June 30, 2019	Additions	Deductions	Balance June 30, 2020
Clerk of Superior Court:				
ASSETS				
Restricted assets -				
Cash	$ 81,020	$ 156,435	$ (157,577)	$ 79,878
Total assets	$ 81,020	$ 156,435	$ (157,577)	$ 79,878
LIABILITIES				
Payable from resticted assets:				
Due to expendable trust fund	$ 90	$ -	$ (90)	$ -
Other liabilities	80,930	156,435	(157,487)	79,878
Total liabilities	$ 81,020	$ 156,435	$ (157,577)	$ 79,878
Sheriff:				
ASSETS				
Restricted assets -				
Cash	$ 69,861	$ 22,428	$ (23,336)	$ 68,953
Total assets	$ 69,861	$ 22,428	$ (23,336)	$ 68,953
LIABILITIES				
Payable from resticted assets -				
Other liabilities	$ 69,861	$ 22,428	$ (23,336)	$ 68,953
Total liabilities	$ 69,861	$ 22,428	$ (23,336)	$ 68,953
Judge of Probate Court:				
ASSETS				
Restricted assets -				
Cash	$ 4,125	$ 65,347	$ (66,536)	$ 2,936
Total assets	$ 4,125	$ 65,347	$ (66,536)	$ 2,936
LIABILITIES				
Payable from resticted assets:				
Due to expendable trust fund	$ 175	$ -	$ (175)	$ -
Other liabilities	3,950	65,347	(66,361)	2,936
Total liabilities	$ 4,125	$ 65,347	$ (66,536)	$ 2,936

TELFAIR COUNTY, GEORGIA
STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	Balance June 30, 2019	Additions	Deductions	Balance June 30, 2020
Tax Commissioner:				
ASSETS				
Restricted assets -				
Cash	$ 94,810	$ 5,305,377	$ (5,283,226)	$ 116,961
Taxes receivable, net	815,878	4,027,258	(3,979,476)	863,660
Total assets	$ 910,688	$ 9,332,635	$ (9,262,702)	$ 980,621
LIABILITIES				
Payable from resticted assets -				
Other liabilities	$ 910,688	$ 5,305,377	$ (5,235,444)	$ 980,621
Total liabilities	$ 910,688	$ 5,305,377	$ (5,235,444)	$ 980,621
Magistrate Court:				
ASSETS				
Restricted assets -				
Cash	$ 11,100	$ 93,147	$ (88,612)	$ 15,635
Total assets	$ 11,100	$ 93,147	$ (88,612)	$ 15,635
LIABILITIES				
Payable from resticted assets:				
Due to expendable trust fund	$ 115	$ -	$ (115)	$ -
Other liabilities	10,985	93,147	(88,497)	15,635
Total liabilities	$ 11,100	$ 93,147	$ (88,612)	$ 15,635

TELFAIR COUNTY, GEORGIA
COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS
JUNE 30, 2020

	Leisure Services	Hospital Authority	Development Authority	County Board of Health	Total
ASSETS					
Cash and cash equivalents	$ 59,740	$ 1,291,635	$ 1,091,025	$ 1,105,129	$ 3,547,529
Investments	-	100,889	-	-	100,889
Other receivables, net	-	-	-	46,770	46,770
Capital assets:					
Nondepreciable	-	15,000	119,368	-	134,368
Depreciable, net	39,727	383,347	433,959	6,810	863,843
Total assets	99,467	1,790,871	1,644,352	1,158,709	4,693,399
DEFERRED OUTFLOWS OF RESOURCES	-	-	-	182,520	182,520
LIABILITIES					
Accounts payable	-	-	-	-	-
Other liabilities	2,942	-	-	76,314	79,256
Noncurrent liabilities:					
Due within one year -					
Notes payable	7,139	-	25,000	-	32,139
Due in more than one year -					
Notes payable	9,370	-	137,500	-	146,870
Proportionate share of collective net pension liability	-	-	-	432,914	432,914
Proportionate share of collective net OPEB liability	-	-	-	69,103	69,103
Total liabilities	19,451	-	162,500	578,331	760,282
DEFERRED INFLOWS OF RESOURCES	-	-	-	169,757	169,757
NET POSITION					
Net investment in capital assets	23,218	398,347	390,827	6,810	819,202
Restricted	-	-	-	152,310	152,310
Unrestricted	56,798	1,392,524	1,091,025	434,021	2,974,368
Total net position	$ 80,016	$ 1,790,871	$ 1,481,852	$ 593,141	$ 3,945,880

