TWIGGS COUNTY, GEORGIA

ANNUAL FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 2020

TWIGGS COUNTY, GEORGIA

ANNUAL FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2020

Issued by: Ken Fowler, Chairperson of the Board of Commissioners

	Exhibit	Page
INDEPENDENT AUDITORS' REPORT		1
BASIC FINANCIAL STATEMENTS:		
Government-wide Financial Statements:		
Statement of Net Position	1	4
Statement of Activities	2	5
Fund Financial Statements:		
Governmental Fund Financial Statements:		
Balance Sheet – Governmental Funds	3	6
Reconciliation of Net Position - Governmental Funds in the Statement of Net Position to Total Fund Balance - Governmental Funds on the Balance Sheet	4	7
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	5	8
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	6	9
Proprietary Fund Financial Statements:		
Statement of Net Position – Proprietary Fund	7	10
Statement of Changes in Net Position – Proprietary Fund	8	11
Statement of Cash Flows – Proprietary Fund	9	12
Fiduciary Fund Financial Statements:		
Statement of Fiduciary Net Position	10	13
Statement of Changes in Fiduciary Net Position	11	14
Notes to the Financial Statements		15
REQUIRED SUPPLEMENTARY INFORMATION:		
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund	12	37
OTHER SUPPLEMENTARY INFORMATION:		
Combining Balance Sheet – Non-major Governmental Funds	13	39
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Non-major Governmental Funds	14	40
Combining Balance Sheet – Non-major Special Revenue Funds	15	41
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Non-major Special Revenue Funds	16	42
Combining Balance Sheet – Non-major Capital Projects Funds	17	43
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Non-major Capital Projects Funds	18	44
Combining Statement of Fiduciary Net Position – Custodial Funds	19	46

	Exhibit	Page
Combining Statement of Changes in Fiduciary Net Position – Custodial Funds	20	47
OTHER INFORMATION:		
Schedule of Expenditures of Special Purpose Local Option Sales Tax	21	48
COMPLIANCE SECTION:		
Report on Internal Control over Financial Reporting and on Compliance and other Matters Based on an Audit of the Financial Statements Performed in Accordance With *Government Auditing Standards*		49
Report on Compliance for each Major Federal Program and Report on Internal Controls Over Compliance in Accordance with the Uniform Guidance		51
Schedule of Expenditures of Federal Awards	22	54
Notes to the Schedule of Expenditures of Federal Awards		55
Schedule of Findings and Questioned Costs		56

Financial Section

NICHOLS, CAULEY & ASSOCIATES, LLC
1300 Bellevue Avenue
Dublin, Georgia 31021
478-275-1163 FAX 478-275-1178
dublin@nicholscauley.com

Independent Auditor's Report

To the Honorable Chairman and
Members of the Board of Commissioners
Twiggs County, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Twiggs County, Georgia, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise Twiggs County, Georgia's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Development Authority of the City of Jeffersonville and Twiggs County, Georgia which represents 14 percent, 17 percent, and 9 percent, respectively, of the assets, fund balances, and revenues of non-major governmental funds. We did not audit the financial statements of Twiggs County Board of Health which represents 100% of the assets, net position and revenues of the discretely presented component unit. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the Development Authority of the City of Jeffersonville and Twiggs County, Georgia and Twiggs County Board of Health, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Twiggs County, Georgia, as of December 31, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 6, the County implemented Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*, as of January 1, 2020. This standard significantly changed the accounting for the County's activities reported as agency funds. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison on page 37 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 response to our inquiries, the basic financial statements, and other knowledge we obtained during the 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.

Management has omitted 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.

Other information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Twiggs County, Georgia's financial statements. The budgetary comparison schedule, combining and individual nonmajor fund financial statements, schedule of expenditures of special purpose local option sales tax and the Schedule of Expenditures of Federal Awards, as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The budgetary comparison schedule, combining and individual nonmajor fund financial statements, the schedule of expenditures of special purpose local option sales tax and Schedule of Expenditures of Federal Awards is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and the other auditors. In our opinion, the budgetary comparison schedule, combining and individual nonmajor fund financial statements, schedule of expenditures of special purpose local option sales tax and the Schedule of Expenditures of Federal Awards are fairly stated in all material respects in relation to the 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 September 29, 2021 on our consideration of Twiggs 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 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 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 Twiggs County, Georgia's internal control over financial reporting and compliance.

Nichols, Cauley & Associates, LLC

Dublin, Georgia
September 29, 2021

Basic Financial Statements

TWIGGS COUNTY, GEORGIA

EXHIBIT 1

STATEMENT OF NET POSITION
DECEMBER 31, 2020

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Health Department
ASSETS				
Cash and cash equivalents	$ 5,738,133	$ 12,355	$ 5,750,488	$ 352,445
Investments	41,712	-	41,712	-
Receivables, net of allowances for uncollectible:				
Taxes	1,001,850	-	1,001,850	-
Accounts	-	3,030	3,030	33,761
Intergovernmental	500,178	-	500,178	-
Other	34,467	-	34,467	17,450
Internal balances	415,679	(415,679)	-	-
Prepaid expenditures	219,196	-	219,196	-
Inventories	2,844	-	2,844	-
Capital assets:				
Land and other non-depreciable assets	4,029,909	6,412	4,036,321	-
Other capital assets, net of depreciation	6,503,464	7,197,264	13,700,728	35,645
Total assets	18,487,432	6,803,382	25,290,814	439,301
DEFERRED OUTFLOWS OF RESOURCES	-	-	-	72,415
LIABILITIES				
Accounts payable	235,071	6,381	241,452	17,056
Accrued expenses	138,294	2,491	140,785	4,930
Customer deposits	1,000	27,023	28,023	-
Noncurrent liabilities:				
Due within one year				
Long -term obligations	296,974	117,012	413,986	-
Landfill post closure care	25,571	-	25,571	-
Due in more than one year:				
Long-term obligations	230,366	1,055,092	1,285,458	20,021
Landfill postclosure care costs	12,039	-	12,039	-
Net pension liability	-	-	-	126,726
Net OPEB liability	-	-	-	30,773
Total liabilities	939,315	1,207,999	2,147,314	199,506
DEFERRED INFLOWS OF RESOURCES	-	-	-	88,712
NET POSITION				
Net investment in capital assets	10,177,033	6,035,792	16,212,825	35,645
Restriced for:				
Capital projects	1,822,613	-	1,822,613	
Special programs	297,353	-	297,353	
Community development	243,150	-	243,150	
Public Safety	-	-	-	-
Capital Projects	-	-	-	-
Economic development	-	-	-	-
Special Programs	-	-	-	-
Unrestricted	5,007,968	(440,409)	4,567,559	187,853
Total net position	$ 17,548,117	$ 5,595,383	$23,143,500	$ 223,498

The Accompanying Notes to the Financial Statements are an integral part of this statement

TWIGGS COUNTY, GEORGIA

EXHIBIT 2

STATEMENT OF ACTIVITIES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2020

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Business-type Activity	Primary Government: Total	Component Unit: Health Department
Primary Government								
Governmental Activities:								
General government	$ 3,112,107	$ 2,454,276	$ 10,360	$ -	$ (647,471)	$ -	$ (647,471)	$ -
Public safety	4,512,148	139,857	363,502	523,468	(3,485,321)	-	(3,485,321)	-
Public works	1,919,367	-	-	446,329	(1,473,038)	-	(1,473,038)	-
Health and welfare	271,631	-	-	-	(271,631)	-	(271,631)	-
Culture and recreation	42,976	-	-	-	(42,976)	-	(42,976)	-
Economic development	222,926	-	-	44,960	(177,966)	-	(177,966)	-
Interest	21,721	-	-	-	(21,721)	-	(21,721)	-
Total governmental activities	10,102,876	2,594,133	373,862	1,014,757	(6,120,124)	-	(6,120,124)	-
Business-type Activity -								
Water	383,733	144,311	-	-	-	(239,422)	(239,422)	-
Total primary government	$ 10,486,609	$ 2,738,444	$ 373,862	$ 1,014,757	$ (6,120,124)	(239,422)	(6,359,546)	-
Component Unit								
Twiggs County Health Department	$ 409,464	$ 116,629	$ 300,282	$ -	-	-	-	7,447
Total component unit	$ 409,464	$ 116,629	$ 300,282	$ -	-	-	-	7,447
General revenues:								
Property taxes					5,461,583	-	5,461,583	-
Local option sales tax					495,573	-	495,573	-
Special purpose local option sales tax					652,878	-	652,878	-
Insurance company premium tax					567,178	-	567,178	-
Other taxes					447,729	-	447,729	-
Unrestricted investment earnings					9,952	-	9,952	1,044
Miscellaneous					406,135	-	406,135	-
Transfers					(99,194)	99,194	-	-
Total general revenues and transfers					7,941,834	99,194	8,041,028	1,044
Change in net position					1,821,710	(140,228)	1,681,482	8,491
Net position - beginning					15,726,407	5,735,611	21,462,018	215,007
Net position - ending					$ 17,548,117	$ 5,595,383	$ 23,143,500	$ 223,498

The Accompanying Notes to the Financial Statements are an integral part of this statement

