TELFAIR COUNTY, GEORGIA

FINANCIAL STATEMENTS
AS OF **JUNE 30, 2021**
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 and Management
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 activity, 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, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

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% percent of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the aggregate discretely presented component units, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activity, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Telfair County, Georgia, as of June 30, 2021, 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

As discussed in Note IV, F., the County adopted Government Accounting Standards Board (GASB) Statement No. 84 "Fiduciary Activities". The new standard requires liabilities and net position to be recorded in the custodial funds, known as agency funds under prior standards. The County recorded a cumulative effect of change in accounting principle to increase net position in its custodial funds $1,148,023 as of June 30, 2020.

As discussed in Note IV, F., the County's management discovered an error in its financial statements for the year ended June 30, 2020 resulting in a misstatement of its capital assets and note payable liability. The County corrected the error by increasing the beginning balances of its capital assets and note payable in Note III, E. and Note III, F., respectively, by $1,256,667. Additionally, as a result of the error, the County has restated the Schedule of Expenditures of Special Purpose Local Option Sales Tax Proceeds, which is presented as supplementary – other information 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 restatement to the Schedule of Expenditures of Special Purpose Local Option Sales Tax Proceeds increased prior year expenditures of the Law Enforcement Center by $1,256,667. The restatement had no effect on previously reported net position, changes in net position, fund balances, or changes in fund balances. Our opinion is not modified with respect to these matters.

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 47, the schedule of contributions on page 48, and the budgetary comparison information on pages 49 through 52, as well as the note to required supplementary information on page 53 through 54 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Telfair County, Georgia's basic financial statements. The introductory section, combining and individual

nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements on pages 55 through 60 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 61 through 62 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 23, 2022, 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 grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Telfair County, Georgia's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Telfair County, Georgia's internal control over financial reporting and compliance.

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

CARR, RIGGS & INGRAM, LLC

Tifton, Georgia

March 23, 2022

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

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Cash and cash equivalents	$ 6,373,318	$ 1,002,857	$ 7,376,175	$ 3,560,089
Investments	-	-	-	914
Taxes receivable -				
net of uncollectible accounts	647,859	-	647,859	-
Other receivables, net	179,203	205,850	385,053	546,006
Internal balances	(270,703)	270,703	-	-
Prepaids	234,675	-	234,675	-
Capital assets:				
Nondepreciable	1,561,178	707,670	2,268,848	134,368
Depreciable, net	15,104,586	4,398,580	19,503,166	807,746
Total assets	23,830,116	6,585,660	30,415,776	5,049,123
DEFERRED OUTFLOWS OF RESOURCES				
Related to defined benefit pension plan and OPEB	317,491	24,172	341,663	148,479
LIABILITIES				
Accounts payable	352,396	17,713	370,109	-
Other liabilities	54,946	15,041	69,987	55,689
Noncurrent liabilities:				
Due within one year:				
Lease payable	106,037	144,339	250,376	-
Notes payable	54,662	151,592	206,254	7,453
Revenue bond payable	-	27,071	27,071	-
Due in more than one year:				
Lease payable	451,258	300,891	752,149	-
Notes payable	1,170,000	-	1,170,000	1,918
Revenue bond payable	-	1,468,324	1,468,324	-
Closure/post closure accrued liability	-	2,709,610	2,709,610	-
Proportionate share of net pension liability	634,807	48,331	683,138	427,607
Proportionate share of net OPEB liability	-	-	-	57,155
Total liabilities	2,824,106	4,882,912	7,707,018	549,822
DEFERRED INFLOWS OF RESOURCES				
Related to defined benefit pension plan and OPEB	319,910	24,356	344,266	116,159
NET POSITION				
Net investment in capital assets	14,883,807	3,014,033	17,897,840	932,743
Restricted:				
Special revenue	168,623	-	168,623	-
Capital projects	3,318,933	-	3,318,933	-
Prior year program income	-	-	-	78,665
Unrestricted	2,632,228	(1,311,469)	1,320,759	3,520,213
Total net position	$ 21,003,591	$ 1,702,564	$ 22,706,155	$ 4,531,621

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, 2021

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions
Primary government:			
Governmental activities:			
General government	$ 1,814,010	$ 151,309	$ -
Judicial	785,772	206,701	-
Public safety	4,163,857	611,828	-
Public works	2,029,729	-	-
Health and welfare	498,305	252,817	-
Culture and recreation	270,121	-	-
Housing and development	240,811	1,060	-
Interest on long-term debt	42,470	-	-
Total governmental activities	9,845,075	1,223,715	-
Business-type activities -			
Landfill	1,269,611	1,121,484	-
Total business-type activities	1,269,611	1,121,484	-
Total primary government	$ 11,114,686	$ 2,345,199	$ -
Component units:			
Governmental type	$ 939,224	$ 234,656	$ 658,050
Total component units	$ 939,224	$ 234,656	$ 658,050
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			
Gain on sale of assets			
Miscellaneous			
Transfers			
Total general revenues and transfers			
Change in net position			
Net position - beginning			
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
$ 1,576,757	$ (85,944)	$ -	$ (85,944)	
-	(579,071)	-	(579,071)	
-	(3,552,029)	-	(3,552,029)	
438,736	(1,590,993)	-	(1,590,993)	
18,917	(226,571)	-	(226,571)	
-	(270,121)	-	(270,121)	
-	(239,751)	-	(239,751)	
-	(42,470)	-	(42,470)	
2,034,410	(6,586,950)	-	(6,586,950)	
-	-	(148,127)	(148,127)	
-	-	(148,127)	(148,127)	
$ 2,034,410	$ (6,586,950)	$ (148,127)	$ (6,735,077)	
$ -				$ (46,518)
$ -				$ (46,518)
	$ 5,002,965	$ -	$ 5,002,965	$ -
	164,056	-	164,056	-
	466,230	-	466,230	-
	1,243,287	-	1,243,287	-
	357,614	-	357,614	-
	12,084	-	12,084	-
	4,139	-	4,139	-
	427,017	-	427,017	-
	69,652	-	69,652	-
	3,580	1,515	5,095	5,610
	-	-	-	576,009
	806,794	71,492	878,286	50,640
	5,324	(5,324)	-	-
	8,562,742	67,683	8,630,425	632,259
	1,975,792	(80,444)	1,895,348	585,741
	19,027,799	1,783,008	20,810,807	3,945,880
	$ 21,003,591	$ 1,702,564	$ 22,706,155	$ 4,531,621

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

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

	General	American Rescue Plan
ASSETS		
Cash and cash equivalents	$ 1,632,393	$ 1,316,015
Taxes receivable - net of allowance for uncollectibles	503,580	-
Other receivables, net	179,203	-
Prepaids	234,675	-
Total assets	$ 2,549,851	$ 1,316,015
LIABILITIES		
Accounts payable	$ 270,763	$ -
Other liabilities	54,946	-
Due to other funds	270,703	-
Total liabilities	596,412	-
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue - property taxes	380,959	-
Total deferred inflows of resources	380,959	-
FUND BALANCES		
Nonspendable	234,675	-
Restricted	-	1,316,015
Unassigned	1,337,805	-
Total fund balances	1,572,480	1,316,015
Total liabilities, deferred inflows of resources, and fund balances	$ 2,549,851	$ 1,316,015