TELFAIR COUNTY, GEORGIA
COMBINING STATEMENT OF ACTIVITIES
COMPONENT UNITS
FOR THE YEAR ENDED JUNE 30, 2020

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Component Units: Leisure Services	Hospital Authority	Development Authority	County Board of Health	Total Component Units
Component units:									
Leisure Services	$ 150,639	$ 8,807	$ 202,620	$ -	$ 60,788	$ -	$ -	$ -	$ 60,788
Hospital Authority	35,446	31,200	-	-	-	(4,246)	-	-	(4,246)
Development Authority	55,117	43,125	55,500	-	-	-	43,508	-	43,508
County Board of Health	620,624	336,135	364,608	-	-	-	-	80,119	80,119
Total component units	$ 861,826	$ 419,267	$ 622,728	$ -	60,788	(4,246)	43,508	80,119	180,169
General revenues:									
Investment earnings					-	9,983	1,095	-	11,078
Miscellaneous					-	-	122,950	79,825	202,775
Total general revenues					-	9,983	124,045	79,825	213,853
Change in net position					60,788	5,737	167,553	159,944	394,022
Net position - beginning					19,228	1,785,134	1,314,299	433,197	3,551,858
Net position - ending					$ 80,016	$ 1,790,871	$ 1,481,852	$ 593,141	$ 3,945,880

TELFAIR COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES OF
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
FOR THE YEAR ENDED JUNE 30, 2020

Project Description Per SPLOST Referendum	Original Estimated Cost	Amended Estimated Cost	Expenditures			Estimated Percentage of Completion
			Prior Years	Current Year	Total	
2009 - SPLOST						
Jail (Level 1)	$ 2,000,000	$ 2,000,000	$ 1,290,877	$ 709,123	$ 2,000,000	100.00%
Roads and bridges	912,000	929,306	929,306	-	929,306	100.00%
Landfill	500,000	500,000	500,000	-	500,000	100.00%
Recreation facility	150,000	150,000	-	28,315	28,315	18.88%
City of McRae	909,600	846,194	846,194	-	846,194	100.00%
City of Lumber City	422,800	393,327	393,327	-	393,327	100.00%
City of Helena	782,400	727,861	727,861	-	727,861	100.00%
City of Milan	196,000	182,338	182,338	-	182,338	100.00%
City of Scotland	87,200	81,122	81,122	-	81,122	100.00%
City of Jacksonville	40,000	37,213	37,213	-	37,213	100.00%
Total	$ 6,000,000	$ 5,847,361	$ 4,988,238	$ 737,438	$ 5,725,676	
2014 - SPLOST						
Jail (Level 1)	$ 2,000,000	$ 2,000,000	$ -	$ 2,000,000	$ 2,000,000	100.00%
Roads and bridges	392,800	392,800	825,467	-	825,467	210.15%
Landfill	550,000	550,000	-	-	-	0.00%
Recreation facility	250,000	250,000	-	-	-	0.00%
Public safety tower	199,600	199,600	103,829	-	103,829	52.02%
City of McRae Helena	2,090,400	2,090,400	1,871,099	-	1,871,099	89.51%
City of Lumber City	322,000	322,000	288,220	-	288,220	89.51%
City of Milan	81,600	81,600	73,039	-	73,039	89.51%
City of Scotland	79,600	79,600	71,251	-	71,251	89.51%
City of Jacksonville	34,000	34,000	30,434	-	30,434	89.51%
Total	$ 6,000,000	$ 6,000,000	$ 3,263,339	$ 2,000,000	$ 5,263,339	
2019 - SPLOST						
Roads, bridges and equip	$ 900,000	$ 900,000	$ -	$ -	$ -	0.00%
Landfill, vehicles & equip	600,000	600,000	-	-	-	0.00%
County buildings	250,000	250,000	-	-	-	0.00%
Recreation bldgs & improv	300,000	300,000	-	-	-	0.00%
Healthcare facility and land	412,400	412,400	-	-	-	0.00%
Law enforcement center	1,000,000	1,000,000	-	227,868	227,868	22.79%
City of McRae Helena	3,000,000	3,000,000	74,813	476,972	551,785	18.39%
City of Lumber City	322,000	322,000	8,030	51,195	59,225	18.39%
City of Milan	100,000	100,000	2,494	15,899	18,393	18.39%
City of Scotland	79,600	79,600	1,985	12,656	14,641	18.39%
City of Jacksonville	36,000	36,000	898	5,724	6,622	18.39%
Total	$ 7,000,000	$ 7,000,000	$ 88,220	$ 790,314	$ 878,534	