TWIGGS COUNTY, GEORGIA

EXHIBIT 3

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2020

	General	LMIG	Non - Major Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	$3,680,026	$ 520,509	$ 1,537,598	$ 5,738,133
Investments	-	-	41,712	41,712
Receivables, net of allowances for uncollectibles:				
Taxes	1,001,850	-	-	1,001,850
Intergovernmental	436,783	-	63,395	500,178
Note	-	-	-	-
Other	21,724	-	12,743	34,467
Due from other funds	566,971	397,311	180,099	1,144,381
Prepaid expenditures	219,196	-	-	219,196
Inventories	2,844	-	-	2,844
Total assets	$5,929,394	$ 917,820	$ 1,835,547	$ 8,682,761
LIABILITIES				
Liabilities:				
Accounts payable	$ 218,782	$ -	$ 16,289	$ 235,071
Accrued expenses	131,447	-	6,847	138,294
Deposits	-	-	1,000	1,000
Due to other funds	397,311	-	331,391	728,702
Total liabilities	747,540	-	355,527	1,103,067
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	738,318	-	-	738,318
FUND BALANCES				
Nonspendable:				
Prepaid expenditures	219,196	-	-	219,196
Inventories	2,844		-	2,844
Restricted:				
Capital projects	-	917,820	904,793	1,822,613
Special programs	-	-	297,353	297,353
Community development	-		243,150	243,150
Committed for law enforcement activities	-	-	2,534	2,534
Assigned for capital projects	-	-	32,190	32,190
Unassigned	4,221,496	-	-	4,221,496
Total fund balances	4,443,536	917,820	1,480,020	6,841,376
Total liabilities, deferred inflows of resources and fund balances	$5,929,394	$ 917,820	$ 1,835,547	$ 8,682,761

The Accompanying Notes to the Financial Statements are an integral part of this statement

TWIGGS COUNTY, GEORGIA

EXHIBIT 4

RECONCILIATION OF NET POSITION –
GOVERNMENTAL FUNDS IN THE STATEMENT OF NET POSITION
TO TOTAL FUND BALANCE – GOVERNMENTAL FUNDS ON THE BALANCE SHEET
DECEMBER 31, 2020

Fund balance - total governmental funds	$ 6,841,376
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	10,533,373
Other long - term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	738,318
Some long - term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Compensated absences	(171,000)
Landfill postclosure costs	(37,610)
Capital leases payable	(356,340)
Net position of governmental activities	$17,548,117

The Accompanying Notes to the Financial Statements are an integral part of this statement

TWIGGS COUNTY, GEORGIA

EXHIBIT 5

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2020

	General	LMIG	Non - Major Governmental Funds	Total Governmental Funds
REVENUES				
Taxes	$ 6,922,679	$ -	$ 652,878	$ 7,575,557
Licenses and permits	48,557	-	-	48,557
Intergovernmental	897,330	441,148	44,960	1,383,438
Charges for services	1,546,507	-	197,194	1,743,701
Fines and forfeitures	648,613	-	153,262	801,875
Investment income	9,075	-	6,058	15,133
Other revenues	346,249	-	30,137	376,386
Total revenues	10,419,010	441,148	1,084,489	11,944,647
EXPENDITURES				
Current:				
General government	2,932,963	-	23,160	2,956,123
Public safety	4,641,193	-	499,860	5,141,053
Public works	1,087,507	13,368	716,131	1,817,006
Health and welfare	269,428	-	-	269,428
Culture and recreation	22,249	-	7,993	30,242
Economic development	73,924	-	112,505	186,429
Intergovernmental payments	-	-	68,886	68,886
Debt Service:				
Principal payments	60,979	-	291,006	351,985
Interest payments	3,408	-	18,313	21,721
Total expenditures	9,091,651	13,368	1,737,854	10,842,873
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,327,359	427,780	(653,365)	1,101,774
OTHER FINANCING SOURCES (USES)				
Transfer in	-	-	409,155	409,155
Transfer out	(505,324)	-	(3,025)	(508,349)
Proceeds from sale of capital assets	29,749	-	-	29,749
Total other financing sources (uses)	(475,575)	-	406,130	(69,445)
NET CHANGES IN FUND BALANCE	851,784	427,780	(247,235)	1,032,329
FUND BALANCES, BEGINNING	3,591,752	490,040	1,727,255	5,809,047
FUND BALANCES, ENDING	$ 4,443,536	$ 917,820	$ 1,480,020	$ 6,841,376

The Accompanying Notes to the Financial Statements are an integral part of this statement

TWIGGS COUNTY, GEORGIA

EXHIBIT 6

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2020

Net change in fund balances - Total Governmental Funds	$1,032,329
Amounts reported for governmental activities in the Statement of Activities are different because:	
Capital outlays, reported as expenditures in governmental funds, are shown as capital assets in the Statement of Position as follows -	
Capital outlay	978,474
Depreciation expenses on governmental capital assets are included in the governmental activities column in the Statement of Activities but are not shown in the governmental funds	(616,773)
Revenues in the statement of activities that do not provide financial resources are not reported as revenues in the funds. The amount of deferred revenues recognized as revenue in the statement of activities changed as follows -	
Property taxes	49,384
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:	
Bonds payable	106,183
Capital leases	245,802
Landfill postclosure costs	25,572
Compensated absences	739
Change in net position of governmental activities	$1,821,710

The Accompanying Notes to the Financial Statements are an integral part of this statement

TWIGGS COUNTY, GEORGIA

EXHIBIT 7

STATEMENT OF NET POSITION
PROPRIETARY FUND
DECEMBER 31, 2020

	Enterprise Water Fund
ASSETS	
Current Assets:	
Cash	$ 12,355
Accounts receivable, net of allowance	3,030
Due from other funds	1,125
Total current assets	16,510
Capital Assets:	
Land	6,412
Distribution system	9,056,348
Total	9,062,760
Less - accumulated depreciation	(1,859,084)
Total capital assets	7,203,676
Total assets	7,220,186
LIABILITIES	
Current Liabilities:	
Accounts payable	6,381
Current portion of long-term debt	112,792
Due to other funds	416,804
Accrued expenses	2,491
Customer deposits	27,023
Compensated absences payable	4,220
Total current liabilities	569,711
Noncurrent Liability:	
Note payable - non-current portion	1,055,092
Total liabilities	1,624,803
NET POSITION	
Net investment in capital assets	6,035,792
Unrestricted	(440,409)
Total net position	$ 5,595,383

The Accompanying Notes to the Financial Statements are an integral part of this statement

TWIGGS COUNTY, GEORGIA

EXHIBIT 8

STATEMENT OF CHANGES IN NET POSITION
PROPRIETARY FUND
YEAR ENDED DECEMBER 31, 2020

	Enterprise Water Fund
OPERATING REVENUE	
Water and sewer sales	$ 144,311
OPERATING EXPENSES	
Salaries	73,811
Payroll taxes	2,731
Utilities	15,470
Dues and subscriptions	210
Repairs and maintenance	78,717
Travel and training	1,011
Miscellaneous expense	22,767
Depreciation expense	182,452
Total operating expenses	377,169
OPERATING LOSS	(232,858)
NON-OPERATING REVENUE (EXPENSES)	
Interest expense	(6,564)
Total non-operating revenue (expense)	(6,564)
Loss before transfers	(239,422)
TRANSFERS	
Transfer in	99,194
Total transfers	99,194
Change in Net Position	(140,228)
TOTAL NET POSITION, BEGINNING	5,735,611
TOTAL NET POSITION, ENDING	$ 5,595,383

The Accompanying Notes to the Financial Statements are an integral part of this statement

TWIGGS COUNTY, GEORGIA

EXHIBIT 9

STATEMENT OF CASH FLOWS
PROPRIETARY FUND
YEAR ENDED DECEMBER 31, 2020

	Enterprise Water Fund
OPERATING ACTIVITIES	
Receipts from customers	$ 143,995
Receipts from others	269
Payments to suppliers	(113,482)
Payments to employees	(72,573)
Net cash used in operating activities	(41,791)
NONCAPITAL FINANCING ACTIVITIES	
Transfers in	99,194
Net cash provided by non-capital financing activities	99,194
CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of capital assets	(6,908)
Principal payments on capital debt	(56,148)
Interest payments on capital debt	(6,564)
Net cash used in capital and related financing activities	(69,620)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(12,217)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	24,572
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 12,355
RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES	
Operating loss	$ (232,858)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:	
Depreciation	182,452
Net change in assets and liabilities attributable to operations:	
Accounts receivable	(316)
Accounts payable	3,682
Accrued expenses	1,510
Customer deposits	3,000
Compensated absences payable	739
Net cash used in operating activities	$ (41,791)

The Accompanying Notes to the Financial Statements are an integral part of this statement

TWIGGS COUNTY, GEORGIA

EXHIBIT 10

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2020

	Custodial Funds
ASSETS	
Cash and cash equivalents	$ 407,581
Taxes receivable	1,346,949
Total assets	1,754,530
LIABILITIES	
Due to others	238,046
Uncollected taxes	1,346,949
Total liabilites	1,584,995
NET POSITION	
Restricted for individuals, organizations, and other governments	$ 169,535

The Accompanying Notes to the Financial Statements are an integral part of this statement

TWIGGS COUNTY, GEORGIA

EXHIBIT 11

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED DECEMBER 31, 2020

	Custodial Funds
ADDITIONS	
Taxes collected for other governments	$ 12,071,174
Fines and fees collected	1,154,518
Total additions	13,225,692
DEDUCTIONS	
Payments of taxes to other governments	12,071,174
Fines and fees disbursed	1,132,926
Total deductions	13,204,100
Change in net position	21,592
Net position - beginning of the year, as restated	147,943
Net position - end of the year	$ 169,535

The Accompanying Notes to the Financial Statements are an integral part of this statement

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Twiggs County, Georgia (the County) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to Government units. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements. The more significant accounting policies established in GAAP and used by the County are described below.

Reporting Entity

The County is a local municipality governed by an elected five-member board of commissioners. As required by generally accepted accounting principles, these financial statements present the Government and its component units, entities for which the County is considered to be financially accountable. Blended component units, although legally separate entities are, in substance, part of the County's operations and so data from these units are combined with data of the primary government. Currently, the County has one blended component unit. The component unit column in the government-wide financial statements (see note below for description) includes the financial data of the County's one discretely presented component unit. The discretely presented component unit is reported in a separate column to emphasize it is legally separate from the County.