SPLOST	Other Governmental Funds	Total Governmental Funds
$ 1,989,784	$ 1,435,126	$ 6,373,318
114,365	29,914	647,859
-	-	179,203
-	-	234,675
$ 2,104,149	$ 1,465,040	$ 7,435,055
$ 53,931	$ 27,702	$ 352,396
-	-	54,946
-	-	270,703
53,931	27,702	678,045
-	-	380,959
-	-	380,959
-	-	234,675
2,050,218	1,437,338	4,803,571
-	-	1,337,805
2,050,218	1,437,338	6,376,051
$ 2,104,149	$ 1,465,040	$ 7,435,055

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, 2021

Amounts reported for governmental activities in the statement of net position are different because:		
Total governmental fund balances		$ 6,376,051
Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds.		
Cost of capital assets	$ 24,473,249	
Less accumulated depreciation	(7,807,485)	16,665,764
Other long-term assets are not available to pay for current-period expenditures and, therefore, are reported as unavailable revenue in the funds.		380,959
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		(634,807)
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		155,528
Asset (gain)/loss		(200,987)
Liability (gain)/loss		4,462
(Gain)/loss due to assumption change		38,578
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.		(1,781,957)
Net position of governmental activities		$ 21,003,591

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, 2021

	General	American Rescue Plan
REVENUES		
General property taxes	$ 5,647,378	$ -
Other taxes	967,038	-
Charges for services	511,195	-
Intergovernmental	458,756	1,540,310
Fines and forfeitures	303,662	-
Investment earnings	2,736	355
Miscellaneous	432,235	-
Total revenues	8,323,000	1,540,665
EXPENDITURES		
Current:		
General government	1,554,793	-
Judicial	777,556	-
Public safety	3,995,184	-
Public works	682,654	-
Health and welfare	475,586	-
Culture and recreation	236,400	-
Housing and development	217,614	-
Intergovernmental	-	-
Debt service:		
Principal	10,502	-
Interest	6,413	-
Capital outlay :		
General government	-	-
Public safety	173,700	224,650
Public works	-	-
Culture and recreation	-	-
Total expenditures	8,130,402	224,650
OTHER FINANCING SOURCES (USES)		
Lease financing	-	-
Transfers in (out)	5,324	-
Total other financing sources	5,324	-
Net change in fund balances	197,922	1,316,015
Fund balances, beginning	1,374,558	-
Fund balances, ending	$ 1,572,480	$ 1,316,015

SPLOST	Other Governmental Funds	Total Governmental Funds
$ -	$ -	$ 5,647,378
1,243,287	369,698	2,580,023
-	151,081	662,276
-	830,849	2,829,915
-	-	303,662
1,363	489	4,943
-	6,016	438,251
1,244,650	1,358,133	12,466,448
5,983	158,551	1,719,327
-	6,471	784,027
4,250	-	3,999,434
-	42,854	725,508
-	10,547	486,133
-	-	236,400
-	16,682	234,296
620,720	-	620,720
43,333	219,078	272,913
-	36,057	42,470
68,935	-	68,935
362,625	-	760,975
-	1,166,232	1,166,232
499,124	-	499,124
1,604,970	1,656,472	11,616,494
-	248,010	248,010
-	-	5,324
-	248,010	253,334
(360,320)	(50,329)	1,103,288
2,410,538	1,487,667	5,272,763
$ 2,050,218	$ 1,437,338	$ 6,376,051

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, 2021

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds		$ 1,103,288
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	$ 2,495,266	
Depreciation expense	(983,854)	1,511,412
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, 2021	$ 380,959	
Unavailable revenue - property taxes at June 30, 2020	(1,031,864)	(650,905)
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	$ 155,528	
Cost of benefits earned net of employee contributions	(168,434)	(12,906)
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	$ (248,010)	
Principal repayments	272,913	24,903
Change in net position of governmental activities		$ 1,975,792

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

TELFAIR COUNTY, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2021

	Business-Type Activity - Enterprise Fund Landfill
ASSETS	
Current assets:	
Cash	$ 1,002,857
Accounts receivable, net	205,850
Due from other funds	270,703
Total current assets	1,479,410
Noncurrent assets -	
Capital assets:	
Land, nondepreciable	707,670
Equipment, depreciable	7,006,496
Buildings and improvements, depreciable	40,257
Intangible asset - leased equipment	724,547
Less - accumulated depreciation/amortization	(3,372,720)
Total noncurrent assets	5,106,250
Total assets	6,585,660
DEFERRED OUTFLOWS OF RESOURCES	24,172
LIABILITIES	
Current liabilities:	
Accounts payable	17,713
Accrued liabilities	15,041
Lease payable	144,339
Note payable	151,592
Revenue bonds payable	27,071
Total current liabilities	355,756
Noncurrent liabilities:	
Lease payable	300,891
Revenue bonds payable	1,468,324
Net pension liability	48,331
Closure/post closure accrued liability	2,709,610
Total noncurrent liabilities	4,527,156
Total liabilities	4,882,912
DEFERRED INFLOWS OF RESOURCES	24,356
NET POSITION	
Net investment in capital assets	3,014,033
Unrestricted	(1,311,469)
Total net position	$ 1,702,564

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, 2021

	Business-Type Activity - Enterprise Fund
	Landfill
OPERATING REVENUES	
Charges for services	$ 1,121,484
Miscellaneous	71,492
Total operating revenues	1,192,976
OPERATING EXPENSES	
Personnel services	197,923
Employee benefits	104,081
Professional services	29,641
Repairs and maintenance	61,287
Communication services	10,190
Other purchased services	51,782
Supplies	78,733
Utilities	6,630
Gasoline / diesel	59,202
Depreciation / amortization	410,549
Closure / post closure	206,739
Bad debt expense	4,000
Other operating	8,323
Total operating expenses	1,229,080
Operating income (loss)	(36,104)
NONOPERATING REVENUES (EXPENSES)	
Investment earnings	1,515
Interest expense	(40,531)
Total nonoperating revenues (expenses)	(39,016)
Income before transfers	(75,120)
Transfers in (out)	(5,324)
Change in net position	(80,444)
Net position, beginning	1,783,008
Net position, ending	$ 1,702,564

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, 2021

	Business-Type Activity - Enterprise Fund Landfill
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	$ 1,146,467
Payments to suppliers for goods and services	(357,526)
Payments to employees for services	(197,923)
Payments for employee taxes and benefits	(97,299)
Receipts from other funds	176,833
Net cash provided by operating activities	670,552
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Principal paid on leases and notes payable	(305,108)
Interest paid on leases and notes payable	(14,178)
Proceeds from lease payable	285,300
Principal paid on revenue bonds payable	(26,605)
Interest paid on revenue bonds payable	(26,635)
Proceeds from the sale of capital assets	4,453
Acquisition and construction of capital assets	(375,200)
Transfers to General Fund	(5,324)
Net cash used by operating activities	(463,297)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest on investments	1,515
Net cash provided by investing activities	1,515
Net increase in cash	208,770
Cash, beginning of year	794,087
Cash, end of year	$ 1,002,857
Reconciliation of loss from operations to net cash used by operating activities:	
Loss from operations	$ (36,104)
Depreciation	410,549
Change in accounts receivable	(46,509)
Change in due from other funds	176,833
Change in accounts payable	(47,738)
Change in net pension liability and related deferrals	6,782
Change in accrued closure/post closure	206,739
Net cash provided by operating activities	$ 670,552