II. REPORTS REQUIRED BY GOVERNMENTAL AUDITING STANDARDS

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
202 Love Avenue
Tifton, GA 31794
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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Commissioners
of Telfair County, Georgia
McRae, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Telfair County, Georgia, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Telfair County, Georgia's basic financial statements and have issued our report thereon dated March 29, 2021. Our report includes a reference to other auditors who audited the financial statements of the Telfair County Department of Leisure Services, the Telfair County Hospital Authority, the Development Authority of Telfair County or the Telfair County Board of Health, as described in our report on Telfair County, Georgia's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of financial statement findings that we consider to be a material weakness [2020-001 and 2020-002].

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Telfair County, Georgia's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed 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 questioned costs as item [2020-003].

Telfair County, Georgia's Response to Findings

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

Purpose of this Report

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

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Tifton, Georgia
March 29, 2021

TELFAIR COUNTY, GEORGIA
SCHEDULE OF FINANCIAL STATEMENT FINDINGS
YEAR ENDED JUNE 30, 2020

SECTION II - FINANCIAL STATEMENT FINDINGS AND RESPONSES

Findings noted on the 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

Material Weaknesses

2020 – 001 Segregation of Duties

Criteria:
Duties should be segregated between employees so that the responsibility for authorizing transactions, recording transactions, and maintaining custody of assets are assigned to different personnel.

Condition:
Telfair County, Georgia is a small local government and has a limited amount of resources and employees. Therefore, the County does not have an adequate number of employees to provide for the proper segregation of duties.

Cause of Condition:
Since the County is a small local government, it is not financially feasible for the County to hire additional employees to provide for an adequate segregation of duties.

Effect of Condition:
The County's internal control structure does not contain adequate safeguarding controls provided by segregation of duties that would provide for the prevention or timely detection of unauthorized transactions and unauthorized access to assets that could result in losses that are material to the financial statements.

Recommendation:
The Board of Commissioners and elected officials of the constitutional offices should develop a plan to improve the lack of segregation of duties in each office. The assignment of responsibilities should be developed to provide adequate segregation of duties. The manpower resources in each constitutional office, the administrative office, financial office, and other offices could be utilized.

Response of Management:
Management concurs with the finding and is continually working to improve controls to mitigate the risks associated with this condition.

SECTION II - FINANCIAL STATEMENT FINDINGS AND RESPONSES (CONTINUED)

Material Weaknesses (Continued)

2020-002 Grant Receivables and Revenue

Criteria:
Internal controls should be in place to ensure that grant receivables and revenues are reported accurately.

Condition:
Grant receivables and revenues were not reported accurately at year-end.

Cause of Condition:
Grant receivables and revenues related to CARES Act funding were not reconciled at year-end with grant agreements, grant receipts and other supporting documentation.

Effect of Condition:
Misstatements of receivables and revenues at year-end were not detected in the reporting of the aforementioned items.

Recommendation:
Management should develop and implement procedures to ensure that grant receivables and revenues are properly reconciled and reported at year-end.

Response of Management:
Management concurs with the finding and is implementing new policies and procedures in the year-end reconciliation and closing processes to ensure that grant receivables and revenues are reported accurately in the future.

SECTION II - FINANCIAL STATEMENT FINDINGS AND RESPONSES (CONTINUED)

Instance of Noncompliance

2020-003 Data Collection Form Submission

Criteria:
Sub-section 200.512 of the Uniform Guidance requires the reporting package and Data Collection Form to be submitted to the Federal Audit Clearinghouse the earlier of 30 days after the reports are received from the auditor or nine months after the end of the fiscal year.

Condition:
The Data Collection Form was not submitted to the Federal Audit Clearinghouse within nine months after the end of the fiscal year.

Cause of Condition:
The County did not have a policy in place to ensure timely submission of the Data Collection Form to the Federal Audit Clearinghouse.

Effect of Condition:
The County was not in compliance with sub-section 200.512 of the Uniform Guidance

Recommendation:
Management should adopt a policy to ensure that all applicable deadlines for the Data Collection Form submission are adhered to.

Response of Management:
Management concurs with this finding and will develop policies to improve Data Collection Form completion timing and the required Data Collection Form submissions going forward.

TELFAIR COUNTY, GEORGIA
SUMMARY SCHEDULE OF PRIOR YEAR FINANCIAL STATEMENT FINDINGS
YEAR ENDED JUNE 30, 2020

Findings	Status
2019-001	See finding 2020-001
2019-002	Resolved
2019-003	Resolved

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