Component Units and Related Entities

Blended Component Unit

Development Authority of the City of Jeffersonville and Twiggs County, Georgia – The Development Authority of the City of Jeffersonville and Twiggs County, Georgia's (the Authority) purpose is to promote trade, commerce, industry, and employment opportunities in the County. The Authority is a legally separate corporation governed by a seven member Board of Directors, four of which are appointed by the Twiggs County Board of Commissioners. In 2005, the Authority issued bonds in the amount of $2,287,000 for the Industrial Park Project. As part of the issuance, the County entered into an intergovernmental agreement with the Authority, whereby the County will make quarterly payments sufficient to meet debt service requirements through 2020. The County's commitment to making the payments meets the criteria for inclusion as financial burden so the financial statements of the Authority have been included as a blended component unit for the fiscal year 2020.

Discretely Presented Component Unit

Twiggs County Health Department - The Twiggs County Board of Health (the Department) provides various health services for citizens in Twiggs County under a contract with the Georgia Department of Public Health (DPH). Under this contractual agreement, DPH provides certain administrative and other services to the Department in addition to the grant-in-aid funding. These services are funded through other governmental entities or directly by DPH. Based on the contract with DPH, capital assets cannot be disposed of without approval of DPH. In the event the Department were to dissolve, all capital assets would return to DPH or to the donating agency. Substantially all of the Department's capital assets are titled to DPH.

It is the goal of the Twiggs County Board of Health to provide health services for the citizens of Twiggs County within the guidelines established by the Georgia Department of Public Health. The Department is responsible for health programs designed for prevention, early detection, treatment and referral.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

The component unit maintains a June 30 fiscal year, and the financial statements as of and for the year ended June 30, 2020, are included in the reporting entity's 2020 financial statements. Complete financial statements can be obtained at the entity's administrative office.

Twiggs County Health Department
26 Main Street
Jeffersonville, Georgia 31044

Excluded from the reporting entity:

Because it is operated as an agency controlled and/or funded by other government agencies, the Twiggs County Library is not included in the County's reporting entity.

Government-wide and Fund Financial Statements

The basic financial statements include both government-wide and fund financial statements. The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are supported by taxes and intergovernmental revenues and are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customer or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Governmental activities have been consolidated in the government-wide financial statements. Total governmental funds have been combined with general fixed assets and long term liabilities. The effect of interfund activity has been removed from the government-wide financial statements. Due to/from other funds have been eliminated as well as transfers between funds.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. Non-major funds are summarized into a single column.

Measurement Focus, Basis of Accounting and Basis of Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. This is the manner in which these funds are budgeted. This presentation is deemed most appropriate to: (a) demonstrate legal and covenant compliance, (b) demonstrate the source and use of liquid resources, and (c) demonstrate how the County's actual experience conforms to the budget or fiscal plan. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they will be collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, local option sales taxes, other taxes and 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. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the County.

Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements, reconciliation is presented following each statement. The reconciliation briefly explains the adjustments necessary to transform the fund based financial statements into the governmental column of the government-wide presentation.

The County uses the following fund types:

1. Governmental Funds

The focus of governmental fund measurement (in the fund financial statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental fund of the County:

a. 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.

b. Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. None of the County's special revenue funds are major funds.

c. Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Business-type/Proprietary Funds). The major fund (LMIG) is used to account for Local Maintenance and Improvement Grant (LMIG) funds that are legally restricted to expenditure for capital road projects within the County.

2. Proprietary Funds

Proprietary Funds are reported using the economic resources measurement focus. The GAAP applicable are those similar to businesses in the private sector. The following is a description of the Proprietary Funds of the County:

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

a. Enterprise Funds are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity: (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges, or (c) has a pricing policy designed for the fees and charges to recover similar cost. The major funds (Water Fund) accounts for business-type activities for the provision of water and sewer services to businesses and residents of the County. All activities necessary to provide such services are accounted for in the fund, including, but not limited to, administration, operation, financing and related debt services, and billing and collections.

3. Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support County programs. The funds employ accounting principles similar to proprietary funds.

Assets, Liabilities and Net Assets or Equity

1. Deposits and Investments - Cash includes amounts in both interest-bearing and non-interest-bearing demand deposits. State statutes authorize the County to invest in obligations of the U.S. Treasury, obligations of the State of Georgia or any other states, obligations fully insured or guaranteed by the United States government or governmental agency, Local Government Investment Pool, commercial paper, corporate bonds, obligations of other political subdivisions of the State of Georgia and repurchase agreements. Any bank deposit in excess of the total FDIC insured amount must be secured by an equivalent amount of State or U.S. obligations.

   For purposes of the statement of cash flows, the proprietary fund considers all highly liquid investments with maturity of three months or less when purchased to be cash equivalents.

2. Receivables and Payables - During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. The current portion of these interfund receivables and payables are classified as "due from other funds" or "due to other funds" in the governmental funds.

   Non-current portions of long-term interfund loans receivable/payable are reported as “advances to other funds” or “advances from other funds”. Advances receivable in the Governmental funds are offset equally by a fund balance reserve account, which indicates that they do not constitute expendable available financial resources and therefore are not available for appropriation and are not expendable available financial resources.

   Property tax receivables are shown net of an allowance for uncollectibles. The property tax receivable allowance is equal to approximately 19 percent of outstanding property taxes at December 31, 2020. Property taxes are levied as of January 1 on property values assessed as of the same date.

3. Prepaid Items - For prepaid expenditures in the government-wide and fund financial statements, the County reports the expenditures during the benefiting period.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

4. Capital Assets – Capital assets, which include property, plant equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than $1,000 and an estimated useful life in excess of two years. All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their acquisition value on the date received. General infrastructure assets acquired prior to January 1, 2004 are not reported in the basic financial statements.

   The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

   Major outlays for capital assets and improvements are capitalized as projects are constructed. GASB statement 37 prohibits the capitalization of interest on assets constructed for use in governmental activities. However, interest from debt not considered to be general long-term debt may be included as part of the cost of assets constructed for business-type activities. The total interest expense incurred by the County during the current fiscal year was $54,165. None of this amount was included as part of the cost of capital assets under construction in connection with public building construction projects.

   Property, plant and equipment of the primary government, as well as the component units, is depreciated using the straight line method over the following estimated useful lives:

Assets	Years	Capitalization Threshold
Buildings	50	$ 15,000
Improvements	20	5,000
Machinery and equipment	3 - 10	1,000
Water system lines	30 - 50	1,500
Infrastructure	30	10,000

5. Compensated Absences – Annual leave is awarded as follows:
   - After one (1) year of service – five (5) working days
   - After three (3) years of service – ten (10) working days
   - After eight (8) years of service – fifteen (15) working days
   - After fifteen (15) years of service – twenty (20) working days.

   Funeral leave is available at up to three (3) days for immediate family only. Military leave for military service is allowed but employee shall not be compensated for such absence. Civil leave is allowed with pay for service as a juror, or other duty required by law.

   Sick leave shall be allowed to all eligible employees for employee sickness, disability, or for medical, dental, or eye examination treatment that cannot be scheduled outside of normal working hours. Accrual shall be at the rate of one (1) full day (eight hours) per month, for a total of twelve such days per year. Sick leave can be carried over to a subsequent year at 100% of the total accumulated hours with no limitation. If an employee should retire with the County, the employee's total accrued sick leave may, at the employee's option, be credited to years of service in lieu of receiving 50% cash payment.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

6. Long-term Obligations - In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are recognized as an outflow of resources in the reporting period in which they are incurred.

   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. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

7. Deferred Outflows/Inflows of Resources - In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources until then. The County has no items that fall under this financial statement element.

   In addition to liabilities, the statement of net position reports 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 reports one of these items, unavailable revenue, which is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

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

   Fund Balance
   Generally, fund balance represents the difference between the assets and liabilities under the current financial resources measurement focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the 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 (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.

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

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Assigned – Fund balances are reported as assigned when amounts are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the Board of Commissioners can authorize a designee to assign fund balance.

Unassigned – Fund balances are reported as unassigned 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.

The County uses restricted amounts to be spent first when both restricted and unrestricted fund balances are available, unless there are legal documents/contracts that prohibit the use of restricted fund balances, such as grant agreements that require a dollar match. Additionally, the County would then use committed, assigned and lastly unassigned amounts from the unrestricted fund balance when expending funds.

The County does not have a formal minimum fund balance policy; however, the Board of Commissioners address various targeted reserve positions and the Finance Department calculates targets and actual and reports the results to the Board of Commissioners on an annual basis.

Net Position

Net investment in capital assets – This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that attributed to the acquisition, construction or improvement of the assets.

Restricted net position – This amount is restricted by external creditors, grantors, contributors or laws or regulations of other governments.

Unrestricted net position – This amount is all net position that do not meet the definition of "net investment in capital assets" or "restricted net position."

9. Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Liquidity Risk
Liquidity risk is the risk of not having sufficient liquid financial resources to meet obligations when they fall due. The County faces significant risks threatening its ability to generate cash from revenues sufficient to pay operating expenditures and debt service. Some of the County's largest revenue streams, property taxes, sales taxes and grants are especially susceptible during times of major economic downturns and period of low growth.

Compliance Risk
The County and its component units participate in a number of federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The audits of these programs prior to and/or including the year ended December 31, 2020 have not been conducted and/or completed. Accordingly, the funds compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures that may be disallowed by the grant requirements will be established at some future date.

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY, continued

The County is subject to extensive State and Federal supervision and regulation, which are intended primarily for the protection of its citizens and the environment. In addition, the County is subject to changes in Federal and State laws, as well as changes in regulations, governmental policies and laws. The effect of any such potential changes cannot be predicted but could adversely affect the operations, profitability, cash flows, fund balances and liquidity of the County in the future.

The County is also subject to numerous employment laws and regulations. The County contracts with various individuals for services throughout the year. Should it be determined these individuals should be classified as employees at a future date, it could result in significant payroll taxes, penalties and/or interest.