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

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

ASSETS		
Cash	$	389,205
Taxes receivable (net allowance for uncollectible accounts)		436,120
Total assets	$	825,325
NET POSITION		
Net position - held for others	$	825,325
Total net position	$	825,325

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

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

	Total Custodial Funds
ADDITIONS	
Taxes collected for other agencies	$ 5,269,774
Court fees collected for other agencies	71,218
Court individual cases	254,877
Sheriff fees collected	112,174
Total additions	5,708,043
DEDUCTIONS	
Payments of court fees to other agencies	154,477
Payments to others	260,141
Payments of taxes to other agencies	5,616,123
Total deductions	6,030,741
Change in net position	(322,698)
Net position - beginning, restated	1,148,023
Net position - ending	$ 825,325

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.

American Rescue Plan Fund is a special revenue fund which accounts for all local fiscal recovery funds received by the County through the American Rescue Plan (ARP) Act of 2021.

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.

Fiduciary 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.

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

F. 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 $914 and a market value of $857.

   The Telfair County Board of Health certificate of deposits balance at June 30, 2021 was $628,146.

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, 2021, 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, 2021.

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.

G. 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

H. Subsequent events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, March 23, 2022. See Note III. I. No subsequent events occurring after this date have been evaluated for inclusion in these consolidated financial statements.

I. *Recently Issued and Implemented Accounting Pronouncements*

In fiscal year 2021, the County adopted Governmental Accounting Standards Board (GASB) Statement No. 84, Fiduciary Activities. This statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. Governments with activities meeting the criteria should present a statement of fiduciary net position and a statement of changes in fiduciary net position. The cumulative effect of GASB Statement No. 84 is described in the restatement note.

In fiscal year 2021, the County early adopted Governmental Accounting Standards Board (GASB) Statement No. 87, Leases. The primary objective of this statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of government's financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The adoption of this statement did not have a material impact on the County's financial statements.

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.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

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.

C. Expenditures exceed appropriations

During the year ended June 30, 2021, expenditures exceeded appropriations in the following functions:

Department	Expenditures Over Budget
General government:	
Elections	$ 20,880
General administration	57,455
Tax Commisioner	46,899
Judicial:	
Magistrate court	2,277
Probate court	9,365
Public safety:	
Law enforcement administration	76,500
Jail operations	294,853
Fire administration	1,820
Coroner / medical examiner	1,016
Enhanced 911	1,225
Health and welfare -	
Senior citizens center	16,680
Housing and development:	
Agricultural resources	3,120
Airport	5,040
Debt service -	
Principal	10,502
Capital outlay:	
Law enforcement administration	62,850
Emergency medical services	10,850

III. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

A. Deposits and Investments

A summary of the County's deposits and investments at June 30, 2021 follows:

Account Balances		
Petty cash	$	1,073
Demand deposits		10,270,860
Certificates of deposit		664,331
Investments		914
Total reporting entity	$	10,937,178

Ownership of Funds		
Primary Government -		
Governmental funds:		
Cash and cash equivalents	$	6,373,318
Proprietary fund -		
Cash		1,002,857
Total primary government	$	7,376,175
Component Units:		
Cash and cash equivalents	$	3,560,089
Investments		914
Total component units		3,561,003
Total reporting entity	$	10,937,178

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, 2021 are as follows:

	Receivable	Allowance	Net
Governmental activities:			
Property taxes	$ 488,947	$ (28,254)	$ 460,693
Special purpose local option sales tax	114,365	-	114,365
Transportation SPLOST	29,914	-	29,914
Local option sales taxes	42,887	-	42,887
Customers	515,203	(336,000)	179,203
Business-type activities			
Customers	382,850	(177,000)	205,850
Total	$ 1,574,166	$ (541,254)	$ 1,032,912

Property taxes for 2020 were levied September 10, 2020 and due December 20, 2020 on property valued as of January 1, 2020. The tax rate to finance general governmental services for the fiscal year ended June 30, 2021 was $16.341 per $1,000 of assessed taxable property value for the unincorporated areas of Telfair County, and $16.341 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, 2021 follows:

	Payable to:	
Payable from -	Landfill	Total
General fund	$ 270,703	$ 270,703

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, 2020 - restated	Additions	Retirements or Transfers	Balance June 30, 2021
Governmental activities:				
Capital assets, not being depreciated -				
Land	$ 304,511	$ -	$ -	$ 304,511
Construction in progress	5,709,456	818,417	(6,527,873)	-
Total not being depreciated	6,013,967	818,417	(6,527,873)	304,511
Capital assets, being depreciated:				
Equipment	4,103,066	704,095	-	4,807,161
Buildings and improvements	11,034,619	724,744	6,527,873	18,287,236
Intangible lease asset - equipment	826,332	248,010	-	1,074,342
Total being depreciated	15,964,017	1,676,849	6,527,873	24,168,739
Less accumulated depreciation for:				
Equipment	3,288,552	258,190	-	3,546,742
Buildings and improvements	3,116,836	569,719	-	3,686,555
Intangible lease asset - equipment	418,244	155,945	-	574,189
Total accumulated depreciation	6,823,632	983,854	-	7,807,486
Total being depreciated, net	9,140,385	692,995	6,527,873	16,361,253
Governmental activities capital assets, net	$ 15,154,352	$ 1,511,412	$ -	$ 16,665,764

III. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

	Balance June 30, 2020	Additions	Retirements or Transfers	Balance June 30, 2021
Business-type activities:				
Capital assets, not being depreciated -				
Land	$ 707,670	$ -	$ -	$ 707,670
Construction in progress	-	-	-	-
Total not being depreciated	707,670	-	-	707,670
Capital assets, being depreciated:				
Equipment	6,916,596	89,900	-	7,006,496
Buildings and improvements	40,257	-	-	40,257
Intangible asset - leased equipment	706,447	285,300	(267,200)	724,547
Total being depreciated	7,663,300	375,200	(267,200)	7,771,300
Less accumulated depreciation for:				
Equipment	2,713,167	267,348	-	2,980,515
Buildings and improvements	25,535	1,006	-	26,541
Intangible asset - leased equipment	486,216	142,195	(262,747)	365,664
Total accumulated depreciation	3,224,918	410,549	(262,747)	3,372,720
Total being depreciated, net	4,438,382	(35,349)	(4,453)	4,398,580
Business-type activities capital assets, net	$ 5,146,052	$ (35,349)	$ (4,453)	$ 5,106,250

Depreciation expense was charged to functions / programs as follows:

Governmental activities:	
General government	$ 91,176
Public safety	158,325
Public works	682,312
Health and welfare	11,805
Culture and recreation	33,721
Housing and development	6,515
Total depreciation expense - governmental activities	$ 983,854
Business-type activities -	
Landfill	$ 410,549
Total depreciation expense - business-type activities	$ 410,549

III. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

Component Units:

	Balance June 30, 2020	Additions	Retirements or Transfers	Balance June 30, 2021
Capital assets, not being depreciated -				
Land	$ 134,368	$ -	$ -	$ 134,368
Total not being depreciated	134,368	-	-	134,368
Capital assets, being depreciated:				
Equipment	134,508	51,216	-	185,724
Buildings and improvements	1,121,436	365,000	(602,681)	883,755
Total being depreciated	1,255,944	416,216	(602,681)	1,069,479
Less accumulated depreciation for:				
Equipment	49,303	20,846	-	70,149
Buildings and improvements	342,798	27,476	(178,690)	191,584
Total accumulated depreciation	392,101	48,322	(178,690)	261,733
Total being depreciated, net	863,843	367,894	(423,991)	807,746
Component units capital assets, net	$ 998,211	$ 367,894	$ (423,991)	$ 942,114

Depreciation expense was charged to functions / programs as follows:

Component units:	
Telfair County Department of Leisure Services	$ 10,070
Telfair County Hospital Authority	23,964
Development Authority of Telfair County	12,105
Telfair County Board of Health	2,183
Total depreciation expense - component units	$ 48,322

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, 2021

	Beginning Balance, restated	Additions	Payments/ Retirements	Ending Balance	Current Portion	Long-term Portion
Primary Government:						
Governmental activities:						
Leases payable	$ 528,362	$ 248,010	$ (219,077)	$ 557,295	$ 106,037	$ 451,258
Note payable - Fin purch	1,278,498	-	(53,836)	1,224,662	54,662	1,170,000
Governmental activity - long-term liabilities	$ 1,806,860	$ 248,010	$ (272,913)	$ 1,781,957	$ 160,699	$ 1,621,258
Business-type activities:						
Leases payable	$ 317,289	$ 285,300	$ (157,359)	$ 445,230	$ 144,339	$ 300,891
Note payable	299,341	-	(147,749)	151,592	151,592	-
Revenue bond payable	1,522,000	-	(26,605)	1,495,395	27,071	1,468,324
Closure/post closure	2,502,871	206,739	-	2,709,610	-	2,709,610
Business-type activity long-term liabilities	$ 4,641,501	$ 492,039	$ (331,713)	$ 4,801,827	$ 323,002	$ 4,478,825

Leases Payable

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, 2021 the lease terminated. The net book value of this leased equipment was $-0-. This year, $7,460 was included in depreciation expense.

III. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

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, 2021 the net book value of this leased equipment was $73,960. This year, $35,501 was included in depreciation expense. The annual requirements to amortize the remaining balance of $121,176 as of June 30, 2021, including interest payments of $25,306 are as follows:

Year Ending June 30	Principal	Interest	Total
2022	$ 36,568	$ 12,260	$ 48,828
2023	40,267	8,560	48,827
2024	44,341	4,486	48,827
Total	$ 121,176	$ 25,306	$ 146,482

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, 2021 the net book value of this leased equipment was $65,582. This year, $26,233 was included in depreciation expense. The annual requirements to amortize the remaining balance of $96,989 as of June 30, 2021, including interest payments of $12,852 are as follows:

Year Ending June 30	Principal	Interest	Total
2022	$ 10,188	$ 3,772	$ 13,960
2023	10,580	3,380	13,960
2024	10,988	2,972	13,960
2025	65,233	2,728	67,961
Total	$ 96,989	$ 12,852	$ 109,841

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, 2021 the net book value of this leased equipment was $152,498. This year, $28,153 was included in depreciation expense. The annual requirements to amortize the remaining balance of $129,203 as of June 30, 2021, including interest payments of $30,491 are as follows:

Year Ending June 30	Principal	Interest	Total
2022	$ 28,232	$ 11,691	$ 39,923
2023	30,787	9,136	39,923
2024	33,573	6,350	39,923
2025	36,611	3,314	39,925
Total	$ 129,203	$ 30,491	$ 159,694

During fiscal year 2021 the County entered into a lease agreement with Caterpillar Financial Services for the purchase of a Caterpillar 930M wheel loader for use by the highways and streets department with an original amount of $248,010. The agreement calls for annual payments of $38,083 beginning in September of 2020 and ending in September of 2024 with a balloon payment of $82,000 due September 1, 2024 at an interest rate of 3.35%. As of June 30, 2021 the net book value of this leased equipment was $206,675. This year, $41,335 was included in depreciation expense. The annual requirements to amortize the remaining balance of $209,927 as of June 30, 2021, including interest payments of $24,406 are as follows:

Year Ending June 30	Principal	Interest	Total
2022	$ 31,049	$ 7,035	$ 38,084
2023	32,089	5,994	38,083
2024	33,164	4,919	38,083
2025	113,625	6,458	120,083
Total	$ 209,927	$ 24,406	$ 234,333

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 remaining balance of $11,329 as of June 30, 2021, including interest payments of $472 is due in June 2022.

III. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

In November 2018, the County entered into a commercial lease to own agreement with City of Milan, Georgia for the purchase of a building and land formerly known as the Milan State Prison. The County began leasing the building in November 2018 under a thirty year direct financing lease. The lease calls for a down payment of $200,000 at the lease inception followed by annual payments of $43,333 for thirty years and due by November 1st of each year. The lease agreement bears no interest and matures on October 31, 2048. The annual requirements to amortize the remaining balance of $1,213,333 as of June 30, 2021, including interest payments of $-0- are as follows:

Year Ending June 30	Principal	Interest	Total
2022	$ 43,333	$ -	$ 43,333
2023	43,333	-	43,333
2024	43,333	-	43,333
2025	43,333	-	43,333
2026	43,333	-	43,333
2027-2031	216,667	-	216,667
2032-2036	216,667	-	216,667
2037-2041	216,667	-	216,667
2042-2046	216,667	-	216,667
2047-2049	130,000	-	130,000
Total	$ 1,213,333	$ -	$ 1,213,333

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, 2021 the net book value of this leased equipment was $87,849. This year, $87,849 was included in depreciation expense. The annual requirements to amortize the remaining balance of $171,957 as of June 30, 2021, including interest payments of $3,756 are as follows:

Year Ending June 30	Principal	Interest	Total
2022	$ 71,170	$ 3,543	$ 74,713
2023	100,787	213	101,000
Total	$ 171,957	$ 3,756	$ 175,713

III. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

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 2021 and a balloon payment of $80,160 due April 2018 at an interest rate of 4.10%. As of June 30, 2021 the net book value of this leased equipment was $4,453. This year, $40,080 was included in depreciation expense and the equipment was traded back for a new Komatsu dozier.