Budgets and Budgetary Accounting

The annual budget is the financial plan for the operation of Twiggs County, Georgia for the ensuing annual period. The budget process provides for a professional management approach to the establishment of priorities and the implementation of work programs while providing an orderly means for control and evaluation of the financial posture of the County. Twiggs County budgets are adopted on a basis generally consistent with GAAP; except that encumbrances are treated as budgeted expenditures in the year the commitment to purchase is incurred. Annual appropriated budgets are adopted for the general fund and the special revenue funds.

All unencumbered appropriations lapse at fiscal year-end. Project-length financial plans are adopted for all capital projects funds.

The Twiggs County budget process usually begins prior to year-end with the department and agency heads submitting their departmental budgets. The County's finance department formulates and remits the budget to the budget committee, which is made up of all members of the Twiggs County Board of Commissioners. The Board of Commissioners conduct budget hearings with all departments and agencies. After review by the Board of Commissioners, a final budget is approved when the budget resolution is adopted.

The County Administrator is delegated by authority to transfer sums within departments. No increase in the departmental budget for the County may be made without the approval of the Board of Commissioners and amendment to the budget. Mid-year budget amendments are presented, where necessary, for adoption by the Board of Commissioners. The general fund is subject to budgetary control on a department basis.

Unencumbered appropriations in the annual operating budget lapse at fiscal year-end while encumbered appropriations are paid from reserved fund balances. When the County's expenditures reach the authorization provided by the operating budget, the Board of Commissioners approves supplemental appropriations.

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting--under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation--is utilized in the governmental funds. Encumbrances outstanding at year-end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the goods or services are yet to be received.

Compliance With Legal Provisions
Deficit Fund Balances- There are no funds with deficits.

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY, continued

Excess of Expenditures over Appropriations in Individual Departments:

The following funds/departments had an excess of expenditures over appropriations:

GENERAL FUND	Expenditures	Appropriations	Expenditures Over Appropriations
Public safety	$ 4,641,193	$ 3,993,380	$ 647,813
Public works	1,087,507	964,703	122,804
Debt service	64,387	9,000	55,387

NOTE 3. DETAILED NOTES ON ALL FUNDS

Deposits and Investments
Investments – The County owns two certificates of deposit with 12 month maturities totaling $41,712 as of December 31, 2020.

Custodial Credit Risk – Deposits – In the case of deposits, this is the risk that in the event of a bank failure, the County's deposits may not be returned to it. Neither the County nor its components units, have a deposit policy for custodial credit risk. As of December 31, 2020, the County did not have a formal investment policy. Additional disclosures with regards to deposits and investments can be located in the Summary of Significant Accounting Policies under the Assets, Liabilities and Equity section.

Property Taxes
State law requires that property taxes be based on assessed value, which is 40% of fair market value. All real and personal property (including motor vehicles) are valued as of January 1 of each year and must be declared and reported on a return for tax purposes by May 1. With the exception of motor vehicles and the property of public utilities, which are valued by the State Revenue Department, the Board of Tax Assessors of Twiggs County makes all assessments.

NOTE 3. DETAILED NOTES ON ALL FUNDS, continued

Upon completion of all assessments and tax returns, the information is turned over to the Twiggs County Tax Commissioner for compilation of the tax digest. The completed tax digest must be submitted to the State Revenue Commissioner for approval. The State Revenue Commissioner must ascertain that real property on the tax digest has been assessed at the state mandated forty percent (40%) of fair market value. If not, the commissioner may require an across the board percentage adjustment to all real property. The County Tax Commissioner distributes tax notices and collects tax payments. Motor vehicle taxes must be paid by the birth date of the owner of the vehicle. Property taxes are usually levied on or around July 15, of each year. Real and personal property taxes are usually due by November 15 and considered delinquent by November 16. Property taxes are attached as an enforceable lien on the day the taxes become delinquent. The total real and personal property tax levy is recorded as revenue in the fiscal year in which such amounts will be available (collected within 60 days of year-end) as net current assets. In the accompanying financial statements, the portion of the property tax levy for the tax year 2020 collected during the current year has been recognized as revenue.

The County enters into property tax abatement agreements with local businesses for the purpose of attracting or retaining businesses within their jurisdictions. The abatements may be granted to any business located within or promising to relocate to the County.

For the fiscal year ended December 31, 2020, the County abated property taxes of approximately $715,571 under this program.

Property taxes receivable at December 31, 2020, is composed of the following:

Year of Levy:	
2020	$ 728,520
2019	240,022
2018	133,436
2017	60,010
2016	21,484
Prior to 2015	48,368
Total	1,231,840
Less - allowance for uncollectible	(229,990)
Net receivable	$ 1,001,850

NOTE 3. DETAILED NOTES ON ALL FUNDS, continued

Receivables

Primary Government

Receivables at December 31, 2020 for the County's individual major funds and non-major, funds in the aggregate, including applicable allowances for uncollectible accounts, are as follows:

Governmental Activities:	General	Nonmajor Governmental Funds	Total Governmental Total
Receivables:			
Taxes	$ 1,231,840	$ -	$ 1,231,840
Intergovernmental	436,783	63,395	500,178
Other	21,724	12,743	34,467
Gross receivables	1,690,347	76,138	1,766,485
Less: allowance for Uncollectibles	(229,990)	-	(229,990)
Net total receivables	$ 1,460,357	$ 76,138	$ 1,536,495

Business - Type Activities:	Water Fund
Receivables - Accounts	$ 9,871
Gross receivables	9,871
Less: allowance for Uncollectibles	(6,841)
Net total receivables	$ 3,030

Discretely Presented Component Unit

Receivables for the Twiggs County Health Department as of June 30, 2020, are as follows:

	Health Department
Receivables:	
Accounts	$ 33,761
Other	17,450
Gross receivables	51,211
Less: allowance for Uncollectibles	-
Net total receivables	$ 51,211

NOTE 3. DETAILED NOTES ON ALL FUNDS, continued

Capital Assets

Primary Government

Capital asset activity for the year ended December 31, 2020, was as follows:

	Beginning Balance	Increases	Decreases	Reclass	Ending Balance
Governmental Activities					
Capital assets not being depreciated:					
Land	$ 3,479,726	$ -	$ -	$ 13,800	$ 3,493,526
Land improvements	536,383	-	-	-	536,383
Subtotal	4,016,109	-	-	13,800	4,029,909
Other capital assets:					
Infrastructure	778,330	10,500	-	-	788,830
Buildings	6,905,623	119,704	-	(13,800)	7,011,527
Improvements	238,348	12,359	-	-	250,707
Machinery and equipment	7,533,536	835,911	-	-	8,369,447
Total other capital assets at historical cost	15,455,837	978,474	-	(13,800)	16,420,511
Less accumulated depreciation:					
Infrastructure	(157,824)	(25,944)	-	-	(183,768)
Buildings	(3,363,261)	(164,033)	-	-	(3,527,294)
Improvements	(90,070)	(14,095)	-	-	(104,165)
Machinery and equipment	(5,689,119)	(412,701)	-	-	(6,101,820)
Subtotal	(9,300,274)	(616,773)	-	-	(9,917,047)
Other capital assets, net	6,155,563	361,701	-	(13,800)	6,503,464
Governmental activities capital assets, net	$10,171,672	$ 361,701	$ -	$ -	$10,533,373

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

Governmental activities:	
General government	$ 199,513
Public safety	226,803
Public works	139,003
Health and welfare	2,223
Economic development	36,497
Culture and recreation	12,734
Total governmental activities depreciation expense	$ 616,773

NOTE 3. DETAILED NOTES ON ALL FUNDS, continued

Business-type activities	Beginning Balance	Increases	Decreases	Ending Balance
Capital asset not being depreciated -				
Land	$ 6,412	$ -	$ -	$ 6,412
Other capital asset -				
Improvements - water system	9,049,440	6,908	-	9,056,348
Less accumulated depreciation -				
Improvements - water system	(1,676,632)	(182,452)	-	(1,859,084)
Other capital asset, net	7,372,808	(175,544)	-	7,197,264
Business activities capital assets, net	$ 7,379,220	$ (175,544)	$ -	$7,203,676

Capital asset activity for the Twiggs County Health Department for the year ended June 30, 2020, was as follows:

Health Department

	Beginning Balance	Increases	Decreases	Ending Balance
Other capital assets:				
Machinery and equipment	$ 154,615	$ 5,225	$ -	$ 159,840
Less accumulated depreciation for -				
Machinery and equipment	(115,267)	(8,928)	-	(124,195)
Other capital assets, net	39,348	(3,703)	-	35,645
Public Health Center capital assets, net	$ 39,348	$ (3,703)	$ -	$ 35,645

Interfund Receivables, Payables, and Transfers

Generally, outstanding balances between funds reported as due to/from other funds include 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. The composition of interfund balances as of December 31, 2020, is as follows:

	Payable To:				
Payable From:	General Fund	Water Fund	LMIG Fund	2019 SPLOST	Total
Major Fund -					
General Fund	$ -	$ -	$ 397,311	$ -	$ 397,311
Water Fund	416,804	-	-	-	416,804
Nonmajor Fund -					
2014 SPLOST	-	-	-	180,099	180,099
911 Surcharge	150,167	1,125	-	-	151,292
Total	$ 566,971	$ 1,125	$ 397,311	$ 180,099	$ 1,145,506

NOTE 3. DETAILED NOTES ON ALL FUNDS, continued

Transfers and payments within the reporting entity are substantially for the purposes of subsidizing operating functions, funding capital projects and asset acquisitions, or maintaining debt service. Resources are accumulated in a fund or component unit to support and simplify the administration of various projects or programs.