During fiscal year 2021 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 $285,300. The agreement calls for thirty-six monthly payments of $6,548 beginning in April of 2021 and ending in March of 2024 and a balloon payment of $74,228 due April 2024 at an interest rate of 4.60%. As of June 30, 2021 the net book value of this leased equipment was $271,035. This year, $14,265 was included in depreciation expense. The annual requirements to amortize the remaining balance of $273,273 as of June 30, 2021, including interest payments of $23,574 are as follows:

Year Ending June 30	Principal	Interest	Total
2022	$ 73,169	$ 11,950	$ 85,119
2023	70,848	7,724	78,572
2024	129,256	3,900	133,156
Total	$ 273,273	$ 23,574	$ 296,847

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 $151,592 as of June 30, 2021, including interest payments of $3,940 are as follows:

Year Ending June 30	Principal	Interest	Total
2022	$ 151,592	$ 3,940	$ 155,532
Total	$ 151,592	$ 3,940	$ 155,532

III. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

Revenue Bonds Payable

Telfair County Solid Waste Facility Improvement Revenue Bond - On November 22, 2020, 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, 2021, 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, 2020, subject to scheduled installment payments prior to maturity. As called for in the bond ordinance, the first payment shall be made on November 22, 2021, 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, 2021, including interest payments of $584,663 are as follows:

Year Ending June 30th	Principal	Interest	Total Payment
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	29,016	24,224	53,240
2027-2031	152,876	113,324	266,200
2032-2036	166,729	99,471	266,200
2037-2041	181,838	84,362	266,200
2042-2046	198,315	67,885	266,200
2047-2051	216,286	49,914	266,200
2052-2056	235,885	30,315	266,200
2057-2059	203,293	13,366	216,659
	$ 1,495,396	$ 584,663	$ 2,080,059

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, 2021

	Beginning Balance	Additions	Payments/ Retirements	Ending Balance	Current Portion	Long-term Portion
Component Units:						
Telfair County Department of Leisure Services -						
Note payable	$ 16,509	$ -	$ (7,138)	$ 9,371	$ 7,453	$ 1,918
Development Authority of Telfair County -						
One Georgia loan	162,500	-	(162,500)	-	-	-
Total component units long-term liabilities	$ 179,009	$ -	$ (169,638)	$ 9,371	$ 7,453	$ 1,918

Component unit long-term debt –Telfair County Department of Leisure Services

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

Year Ending June 30	Note payable		
	Principal	Interest	Total
2022	$ 7,453	$ 259	$ 7,712
2023	1,918	10	1,928
2024	-	-	-
2025	-	-	-
2026	-	-	-
2027	-	-	-
	$ 9,371	$ 269	$ 9,640

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	$ 234,675

- ***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.	$ 2,050,218
Transportation Special Purpose Local Option Sales Tax (T-SPLOST)	
used to account for capital projects financed with T-SPLOST.	632,070
LMIG Program	
used to account for road projects financed with LMIG funds.	636,645

Special Revenue Funds:

American Rescue Plan -	
used to account for the proceeds of fiscal recovery funds received by the County through the American Rescue Plan (ARP) Act of 2021.	1,316,015
Multipurpose Grant Fund -	
used to account for the proceeds of revenue sources legally restricted to expenditures for specific capital or operating projects.	104,405
Sheriff Commissary -	
used to account for the activities of the inmate canteen	6,373
Law Library -	
used to account for the operations of the County law library.	57,845
	$ 4,803,571

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, 2021 are as follows:

	Governmental Activities	Business-Type Activities
Net investment in capital assets		
Cost of capital assets	$ 24,473,249	$ 8,478,970
Less accumulated depreciation	(7,807,485)	(3,372,720)
Book value	16,665,764	5,106,250
Less capital related debt	(1,781,957)	(2,092,217)
Net investment in capital assets	$ 14,883,807	$ 3,014,033

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 $3,130,631. 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 85% 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, 2021. 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, 2021, the County received $12,084 in hotel/motel tax. The County distributed $4,834 to the Telfair County Chamber of Commerce for the promotion of tourism and retained $7,250 for general government purposes. The expended amounts total 100% of the amount received by the County.

For the year ended June 30, 2021, 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, 2021

Active plan participants	50
Retirees and beneficiaries currently receiving benefits	50
Active or terminated plan participants entitled to, but not yet receiving benefits	39
Total	139

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 $167,369 for the year ended June 30, 2021.

IV. OTHER INFORMATION

Net Pension Liability

The County's net pension liability was measured as of December 31, 2020, 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, 2021 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, 2019	$ 3,337,350	$ 2,470,129	$ 867,221
Changes for the year:			
Service cost	$ 53,312	$ -	$ 53,312
Interest	227,081	-	227,081
Differences between expected and actual experience	(28,215)	-	(28,215)
Assumption change	4,954	-	4,954
Contributions - employer	-	161,514	(161,514)
Net investment income	-	331,804	(331,804)
Benefit payments	(186,696)	(186,696)	-
Administrative expense	-	(23,501)	23,501
Other	-	(28,602)	28,602
Net changes	$ 70,436	$ 254,519	$ (184,083)
Balances at December 31, 2020	$ 3,407,786	$ 2,724,648	$ 683,138

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	$ 3,766,555	$ 3,407,786	$ 3,105,750
Fiduciary net position	2,724,648	2,724,648	2,724,648
Net pension liability	$ 1,041,907	$ 683,138	$ 381,102

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, 2021, the County recognized pension expense of $187,057. At June 30, 2021, 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	$ 108,864	$ (325,153)
Liability (Gain)/Loss	23,915	(19,113)
Changes of assumptions	41,515	-
Employer contributions subsequent to the measurement date	167,369	-
Total	$ 341,663	$ (344,266)

IV. OTHER INFORMATION

The County's contributions subsequent to the measurement date of $167,369 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, 2022. 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:	
2022	$ 11,640
2023	40,171
2024	87,849
2025	30,312
2026	-
Thereafter	-

F. Restatements Resulting From the Change in Measurement Focus

For fiscal year 2021, the County made prior period adjustments due to the adoption of GASB Statement No. 84, as described in "New Accounting Pronouncements," which requires the restatement of the June 30, 2020 net position in fiduciary funds. These changes are in accordance with generally accepted accounting principles.

	Custodial Funds					
	Clerk of Superior Court	Sheriff	Judge of Probate Court	Tax Commissioner	Magistrate Court	Total Fiduciary Funds
Net Position, July 1, 2020 as previously reported	$ -	$ -	$ -	$ -	$ -	$ -
Prior period adjustment - Implementation of GASB No. 84 - Agency fund to custodial fund classification	79,878	68,953	2,936	980,621	15,635	1,148,023
Net Position, July 1, 2020 as restated	$ 79,878	$ 68,953	$ 2,936	$ 980,621	$ 15,635	$ 1,148,023

Additionally, the County identified errors in the beginning balances of its capital assets and capital lease liabilities. The error had no effect on previously reported net position, changes in net position, fund balances or change in fund balances. The effect of the correction is as follows:

	Beginning Balance	Restatement	Beginning Balance, Restated
Capital assets - CIP	$ 4,452,789	$ 1,256,667	$ 5,709,456
Note payable	$ 21,831	$ 1,256,667	$ 1,278,498