A reconciliation of transfers in and transfers out is as follows:

	Transfers Out	Transfers In
General Fund	$ 505,324	$ -
Water Fund	-	99,194
911 Surchage Fund	-	298,159
Development Authority General Fund	-	110,996
Development Authority Industrial Park	3,025	-
Total transfers	$ 508,349	$ 508,349

Intergovernmental Receivables

Amounts due from other Governmental entities at December 31, 2020, are as follows:

	State	Other	Total
General Fund	$ 48,180	$ 388,603	$ 436,783
2019 SPLOST	63,395	-	63,395
Total	$ 111,575	$ 388,603	$ 500,178

NOTE 3. DETAILED NOTES ON ALL FUNDS, continued

Long - Term Obligations

Primary Government Long – Term Debt Payable

At December 31, 2020, long-term debt consisted of the following:

Payable from Governmental Activities:	Total	Current	Long-term
Bonds Payable -			
Series 2005 Bonds in the original amount of $2,287,000 for the Industrial Park Project, quarterly payments of $52,165 through 2020, interest at 4.37%	$ -	$ -	$ -
Capital Lease Obligations:			
$116,756 to John Deere for equipment; interest at 3.75% due in quarterly installments of $11,222 to July 2022	65,172	32,128	33,044
$134,038 to BB&T for four vehicles; interest at 3.81%; due in annual installments of $36,761 to May 2021	22,066	22,066	-
$534,418 to BB&T for two excavators; interest at 2.77%; due in monthly installments of $7,019 to May 2024	269,102	71,780	197,322
Total Capital Leases Obligations	356,340	125,974	230,366
Total Governmental Activity Long-Term Debt	$ 356,340	$ 125,974	$ 230,366

Long-term debt service requirements to maturity for the governmental activities debt are as follows:

Year Ending December 31	Bonds Payable Principal	Bonds Payable Interest	Capital Leases Principal	Capital Leases Interest
2021	$ -	$ -	$ 125,974	$ 7,553
2022	-	-	113,250	4,650
2023	-	-	82,238	1,993
2024	-	-	34,878	219
Total	$ -	$ -	$ 356,340	$ 14,415

NOTE 3. DETAILED NOTES ON ALL FUNDS, continued

Payable from Business - Type Activities:	Total	Current	Long-term
Notes Payable:			
$1,841,471 GEFA note payable; initial interest at 0.0%; due in monthly payments of $7,560. Transferred from General Fund along with related water system improvements on January 1, 2008. Maturity date is February 1, 2029.	$ 740,907	$ 90,724	$ 650,183
$520,000 GEFA note payable; initial interest at 3.03%; due in 239 monthly payments of $2,892 maturing in May 2036.	426,977	22,068	404,909
Total Business - Type Activities Long-Term Debt	$ 1,167,884	$ 112,792	$ 1,055,092

Long-term debt service requirements to maturity for the business - type activities debt are as follows:

Year Ending December 31	Notes Payable Principal	Interest
2021	$ 112,792	$ 12,632
2022	113,470	11,955
2023	114,169	11,256
2024	114,859	10,535
2025	115,632	9,793
2026-2030	423,782	37,005
2031-2035	158,830	14,706
2036	14,350	108
Total	$ 1,167,884	$ 107,990

NOTE 3. DETAILED NOTES ON ALL FUNDS, continued

Changes in Long-term Obligations

Long-term obligation activity for the year ended December 31, 2020, was as follows:

Long-term obligations:	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year	Amounts Due Within More Than One Year
Governmental Activities						
Bonds payable	$ 106,183	$ -	$ 106,183	$ -	$ -	$ -
Capital leases payable	602,142	-	245,802	356,340	125,974	230,366
Compensated absences payable	171,739	-	739	171,000	171,000	-
Total Governmental Activities	$ 880,064	$ -	$ 352,724	$ 527,340	$ 296,974	$ 230,366

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year	Amounts Due Within More Than One Year
Business Type Activities						
Notes payable	$ 1,224,032	$ -	$ 56,148	$ 1,167,884	$ 112,792	$ 1,055,092
Compensated absences payable	3,481	739	-	4,220	4,220	-
Total Business Type Activities	$ 1,227,513	$ 739	$ 56,148	$ 1,172,104	$ 117,012	$ 1,055,092

Notes payable, Landfill post closure care costs and compensated absences are generally liquidated by the general fund and are therefore included in the above schedule. Capital lease obligations will be liquidated primarily by special purpose local option sales tax collected and from transfers from the General Fund.

Bonds payable include the Series 2005 Bonds issued to the Twiggs County Development Authority (blended component unit) in the original amount of $2,287,000 for the Industrial Park Project. The Development Authority's source of revenues to pay for the principal and interest of the bonds is an intergovernmental agreement between the Development Authority and the County, whereby the County will make quarterly payments sufficient to meet debt service requirements. Payments of $52,165, including interest of 4.37% are due quarterly through 2020. These payments are treated as transfers between the General Fund and Development Authority General Fund. The bonds were paid in full as of December 31, 2020.

Twiggs County Health Department

Long-term obligation activity for the Twiggs County Health Department for the year ended June 30, 2020, was as follows:

Long-term obligation:	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year	Amounts Due Within More Than One Year
Public Health Center						
Net Pension Liability	$ 105,242	$ 21,484	$ -	$ 126,726	$ -	$ 126,726
Net OPEB Liability	65,337	-	34,564	30,773	-	30,773
Compensated absences payable	19,849	13,781	13,609	20,021	-	20,021
Total Long-Term Obligations	$ 190,428	$ 35,265	$ 48,173	$ 177,520	$ -	$ 177,520

NOTE 3. DETAILED NOTES ON ALL FUNDS, continued

Capital Leases

The County has entered into a lease agreement as lessee for financing the acquisition of public works equipment. This lease qualifies as a capital lease for accounting purposes (titles transfer at the end of the lease term) and, therefore, has been recorded at the present value of the future minimum lease payments as of the date of its inception. The following is an analysis of the equipment leased under the capital lease as of December 31, 2020:

	Governmental Activities
Asset -	
Equipment	$ 534,418
Less: Accumulated depreciation	(115,791)
Total	$ 418,627

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2020 were as follows:

Year Ending December 31,	Governmental Activities
Mininum lease payments:	
2021	$ 77,212
2022	84,231
2023	84,231
2024	35,098
Less: amount representing interest	(11,670)
Present value of minimum lease payment	$ 269,102

The County has entered into a lease agreement as lessee for financing the acquisition of public works equipment. This lease qualifies as a capital lease for accounting purposes (bargain purchase option at end of lease) and, therefore, has been recorded at the present value of the future minimum lease payments as of the date of its inception. The following is an analysis of the equipment leased under the capital lease as of December 31, 2020:

	Governmental Activities
Asset -	
Equipment	$ 126,786
Less: Accumulated depreciation	(14,792)
Total	$ 111,994

NOTE 3. DETAILED NOTES ON ALL FUNDS, continued

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2020 were as follows:

Year Ending December 31,	Governmental Activities
Mininum lease payments:	
2021	$ 33,668
2022	33,668
Less: amount representing interest	(2,164)
Present value of minimum lease payment	$ 65,172

The County has entered into a lease agreement as lessee for financing the acquisition of public works equipment. This lease qualifies as a capital lease for accounting purposes (bargain purchase option at end of lease) and, therefore, has been recorded at the present value of the future minimum lease payments as of the date of its inception. The following is an analysis of the equipment leased under the capital lease as of December 31, 2020:

	Governmental Activities
Asset -	
Equipment	$ 73,939
Less: Accumulated depreciation	(11,091)
Total	$ 62,848

Year Ending December 31,	Governmental Activities
Mininum lease payments:	
2021	$ 22,650
Less: amount representing interest	(584)
Present value of minimum lease payment	$ 22,066

The depreciation related with the above capital leases has been included in the depreciation expense reported in Note 3 – Capital Assets.

NOTE 4. RETIREMENT PLAN

Retirement Plan – Deferred Compensation Plan – Twiggs County, Georgia
The County offers its employees a deferred compensation plan, created in accordance with Internal Revenue Code Section 457, the Twiggs County 457 Deferred Compensation Plan, The plan, available to all County employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

Pursuant to changes in Internal Revenue Code Section 457, the plan has been amended to convert the deferred compensation plan to a trust. The defined contribution pension plan is administered by GEBCorp. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, all income attributable to those amounts, property, or rights are solely the property and rights of the trust, established for the exclusive benefit of the participants and their beneficiaries. The County has no liability for these assets and they are not subject to the claims of the County's general creditors. All contributions to this plan are voluntary employee contributions as well as a 1 percent of base pay contribution by the County for eligible employees. Plan provisions and contribution requirements are established by and may be amended by the County Board of Commissioners. During the year ended December 31, 2020, employee contributions amounted to $103,613. In addition, County contributions to the plan amounted to $0 during the year ended December 31, 2020.

NOTE 5. OTHER INFORMATION

Commitments
Reservations of fund balances of Governmental funds are established to either (1) satisfy legal covenants that require that a portion of the fund balance be segregated or (2) identify the portion of the fund balance that is not appropriable for future expenditures. Designations of fund balance represent tentative management plans that are subject to change.

Grant Funds
The County participates in numerous grant programs on the federal and state level. Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal Government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Government expects such amounts, if any, to be immaterial.

Litigation and Allegations
During the course of normal operations of the County, various claims, allegations and lawsuits arise. The County's legal counsel reports various cases pending against the County. Based upon the facts of the cases and the damages claimed, management does not expect potential liabilities as of December 31, 2020 to impair the County's financial position.

Risk Management
The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Government carries commercial insurance. The County pays for such claims as they become due. There are no unpaid claims as of December 31, 2020.

The County has joined together with other governments in the state as part of the Georgia Interlocal Risk Management Agency Property and Liability Insurance Fund and the Association of County Commissioners of Georgia (ACCG) Workers' Compensation Self Insurance Fund, public entity risk pools currently operating as common risk management and insurance programs for member local governments. As part of these risk pools, the County is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the funds,

NOTE 5. OTHER INFORMATION, continued

and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the funds being required to pay any claim of loss. The County is also to allow the 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 funds are to defend and protect the members of the funds against liability or loss as prescribed in the member government contract and in accordance with the workers' compensation law of Georgia. The funds are 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.

Settled claims in the current year have not exceeded the coverage.

Claims and Judgments - Description

Significant losses experienced by the County are covered by commercial insurance for all risks. For insured risks there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or through prior years.

Conduit Debt

The Development Authority has issued Industrial Revenue bonds to provide assistance to private-sector industry for the acquisition and construction of commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the facilities. Neither the City of Jeffersonville nor the County is obligated in any manner for repayment of the bonds. The bonds constitute only limited obligations of the Issuer in that they are payable only from the revenues to be derived under Lease Agreements together with all other rents, revenues and receipts arising out of or in connection with the Issuer's ownership of the Project. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. Conduit debt outstanding as of December 31, 2020 was $338,332,275.

Landfill Closure and Post-Closure Care Costs

The County's financial statements have not reflected a direct liability for landfill closure and post-closure care costs prior to December 31, 2005, because the County had operated its landfill through a joint venture. The Twiggs-Wilkinson Landfill Commission, Inc. (the Commission) was incorporated on November 23, 1998 as a Georgia Non-Profit Corporation. The Commission was formed by Twiggs County, Georgia and Wilkinson County, Georgia in a joint landfill agreement that was to be effective for ten years to provide a facility for the disposal of solid waste collected by both counties. A three-member board administered the operations of the Highway 80 Landfill currently in operation as well as post-closure care of the Highway 57 Landfill. The Twiggs County and Wilkinson County Board of Commissioners each appointed one member for two-year terms. The two members appointed by the Counties appointed a third independent member for two-year terms. The creation of the Commission did not divest either Twiggs County or Wilkinson County of the responsibility for the Landfill's operation or financial obligations.

During the year ended 1999, the Commission was notified that the Highway 57 Landfill site had been identified as a hazardous waste site. As such, the Commission was required to comply with prescribed procedures regarding clean-up and additional monitoring. The Landfill Agreement between Twiggs and Wilkinson County stated that any corrective action costs for the Highway 57 Landfill would be the responsibility of Twiggs and Wilkinson County.

NOTE 5. OTHER INFORMATION, continued

State and federal laws and regulations require owners to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and post-closure costs will be paid only near or after the date that the landfill stops accepting waste, the Commission reports a portion of these closure and post-closure costs as an operating expense in each period based on landfill capacity used as of each balance sheet date.

Due to the competitive nature of the market which serves landfill monitoring and care and changes in inflation and technology, the estimated post-closure and closure care costs may fluctuate from year to year.

Under a purchase agreement with Wolf Creek Landfill, LLC, the Twiggs-Wilkinson Landfill Commission, Inc., was sold during August 2005. As of September 30, 2005, the Twiggs-Wilkinson Landfill Commission, Inc. was dissolved. As of September 30, 2005, the landfill post-closure care liability for the Highway 57 site was assumed equally by Wilkinson County and Twiggs County. A total of $37,610 of which $25,571 is considered due within one year remains as a liability for post-closure care in the Governmental Activities Statement of Net Position as of December 31, 2020. The landfill closure and post-closure liability for the Highway 80 site was assumed by Wolf Creek Landfill, LLC. Twiggs County received $93,805 in host fees from the Landfill during the current year.

Joint Venture

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

Middle Georgia Regional Commission
175 Emery Highway, Suite C
Macon, Georgia 31217

NOTE 6. RESTATEMENT FOR CHANGE IN ACCOUNTING PRINCIPLE

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

	Custodial Funds
Net position, as previously reported	$ -
Recognition of the beginning net position of the agency funds now reported as custodial funds	147,943
Net position, as restated.	$ 147,943

Required Supplementary Information

TWIGGS COUNTY, GEORGIA

EXHIBIT 12

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES EXPENDITURES AND CHANGES IN FUND BALANCE-
BUDGET AND ACTUAL
GENERAL FUND FOR THE YEAR ENDED DECEMBER 31, 2020

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUE				
Taxes	$ 6,561,016	$ 6,561,016	$ 6,922,679	$ 361,663
Licenses and permits	74,000	74,000	48,557	(25,443)
Intergovernmental	6,200	6,200	897,330	891,130
Charges for services	1,590,000	1,590,000	1,546,507	(43,493)
Fines and forfeitures	659,900	659,900	648,613	(11,287)
Investment income	-	-	9,075	9,075
Miscellaneous revenues	114,899	114,899	346,249	231,350
Total revenues	9,006,015	9,006,015	10,419,010	1,412,995
EXPENDITURES				
General government	4,021,287	4,056,926	2,932,963	1,123,963
Public safety	3,201,925	3,993,380	4,641,193	(647,813)
Public works	964,703	964,703	1,087,507	(122,804)
Public Health and welfare	273,880	273,880	269,428	4,452
Culture and recreation	33,980	33,980	22,249	11,731
Economic development	300,757	300,757	73,924	226,833
Debt service	9,000	9,000	64,387	(55,387)
Total expenditures	8,805,532	9,632,626	9,091,651	540,975
EXCESS (DEFICIENCY) OF REVENUES OVER(UNDER) EXPENDITURES	200,483	(626,611)	1,327,359	1,953,970
Transfers out	-	-	(505,324)	(505,324)
Proceeds from sale of capital assets	3,500	3,500	29,749	26,249
Total other financing sources (uses)	3,500	3,500	(475,575)	(479,075)
NET CHANGES IN FUND BALANCE	203,983	(623,111)	851,784	1,474,895
FUND BALANCE, BEGINNING	3,591,752	3,591,752	3,591,752	-
FUND BALANCES, ENDING	$ 3,795,735	$ 2,968,641	$ 4,443,536	$ 1,474,895

Other Supplementary Information

Non - Major Governmental Funds

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

- Sheriff's Commissary – To account for the activities of the inmate canteen operated by the Sheriff's Department.
- 911 Surcharge – To account for the activities of the 911 telephone operations center.
- Jail Fund – To account for activities of the County's jail.
- Law Library – To account for the law library fees included in all fines which are specifically designated for the County's law library.
- DARE Fund – To account for DARE funds that are legally restricted to expenditure for particular purposes.
- Confiscated Assets – To account for the revenues received that are designated for the purpose of enhancing law enforcement or capital outlay.
- Development Authority General Fund – To account for all of the financial activity of the Development Authority, except activity required to be accounted for in another fund.

Capital Projects Funds are used to account for the acquisition of capital assets or construction of major capital projects not being financed by proprietary or nonexpendable trust funds.

- 2009 SPLOST – To account for the special purpose local option sales tax funds that are legally restricted for major capital projects.
- 2014 SPLOST – To account for the special purpose local option sales tax funds that are legally restricted for major capital projects.
- 2019 SPLOST – To account for the special purpose local option sales tax funds that are legally restricted for major capital projects.
- Public Library Building – To account for the capital outlay and other transactions related to the construction of a new local public library building.
- Development Authority – Industrial Park Fund – To account for industrial park land acquisition and development.

TWIGGS COUNTY, GEORGIA

EXHIBIT 13

COMBINING BALANCE SHEET
NON - MAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2020

	Total Non - Major Special Revenue Governmental Funds	Total Non - Major Capital Projects Governmental Funds	Total Non - Major Governmental Funds
ASSETS			
Cash and cash equivalents	$ 662,812	$ 874,786	$ 1,537,598
Investments	41,712	-	41,712
Intergovernmental receivables	-	63,395	63,395
Receivables - other	12,743	-	12,743
Due from other funds	-	180,099	180,099
Total Assets	$ 717,267	$ 1,118,280	$ 1,835,547
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	$ 15,091	$ 1,198	$ 16,289
Accrued expenses	6,847	-	6,847
Deposits	1,000	-	1,000
Due to other funds	151,292	180,099	331,391
Total liabilities	174,230	181,297	355,527
Fund Balances:			
Restricted:			
Capital projects	-	904,793	904,793
Special programs	297,353	-	297,353
Community development	243,150	-	243,150
Committed:			
Law enforecement activities	2,534	-	2,534
Assigned:			
Capital projects	-	32,190	32,190
Total fund balances	543,037	936,983	1,480,020
Total liabilities and fund balances	$ 717,267	$ 1,118,280	$ 1,835,547

TWIGGS COUNTY, GEORGIA

EXHIBIT 14

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON - MAJOR GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2020

	Total Non - Major Special Revenue Governmental Funds	Total Non - Major Capital Projects Governmental Funds	Total Non - Major Governmental Funds
Revenues:			
Taxes	$ -	$ 652,878	$ 652,878
Intergovernmental	44,960	-	44,960
Charges for services	197,194	-	197,194
Fines and forfeitures	153,262	-	153,262
Investment earnings	877	5,181	6,058
Other revenues	30,137	-	30,137
Total revenues	426,430	658,059	1,084,489
Expenditures:			
Current:			
General government	23,160	-	23,160
Public safety	499,860	-	499,860
Public works	-	716,131	716,131
Culture and recreation	-	7,993	7,993
Economic development	110,511	1,994	112,505
Intergovernmental	-	68,886	68,886
Debt Service:			
Principal payments	106,183	184,823	291,006
Interest payments	1,832	16,481	18,313
Total expenditures	741,546	996,308	1,737,854
Excess (Deficiency) of Revenues Over (Under) Expenditures	(315,116)	(338,249)	(653,365)
Other Financing Sources (Uses):			
Transfer in	409,155	-	409,155
Transfer out	-	(3,025)	(3,025)
Total Other Financing Sources (Uses)	409,155	(3,025)	406,130
Net Change in Fund Balances	94,039	(341,274)	(247,235)
Fund Balances, Beginning	448,998	1,278,257	1,727,255
Fund Balances, Ending	$ 543,037	$ 936,983	$ 1,480,020