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

	Fiscal Year End									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Total pension liability										
Service cost	$ 53,312	$ 50,095	$ 40,374	$ 43,782	$ 39,615	$ 35,838	$ 30,411			
Interest	227,081	206,746	197,658	192,421	186,836	174,410	175,522			
Differences between expected and actual experience	(28,215)	83,701	91,105	(4,463)	29,984	34,367	-			
Changes of assumptions	4,954	133,557	75,490	5,084	62,819	73,656	-			
Changes of benefit terms	-	-	-	-	-	-	-			
Benefit payments, including refunds of employee contributions	(186,696)	(180,515)	(174,337)	(154,852)	(157,785)	(147,406)	(147,056)			
Net change in total pension liability	70,436	293,584	230,290	81,972	161,469	170,865	58,877	-	-	-
Total pension liability - beginning	3,337,350	3,043,766	2,813,476	2,731,504	2,570,035	2,399,170	2,340,293			
Total pension liability - ending (a)	$ 3,407,786	$ 3,337,350	$ 3,043,766	$ 2,813,476	$ 2,731,504	$ 2,570,035	$ 2,399,170	$ -	$ -	$ -
Plan fiduciary net position										
Contributions - employer	$ 161,514	$ 159,370	$ 111,125	$ 131,483	$ 136,495	$ 127,232	$ 115,554			
Contributions - employee	-	-	-	-	-	-	-			
Net investment income	331,804	438,989	(101,954)	320,007	133,649	15,428	140,261			
Benefit payments, including refunds of employee contributions	(186,696)	(180,515)	(174,337)	(154,852)	(157,785)	(147,406)	(141,741)			
Administrative expense	(23,501)	(22,304)	(10,075)	(7,650)	(10,479)	(6,748)	(5,903)			
Other	(28,602)	(25,932)	(10,068)	(37,425)	(22,227)	(27,122)	(42,347)			
Net change in fiduciary net position	254,519	369,608	(185,309)	251,563	79,653	(38,616)	65,824	-	-	-
Plan fiduciary net position - beginning	2,470,129	2,100,521	2,285,830	2,034,267	1,954,614	1,993,230	1,927,406			
Plan fiduciary net position - ending (b)	$ 2,724,648	$ 2,470,129	$ 2,100,521	$ 2,285,830	$ 2,034,267	$ 1,954,614	$ 1,993,230	$ -	$ -	$ -
Net pension liability - ending: (a)-(b)	$ 683,138	$ 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	79.95%	74.01%	69.01%	81.25%	74.47%	76.05%	83.08%			
Covered-employee payroll	$ 1,420,517	$ 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	48.09%	63.80%	84.68%	52.36%	79.13%	75.83%	57.20%			

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

Refer to Notes To Required Supplementary Information

TELFAIR COUNTY, GEORGIA
SCHEDULE OF CONTRIBUTIONS

	Fiscal Year End									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Actuarially determined contribution	$ 149,734	$ 145,454	$ 104,146	$ 131,483	$ 136,495	$ 127,232	$ 115,554	$ 131,152		
Contributions in relation to the actuarially determined contribution	$ 161,514	$ 159,370	$ 111,125	$ 131,483	$ 136,495	$ 127,232	$ 115,554	131,152		
Contribution deficiency (excess)	(11,780)	(13,916)	(6,979)	-	-	-	-	-	(Historical information prior to implementation of GASB 67/68 is not required)	
Covered-employee payroll	$ 1,420,517	$ 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	11.37%	11.72%	9.98%	13.05%	15.49%	15.68%	16.28%	17.34%		

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, 2021

	Budgeted Amounts			Variance with Final Budget - Over
	Original	Final	Actual	(Under)
REVENUES				
Taxes	$ 6,320,750	$ 6,320,750	$ 6,614,416	$ 293,666
Charges for services and fines	903,500	903,500	814,857	(88,643)
Other	485,750	485,750	893,727	407,977
Total revenues	7,710,000	7,710,000	8,323,000	613,000
EXPENDITURES				
Current:				
General government:				
General government	168,998	168,998	150,089	(18,909)
Elections	137,054	137,054	157,934	20,880
General adminstration	586,252	586,252	643,707	57,455
Tax Commisioner	282,000	282,000	328,899	46,899
Tax Assessor	237,336	237,336	228,614	(8,722)
General government buildings and plant	46,500	46,500	45,550	(950)
Judicial:				
Superior court	192,750	192,750	189,839	(2,911)
Clerk of court	283,000	283,000	261,345	(21,655)
Board of equalization	2,605	2,605	1,071	(1,534)
Magistrate court	149,159	149,159	151,436	2,277
Probate court	164,500	164,500	173,865	9,365
Public safety:				
Law enforcement administration	1,035,000	1,035,000	1,111,500	76,500
Jail operations	1,239,590	1,239,590	1,534,443	294,853
Fire administration	31,291	31,291	33,111	1,820
Emergency medical services	1,021,061	1,021,061	1,016,848	(4,213)
Emergency Management Agency	19,618	19,618	17,956	(1,662)
Coroner / medical examiner	35,425	35,425	36,441	1,016
Enhanced 911	243,660	243,660	244,885	1,225
Public works:				
Highways and streets	722,919	722,919	682,654	(40,265)
Health and welfare:				
Public health administration	95,010	95,010	87,741	(7,269)
Health department building	31,800	31,800	31,508	(292)
Intergovernment - Welfare	3,500	3,500	1,551	(1,949)
Senior citizens center	166,072	166,072	182,752	16,680

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

	Budgeted Amounts			Variance with Final Budget - Over
	Original	Final	Actual	(Under)
EXPENDITURES (Continued)				
Current:				
Community services	93,900	93,900	85,605	(8,295)
Transportation services	141,345	141,345	86,429	(54,916)
Culture and recreation:				
Culture and recreation administration	171,000	171,000	171,000	-
Library administration	65,400	65,400	65,400	-
Housing and development:				
Conservation administration	33,853	33,853	31,569	(2,284)
Agricultural resources	78,727	78,727	81,847	3,120
Forest resources	38,250	38,250	23,669	(14,581)
Economic development	60,500	60,500	55,500	(5,000)
Airport	5,975	5,975	11,015	5,040
Farmers Market	14,150	14,150	14,014	(136)
Debt service:				
Principal	-	-	10,502	10,502
Interest	11,800	11,800	6,413	(5,387)
Capital outlay :				
Law enforcement administration	85,000	85,000	147,850	62,850
Emergency medical services	15,000	15,000	25,850	10,850
Total expenditures	7,710,000	7,710,000	8,130,402	420,402
OTHER FINANCING SOURCES (USES)				
Transfers in (out)	-	-	5,324	5,324
Total other financing sources	-	-	5,324	5,324
Net change in fund balance	$ -	$ -	197,922	$ 197,922
Fund balance, beginning			1,374,558	
Fund balance, ending			$ 1,572,480	

TELFAIR COUNTY, GEORGIA
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - DEPARTMENT OF TRANSPORTATION - SECTION 18
FOR THE YEAR ENDED JUNE 30, 2021

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget - Over (Under)
REVENUES			
Georgia Department of Transportation	$ 111,500	$ 107,405	$ (4,095)
Fares and other	18,000	1,284	(16,716)
Total revenues	129,500	108,689	(20,811)
EXPENDITURES			
Current:			
Heart of Georgia CAC Administration	135,400	84,405	(50,995)
Repairs and maintenance	5,000	1,016	(3,984)
Communication services	920	912	(8)
General supplies and materials	25	96	71
Total expenditures	141,345	86,429	(54,916)
Excess of revenues over/(under) expenditure	$ (11,845)	$ 22,260	$ 34,105

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, 2021

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget - Over (Under)
REVENUES			
Council on Aging - receipts	$ 127,500	$ 144,128	$ 16,628
Total revenues	127,500	144,128	16,628
EXPENDITURES			
Current:			
Salaries	51,000	50,044	(956)
Employee benefits	33,522	35,572	2,050
Repairs and maintenance	6,500	5,496	(1,004)
Communications	2,400	2,216	(184)
Travel	150	-	(150)
Education and training	-	92	92
Other purchased services	62,000	79,029	17,029
Supplies and materials	2,000	1,923	(77)
Utilities	8,500	8,380	(120)
Total expenditures	166,072	182,752	16,680
Excess of revenues over/(under) expenditure	$ (38,572)	$ (38,624)	$ (52)

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, 2021.

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.

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, 2021

	Special Revenue				Capital Projects		Total Nonmajor
	Multipurpose Grant	Sheriff Commissary	Expendable Trust Fund	Hotel/Motel Tax	T-SPLOST	LMIG	Governmental Funds
ASSETS							
Cash and cash equivalents	$ 104,405	$ 23,892	$ 57,845	$ -	$ 612,339	$ 636,645	$ 1,435,126
Taxes receivable, net	-	-	-	-	29,914	-	29,914
Due from other funds	-	-	-	-	-	-	-
Other receivables, net	-	-	-	-	-	-	-
Total assets	$ 104,405	$ 23,892	$ 57,845	$ -	$ 642,253	$ 636,645	$ 1,465,040
LIABILITIES							
Accounts payable	$ -	$ 17,519	$ -	$ -	$ 10,183	$ -	$ 27,702
FUND BALANCES							
Restricted	104,405	6,373	57,845	-	632,070	636,645	1,437,338
Total fund balances	104,405	6,373	57,845	-	632,070	636,645	1,437,338
Total liabilities and fund balances	$ 104,405	$ 23,892	$ 57,845	$ -	$ 642,253	$ 636,645	$ 1,465,040

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

	Special Revenue				Capital Projects		Total Nonmajor Governmental Funds
	Multipurpose Grant	Sheriff Commissary	Expendable Trust Fund	Hotel/Motel Tax	T-SPLOST	LMIG	
REVENUES							
Charges for services	$ -	$ 151,081	$ -	$ -	$ -	$ -	$ 151,081
Intergovernmental	18,917	-	-	-	374,559	437,373	830,849
Other taxes	-	-	-	12,084	357,614	-	369,698
Investment earnings	199	-	290	-	-	-	489
Miscellaneous	-	-	6,016	-	-	-	6,016
Total revenues	19,116	151,081	6,306	12,084	732,173	437,373	1,358,133
EXPENDITURES							
Current:							
General government	-	151,301	-	7,250	-	-	158,551
Judicial	-	-	6,471	-	-	-	6,471
Public works	-	-	-	-	42,854	-	42,854
Health and welfare	10,547	-	-	-	-	-	10,547
Housing and development	-	-	-	4,834	11,848	-	16,682
Debt service:							
Principal	-	-	-	-	219,078	-	219,078
Interest	-	-	-	-	36,057	-	36,057
Capital outlay:							
Public works	-	-	-	-	863,044	303,188	1,166,232
Total expenditures	10,547	151,301	6,471	12,084	1,172,881	303,188	1,656,472
OTHER FINANCING SOURCES							
Lease financing	-	-	-	-	248,010	-	248,010
Total other financing sources	-	-	-	-	248,010	-	248,010
Net change in fund balances	8,569	(220)	(165)	-	(192,698)	134,185	(50,329)
Fund balances, beginning	95,836	6,593	58,010	-	824,768	502,460	1,487,667
Fund balances, ending	$ 104,405	$ 6,373	$ 57,845	$ -	$ 632,070	$ 636,645	$ 1,437,338

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

	Custodial Funds					
	Clerk of Superior Court	Sheriff	Judge of Probate Court	Tax Commissioner	Magistrate Court	Total Fiduciary Funds
ASSETS						
Cash	$ 108,220	$ 49,634	$ 10,610	$ 198,152	$ 22,589	$ 389,205
Taxes receivable (net allowance for uncollectible accounts)	-	-	-	436,120	-	436,120
Total assets	$ 108,220	$ 49,634	$ 10,610	$ 634,272	$ 22,589	$ 825,325
NET POSITION						
Net position - held for others	$ 108,220	$ 49,634	$ 10,610	$ 634,272	$ 22,589	$ 825,325
Total net position	$ 108,220	$ 49,634	$ 10,610	$ 634,272	$ 22,589	$ 825,325

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

	Custodial Funds					
	Clerk of Superior Court	Sheriff	Judge of Probate Court	Tax Commissioner	Magistrate Court	Total Fiduciary Funds
ADDITIONS						
Taxes collected for other agencies	$ -	$ -	$ -	$ 5,269,774	$ -	$ 5,269,774
Court fees collected for other agencie	-	-	-	-	71,218	71,218
Court individual cases	156,990	-	97,887	-	-	254,877
Sheriff fees collected	-	112,174	-	-	-	112,174
Total additions	156,990	112,174	97,887	5,269,774	71,218	5,708,043
DEDUCTIONS						
Payments of court fees to other agencies	-	-	90,213	-	64,264	154,477
Payment to others	128,648	131,493	-	-	-	260,141
Payments fo taxes to other agencies	-	-	-	5,616,123	-	5,616,123
Total deductions	128,648	131,493	90,213	5,616,123	64,264	6,030,741
Change in net position	28,342	(19,319)	7,674	(346,349)	6,954	(322,698)
Net position - beginning, restated	79,878	68,953	2,936	980,621	15,635	1,148,023
Net position - ending	$ 108,220	$ 49,634	$ 10,610	$ 634,272	$ 22,589	$ 825,325

TELFAIR COUNTY, GEORGIA
COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS
JUNE 30, 2021

	Leisure Services	Hospital Authority	Development Authority	County Board of Health	Total
ASSETS					
Cash and cash equivalents	$ 16,166	$ 1,380,525	$ 1,057,075	$ 1,106,323	$ 3,560,089
Investments	-	914	-	-	914
Other receivables, net	-	2,500	520,000	23,506	546,006
Capital assets:					
Nondepreciable	-	15,000	119,368	-	134,368
Depreciable, net	80,873	359,383	362,863	4,627	807,746
Total assets	97,039	1,758,322	2,059,306	1,134,456	5,049,123
DEFERRED OUTFLOWS OF RESOURCES	-	-	-	148,479	148,479
LIABILITIES					
Accounts payable	-	-	-	-	-
Other liabilities	3,412	-	-	52,277	55,689
Noncurrent liabilities:					
Due within one year -					
Notes payable	7,453	-	-	-	7,453
Due in more than one year -					
Notes payable	1,918	-	-	-	1,918
Proportionate share of collective net pension liability	-	-	-	427,607	427,607
Proportionate share of collective net OPEB liability	-	-	-	57,155	57,155
Total liabilities	12,783	-	-	537,039	549,822
DEFERRED INFLOWS OF RESOURCES	-	-	-	116,159	116,159
NET POSITION					
Net investment in capital assets	71,502	374,383	482,231	4,627	932,743
Restricted	-	-	-	78,665	78,665
Unrestricted	12,754	1,383,939	1,577,075	546,445	3,520,213
Total net position	$ 84,256	$ 1,758,322	$ 2,059,306	$ 629,737	$ 4,531,621