TWIGGS COUNTY, GEORGIA

EXHIBIT 15

COMBINING BALANCE SHEET
NON - MAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2020

	Sheriff's Commissary	911 Surcharge	Jail Fund	Law Library	DARE Fund	Confiscated Assets	Development Authority General Fund	Total Non - Major Special Revenue Governmental Funds
ASSETS								
Cash and cash equivalents	$ 11,999	$ 282,826	$ 29,751	$ 14,753	$ 28,402	$ 50,741	$ 244,340	$ 662,812
Investments	-	-	-	41,712	-	-	-	41,712
Receivables - other	-	12,487	-	256	-	-	-	12,743
Total assets	$ 11,999	$ 295,313	$ 29,751	$ 56,721	$ 28,402	$ 50,741	$ 244,340	$ 717,267
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	$ 9,465	$ 1,494	$ 1,934	$ 169	$ 1,255	$ 774	$ -	$ 15,091
Accrued expenses	-	6,657	-	-	-	-	190	6,847
Deposits	-	-	-	-	-	-	1,000	1,000
Due to other funds	-	151,292	-	-	-	-	-	151,292
Total liabilities	9,465	159,443	1,934	169	1,255	774	1,190	174,230
Fund Balances:								
Restricted:								
Special programs	-	135,870	27,817	56,552	27,147	49,967	-	297,353
Community development	-	-	-	-	-	-	243,150	243,150
Committed:								
Law enforecement activities	2,534	-	-	-	-	-	-	2,534
Total fund balances	2,534	135,870	27,817	56,552	27,147	49,967	243,150	543,037
Total liabilities and fund balances	$ 11,999	$ 295,313	$ 29,751	$ 56,721	$ 28,402	$ 50,741	$ 244,340	$ 717,267

TWIGGS COUNTY, GEORGIA

EXHIBIT 16

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON - MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Sheriff's Commissary	911 Surcharge	Jail Fund	Law Library	DARE Fund	Confiscated Assets	Development Authority General Fund	Total Non - Major Special Revenue Governmental Funds
REVENUES								
Intergovernmental	$ -	$ -	$ -	$ -	$ -	$ -	$ 44,960	$ 44,960
Charges for services	-	159,744	-	-	-	-	37,450	197,194
Fines and forfeitures	-	-	48,072	13,405	18,531	73,254	-	153,262
Investment earnings	-	-	-	385	64	-	428	877
Other revenues	2,324	-	-	-	-	7,788	20,025	30,137
Total revenues	2,324	159,744	48,072	13,790	18,595	81,042	102,863	426,430
EXPENDITURES								
Current:								
General government	-	-	-	23,160	-	-	-	23,160
Public safety	11,465	362,154	60,627	-	8,646	56,968	-	499,860
Economic development	-	-	-	-	-	-	110,511	110,511
Debt Service:								
Principal payments	-	-	-	-	-	-	106,183	106,183
Interest payments	-	-	-	-	-	-	1,832	1,832
Total expenditures	11,465	362,154	60,627	23,160	8,646	56,968	218,526	741,546
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(9,141)	(202,410)	(12,555)	(9,370)	9,949	24,074	(115,663)	(315,116)
OTHER FINANCING SOURCES (USES)								
Transfers in	-	298,159	-	-	-	-	110,996	409,155
NET CHANGE IN FUND BALANCE	(9,141)	95,749	(12,555)	(9,370)	9,949	24,074	(4,667)	94,039
FUND BALANCE, BEGINNING	11,675	40,121	40,372	65,922	17,198	25,893	247,817	448,998
FUND BALANCE, ENDING	$ 2,534	$ 135,870	$ 27,817	$ 56,552	$ 27,147	$ 49,967	$ 243,150	$ 543,037

TWIGGS COUNTY, GEORGIA

EXHIBIT 17

COMBINING BALANCE SHEET
NON - MAJOR CAPITAL PROJECTS FUNDS
DECEMBER 31, 2020

	2009 SPLOST	2014 SPLOST	2019 SPLOST	Public Library Building	Development Authority Industrial Park Fund	Total Non - Major Capital Projects Governmental Funds
ASSETS						
Cash and cash equivalents	$ -	$ 623,787	$ 206,972	$ 32,190	$ 11,837	$ 874,786
Intergovernmental receivables	-	-	63,395	-	-	63,395
Due from other funds	-	-	180,099	-	-	180,099
Total assets	$ -	$ 623,787	$ 450,466	$ 32,190	$ 11,837	$ 1,118,280
LIABILITIES						
Accounts payable	$ -	$ 1,198	$ -	$ -	$ -	$ 1,198
Due to other funds	-	180,099	-	-	-	180,099
Total liabilities	-	181,297	-	-	-	181,297
FUND BALANCE						
Restricted for capital projects	-	442,490	450,466	-	11,837	904,793
Assigned for capital projects	-	-	-	32,190	-	32,190
Total fund balances	-	442,490	450,466	32,190	11,837	936,983
Total liabilities and fund balances	$ -	$ 623,787	$ 450,466	$ 32,190	$ 11,837	$ 1,118,280

TWIGGS COUNTY, GEORGIA

EXHIBIT 18

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON - MAJOR CAPITAL PROJECTS FUNDS
DECEMBER 31, 2020

	2009 SPLOST	2014 SPLOST	2019 SPLOST	Public Library Building	Development Authority Industrial Park Fund	Total Non - Major Capital Projects Governmental Funds
REVENUES						
Taxes	$ -	$ 157,381	$ 495,497	$ -	$ -	$ 652,878
Investment income	-	5,181	-	-	-	5,181
Total revenues	-	162,562	495,497	-	-	658,059
EXPENDITURES						
Current:						
Public works	11,615	704,516	-	-	-	716,131
Culture and recreation	-	-	-	7,993	-	7,993
Economic development	1,994	-	-	-	-	1,994
Intergovernmental payments	-	23,855	45,031	-	-	68,886
Debt Service:						
Principle payments	-	184,823	-	-	-	184,823
Interest payments	-	16,481	-	-	-	16,481
Total expenditures	13,609	929,675	45,031	7,993	-	996,308
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(13,609)	(767,113)	450,466	(7,993)	-	(338,249)
Other Financing Sources (Uses)						
Transfer out	-	-	-	-	(3,025)	(3,025)
Total Other Financing Sources (Uses)	-	-	-	-	(3,025)	(3,025)
Net Change in Fund Balances	(13,609)	(767,113)	450,466	(7,993)	(3,025)	(341,274)
FUND BALANCE, BEGINNING	13,609	1,209,603	-	40,183	14,862	1,278,257
FUND BALANCE, ENDING	$ -	$ 442,490	$ 450,466	$ 32,190	$ 11,837	$ 936,983

Fiduciary Funds

Custodial Funds

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

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

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

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

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

TWIGGS COUNTY, GEORGIA

EXHIBIT 19

CUSTODIAL FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
DECEMBER 31, 2020

	Tax Commissioner	Clerk of Superior Court	Probate Court	Magistrate Court	Sheriff's Office	Total
ASSETS						
Cash	$ 214,135	$ 77,833	$ 18,359	$ 3,504	$ 93,750	$ 407,581
Taxes receivable	1,346,949	-	-	-	-	1,346,949
Total assets	1,561,084	77,833	18,359	3,504	93,750	1,754,530
LIABILITIES						
Due to others	214,135	4,354	10,845	3,504	5,208	238,046
Uncollected taxes	1,346,949	-	-	-	-	1,346,949
Total liabilites	1,561,084	4,354	10,845	3,504	5,208	1,584,995
NET POSITION						
Restricted for individuals, organizations, and other governments	$ -	$ 73,479	$ 7,514	$ -	$ 88,542	$ 169,535

TWIGGS COUNTY, GEORGIA

EXHIBIT 20

CUSTODIAL FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
YEAR ENDED DECEMBER 31, 2020

	Tax Commissioner	Clerk of Superior Court	Probate Court	Magistrate Court	Sheriff's Office	Total
ADDITIONS						
Taxes collected	$ 12,071,174	$ -	$ -	$ -	$ -	$ 12,071,174
Fines and fee collected	-	188,216	806,583	51,310	108,409	1,154,518
Total additions	12,071,174	188,216	806,583	51,310	108,409	13,225,692
DEDUCTIONS						
Taxes disbursed	12,071,174	-	-	-	-	12,071,174
Fines and fees disbured	-	183,984	808,023	51,310	89,609	1,132,926
Total deductions	12,071,174	183,984	808,023	51,310	89,609	13,204,100
Net increase in fiduciary net position	-	4,232	(1,440)	-	18,800	21,592
Net position - beginning of the year, as restated	-	69,247	8,954	-	69,742	147,943
Net position - end of the year	$ -	$ 73,479	$ 7,514	$ -	$ 88,542	$ 169,535

Other Information

TWIGGS COUNTY, GEORGIA

EXHIBIT 21

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX
YEAR ENDED DECEMBER 31, 2020

Project Description Per SPLOST Referendum	Estimated Cost Original	Estimated Cost Current	Expenditures Prior Years	Expenditures Current Year	Expenditures Total
February 5, 2008 referendum:					
Improving Twiggs County roads			$ 1,465,602	$ 11,615	$ 1,477,217
Retirement of road shops debt, and purchase of other road maintaining equipment as required			610,665	-	610,665
Improving the County's water system			18,665	-	18,665
Complete infrastructure and other objectives at County's Industrial Park			1,409,237	-	1,409,237
Repair roofs at Courthouse complex			62,166	-	62,166
Recreation and parks			24,245	1,994	26,239
Total	$ 6,000,000	$ 6,000,000	$ 3,590,580	$ 13,609	$ 3,604,189
November 4, 2015 referendum:					
Distribution to Other Governments			$ 285,577	$ 23,855	$ 309,432
Improving Twiggs County roads			996,949	704,516	1,701,465
Debt service for road equipment			234,728	201,304	436,032
Total	$ 6,000,000	$ 6,000,000	$ 1,517,254	$ 929,675	$ 2,446,929
November 5, 2019 referendum:					
Distribution to Other Governments				$ 45,031	$ 45,031
Road, street and bridge capital projects				-	-
Public recreation capital projects				-	-
Total	$ 2,550,000	$ 2,550,000	$ -	45,031	$ 45,031

Compliance Section

NICHOLS, CAULEY & ASSOCIATES, LLC
1300 Bellevue Avenue
Dublin, Georgia 31021
478-275-1163 FAX 478-275-1178
dublin@nicholscauley.com

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*

Independent Auditor's Report

To the Honorable Chairman and
Members of the Board of Commissioners
Twiggs County, Georgia

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Twiggs County, Georgia as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise Twiggs County, Georgia's basic financial statements, and have issued our report thereon dated September 29, 2021. Our report includes a reference to other auditors who audited the financial statements of the Development Authority of The City of Jeffersonville and Twiggs County, Georgia and the Twiggs County Board of Health, as described in our report on Twiggs 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 Twiggs County, Georgia's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Twiggs County, Georgia's internal control. Accordingly, we do not express an opinion on the effectiveness of Twiggs County, Georgia's internal control.