TELFAIR COUNTY, GEORGIA
COMBINING STATEMENT OF ACTIVITIES
COMPONENT UNITS
FOR THE YEAR ENDED JUNE 30, 2021

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	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	$ 205,095	$ 4,495	$ 204,840	$ -	$ 4,240	$ -	$ -	$ -	$ 4,240
Hospital Authority	68,265	31,200	-	-	-	(37,065)	-	-	(37,065)
Development Authority	60,457	-	55,500	-	-	-	(4,957)	-	(4,957)
County Board of Health	605,407	198,961	397,710	-	-	-	-	(8,736)	(8,736)
Total component units	$ 939,224	$ 234,656	$ 658,050	$ -	4,240	(37,065)	(4,957)	(8,736)	(46,518)
General revenues:									
Investment earnings					-	4,516	1,094	-	5,610
Gain on sale of assets					-	-	576,009	-	576,009
Miscellaneous					-	-	5,308	45,332	50,640
Total general revenues					-	4,516	582,411	45,332	632,259
Change in net position					4,240	(32,549)	577,454	36,596	585,741
Net position - beginning					80,016	1,790,871	1,481,852	593,141	3,945,880
Net position - ending					$ 84,256	$ 1,758,322	$ 2,059,306	$ 629,737	$ 4,531,621

TELFAIR COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES OF
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
FOR THE YEAR ENDED JUNE 30, 2021

Project Description Per SPLOST Referendum	Original Estimated Cost	Amended Estimated Cost	Expenditures					Estimated Percentage of Completion
			Prior Years	Prior Year Restatement	Adjusted Prior Years	Current Year	Total	
2009 - SPLOST								
Jail (Level 1)	$ 2,000,000	$ 2,000,000	$ 2,000,000	$ -	$ 2,000,000	$ -	$ 2,000,000	100.00%
Roads and bridges	912,000	929,306	929,306	-	929,306	-	929,306	100.00%
Landfill	500,000	500,000	500,000	-	500,000	-	500,000	100.00%
Recreation facility	150,000	150,000	28,315	-	28,315	121,685	150,000	100.00%
City of McRae	909,600	846,194	846,194	-	846,194	-	846,194	100.00%
City of Lumber City	422,800	393,327	393,327	-	393,327	-	393,327	100.00%
City of Helena	782,400	727,861	727,861	-	727,861	-	727,861	100.00%
City of Milan	196,000	182,338	182,338	-	182,338	-	182,338	100.00%
City of Scotland	87,200	81,122	81,122	-	81,122	-	81,122	100.00%
City of Jacksonville	40,000	37,213	37,213	-	37,213	-	37,213	100.00%
Total	$ 6,000,000	$ 5,847,361	$ 5,725,676	$ -	$ 5,725,676	$ 121,685	$ 5,847,361	
2014 - SPLOST								
Jail (Level 1)	$ 2,000,000	$ 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	-	825,467	210.15%
Landfill	550,000	550,000	-	-	-	-	-	0.00%
Recreation facility	250,000	250,000	-	-	-	250,000	250,000	100.00%
Public safety tower	199,600	199,600	103,829	-	103,829	-	103,829	52.02%
City of McRae Helena	2,090,400	2,090,400	1,871,099	-	1,871,099	-	1,871,099	89.51%
City of Lumber City	322,000	322,000	288,220	-	288,220	-	288,220	89.51%
City of Milan	81,600	81,600	73,039	-	73,039	-	73,039	89.51%
City of Scotland	79,600	79,600	71,251	-	71,251	-	71,251	89.51%
City of Jacksonville	34,000	34,000	30,434	-	30,434	-	30,434	89.51%
Total	$ 6,000,000	$ 6,000,000	$ 5,263,339	$ -	$ 5,263,339	$ 250,000	$ 5,513,339	

TELFAIR COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES OF
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
FOR THE YEAR ENDED JUNE 30, 2021

Project Description Per SPLOST Referendum	Original Estimated Cost	Amended Estimated Cost	Expenditures					Estimated Percentage of Completion
			Prior Years	Prior Year Restatement	Adjusted Prior Years	Current Year	Total	
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	-	-	-	74,918	74,918	29.97%
Recreation bldgs & improv	300,000	300,000	-	-	-	127,439	127,439	42.48%
Healthcare facility and land	412,400	412,400	-	-	-	-	-	0.00%
Law enforcement center	1,000,000	1,000,000	227,868	1,256,667	1,484,535	410,209	1,894,744	189.47%
City of McRae Helena	3,000,000	3,000,000	551,785	-	551,785	526,389	1,078,174	35.94%
City of Lumber City	322,000	322,000	59,225	-	59,225	56,499	115,724	35.94%
City of Milan	100,000	100,000	18,393	-	18,393	17,547	35,940	35.94%
City of Scotland	79,600	79,600	14,641	-	14,641	13,968	28,609	35.94%
City of Jacksonville	36,000	36,000	6,622	-	6,622	6,317	12,939	35.94%
Total	$ 7,000,000	$ 7,000,000	$ 878,534	$ 1,256,667	$ 2,135,201	$ 1,233,286	$ 3,368,487	

II. REPORTS REQUIRED BY GOVERNMENTAL AUDITING STANDARDS

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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 and Management
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, 2021, 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 23, 2022. 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) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of 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 findings and questioned costs as items [2021-001, 2021-002] that we consider to be material weaknesses.

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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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 and questioned costs. 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 23, 2022

TELFAIR COUNTY, GEORGIA
SCHEDULE OF FINANCIAL STATEMENT FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2021

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

2021-001 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.

TELFAIR COUNTY, GEORGIA
SCHEDULE OF FINANCIAL STATEMENT FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2021

SECTION II - FINANCIAL STATEMENT FINDINGS AND RESPONSES (CONTINUED)

Material Weaknesses (Continued)

2021-002 Capital Assets and Related Liabilities

Criteria:
Internal controls should be in place to ensure that capital assets and related liabilities are properly recorded.

Condition:
Capital assets and related liabilities were not properly recorded.

Cause of Condition:
A County asset and the related liability was not recorded at full cost in a prior year.

Effect of Condition:
Beginning balances of capital assets and a related liability were not properly stated, which affected the beginning balances of the related disclosures and the supplementary Schedule of Expenditures of Special Purpose Local Option Sales Tax Proceeds.

Recommendation:
Management should develop and implement procedures to ensure that capital assets and related liabilities are reported completely and accurately.

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 capital asset and related liabilities are reported completely and accurately at year-end.

TELFAIR COUNTY, GEORGIA
SUMMARY SCHEDULE OF PRIOR YEAR FINANCIAL STATEMENT FINDINGS
YEAR ENDED JUNE 30, 2021

Findings	Status
2020-001	See finding 2021-001
2020-002	Resolved
2020-003	Resolved

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