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be material weaknesses: 2020-001, 2020-002.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Twiggs County, Georgia's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

We noted certain matters that we have reported to management of Twiggs County, Georgia in a separate letter dated September 29, 2021.

Twiggs County's Response to Findings

Twiggs County, Georgia's response to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs and Twiggs 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.

Nichols, Cauley & Associates, LLC

Dublin, Georgia
September 29, 2021

NICHOLS, CAULEY & ASSOCIATES, LLC
1300 Bellevue Avenue
Dublin, Georgia 31021
478-275-1163 FAX 478-275-1178
dublin@nicholscauley.com

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Independent Auditor's Report

To the Honorable Chairman and
Members of the Board of Commissioners
Twiggs County, Georgia

Report on Compliance for Each Major Federal Program

We have audited Twiggs County, Georgia's (County compliance with the types of compliance requirements described in the U.S. *Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2020. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2020.

Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, described in the accompanying schedule of findings and questioned costs as items 2020-003 and 2020-004 that we consider to be significant deficiencies.

The County's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Nichols, Cauley & Associates, LLC

Dublin, Georgia
September 29, 2021

TWIGGS COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2020

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Contract or Project Number	Total Expenditures
U.S. DEPARTMENT OF HOMELAND SECURITY			
Direct Programs:			
Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	EMW-2019-FF-01359	$ 12,960
Assistance to Firefighters Grant	97.044	EMW-2019-FG-02949	57,990
Assistance to Firefighters Grant	97.044	EMW-2018-FV-00922	447,518
			505,508
Total U.S. Department of Justice			518,468
U.S. DEPARTMENT OF AGRICULTURE			
Passed Through Georgia Forestry Commission			
Cooperative Forestry Assistance	10.664	2020 50/50 VA	5,000
Total U.S. Department of Agriculture			5,000
U.S. DEPARTMENT OF TREASURY			
Direct Program:			
COVID-19 - Coronavirus Relief Fund	21.019	None	363,502
Total U.S. Department of Treasury			363,502
Total Expenditures of Federal Awards			$ 886,970

TWIGGS COUNTY GEORGIA

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2020

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal award activity of Twiggs County, Georgia (the County) under programs of the federal government for the year ended December 31, 2020. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County.

2. Summary of Significant Accounting Policies

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

3. Indirect Cost Rates

The County has elected not to use the 10 percent *de minimis* indirect cost rate as allowed under the Uniform Guidance.

TWIGGS COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2020

Section I: Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:	**Unmodified**

Internal control over financial reporting:		
• Material weakness(es) identified?	__X__ Yes	____ No
• Significant deficiency(ies) identified?		__X__ None Reported
	____ Yes	
Noncompliance material to financial statements noted?	____ Yes	__X__ No

Federal Awards

Internal control over major federal programs:		
• Material weakness(es) identified?	____ Yes	__X__ No
• Significant deficiency(ies) identified?	__X__ Yes	____ None reported
Type of auditor's report issued on compliance for major federal programs:	**Unmodified**	
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	__X__ Yes	____ No
Identification of major federal programs:		

CFDA Number(s)	Name of Federal Program or Cluster
Assistance to Firefighters	**97.044**

Dollar threshold used to distinguish between type A and type B programs:	**$750,000**
Auditee qualified as a low-risk auditee?	____ Yes __X__ No

Section II: Financial Statement Findings

Finding 2020-001 – Control Environment/ Management Override of Controls

Criteria: Internal Controls should be in place to reduce the risk of material misstatement and fraud. They include a range of activities as diverse as approvals, authorizations, verifications, reconciliations, reviews of operating performance, security of assets, segregation of duties and internal audit. Additionally, controls should be in place to mitigate the override of controls by management or board members.

Condition: The County lacks certain internal controls to reduce the risk of material misstatement or misappropriation of assets.

Cause: The County's limited size and staffing resources have resulted in a lack of internal controls adequately designed or implemented.

Effect or Potential Effect: Failure to fully implement adequate internal controls can lead to misappropriation of assets or misstatements that are not detected during the normal course of business.

Recommendation: Management should perform thorough review of the County's internal control processes.

Responsible Official's Response: We concur with the recommendation. The Twiggs County Board of Commissioners will continue to evaluate, develop and implement improved internal controls in order to reduce the risk of misstatement and misappropriation of assets. These controls will include proper segregation of duties between recording, processing and reconciliation of cash and other general ledger accounts in order to provide reasonable assurance that an individual cannot misappropriate funds without being detected during the normal course of business

Finding 2020-002 – Budgets

Criteria: The County should use fiscal control and accountability.

Condition: In the County's General Fund, actual expenditures exceeded budget appropriations in several departments.

Cause: County's expenditures exceeded appropriations in several different departments.

Effect: Fiscal control and accountability over departmental expenditures may be jeopardized.

Recommendation: The County should monitor the budget and amend it when appropriate.

Responsible Official's Response: The County will continue to review the budget as the budget year progresses to ensure that the budget is amended for changes that occur during the year.

Section III: Federal Awards Findings

Finding 2020-003: Procurement, Suspension and Debarment – Assistance to Firefighters Grant (CFDA #97.044)

Criteria: Provisions included in 2 CFR 180.300 provide the suspension and debarment compliance requirements for entered into covered transactions. The County is required to verify that the vendor is not suspended or debarred by (a) checking System for Awards Management (SAM) exclusions; or (b) collecting a certification from the entity; or (c) adding a clause or condition to the covered transaction with that entity.

Condition: Upon review of internal control activities for the Assistance to Firefighters Grant related to suspension and debarment compliance requirements, it was noted that the County did not have policies and procedures in place and were not appropriately monitoring to ensure that vendors were not suspended, debarred or otherwise excluded or ineligible for participation in Federal assistance programs or activities when necessary.

Cause: The County did not have adequate controls in place for retention documentation supporting contracts were not awarded to a suspended or debarred party.

Effect or Potential Effect: Failure to monitor suspension or debarment compliance requirements could result in the expenditure of Federal funds with unqualified vendors. For the period under review, the contractors used by the Assistance to Firefighters Grant were determined by the auditors to not be suspended or debarred.

Questioned Costs: N/A

Recommendation: The County should implement polices and procedures to ensure that appropriate monitoring of vendors for all covered transactions occurs and to verify that these vendors are not suspended, debarred or otherwise excluded.

Finding 2020-004: Procurement, Suspension and Debarment – Assistance to Firefighters Grant (CFDA #97.044)

Criteria: 2 CFR Part 200, Part D (Uniform Guidance) Section 200.318 requires that a non-federal entity use and maintain its own documented procurement procedures which reflect applicable State, local and tribal laws and regulations, provided that the procurements conform to applicable federal law and standards identified in the Unform Guidance. ‘

Condition: the County does not have written procurement procedures which reflect applicable State, local, and tribal laws and regulations which also confirm to the applicable federal laws and standards identified in the Uniform Guidance.

Cause: The County utilizes templates and other informal resources provided by the Federal and State granting agencies in creating request for proposals, when applicable. The County does so to ensure compliance with applicable federal procurement standards but was unaware of the requirement to also have their own written procurement procedures.

Effect or Potential Effect: As a result of our audit we have determined that the County followed all applicable procurement compliance requirements as it relates to the grants under CFDA #97.044 with the exception of maintaining its own written procurement policy. The ultimate lack of documented procurement standards for the County could increase the risk of goods and services being procured through a method which is not in accordance with applicable State, local, and tribal law as well as federal regulations including the Uniform Guidance.

Questioned Costs: N/A

Recommendation: We recommend that the County create, adopt, and utilize its own written procurement policy and related procedures which reflect applicable State, local, and tribal laws and regulations which are in accordance with applicable Federal law and standards identified in 2 CFR 200.318 – 326 (Uniform Guidance)

Responsible Official's Response: The County will implement procurement policies and procedures which reflect applicable State, local and tribal laws and regulations.

TWIGGS COUNTY, GEORGIA

SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2020

2019-001 Control Environment / Management Override of Controls

Condition: The County lacks certain internal controls to reduce the risk of material misstatement or misappropriation of assets.

Status: See Finding 2020-001

2019-002 Journal Entry Documentation

Condition: During the course of our audit, several journal entries were entered into the accounting system that did not have proper source documentation.

Status: Corrected

2019-003 Budgets

Condition: In the County's General Fund, actual expenditures exceeded budget appropriations in several departments.

Status: See Finding 2020-002