

CRISP COUNTY, GEORGIA

FINANCIAL REPORT

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2021**

CRISP COUNTY, GEORGIA
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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CRISP COUNTY, GEORGIA

LIST OF PRINCIPAL OFFICIALS

JUNE 30, 2021

ELECTED

Sam Farrow, Jr., Chairman

Auther James Nance, Vice Chairman

Mark Crenshaw, County Commissioner

James R. Dowdy, III, County Commissioner

Larry Felton, County Commissioner

STAFF

Clark Harrell, County Administrator

Sherrie Leverett, Finance Director

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

**Board of Commissioners
of Crisp County, Georgia
Cordele, Georgia**

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Crisp Regional Health Services, Inc. or the Crisp County Department of Public Health, which represents 66%, 59%, and 74%, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for Crisp Regional Health Services, Inc. and the Crisp County Department of Public 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 from material misstatement. The financial statements of the discretely presented Crisp Regional Health Services, Inc. were not audited in accordance with *Government Auditing Standards*.

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 reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparisons for the General Fund, the Special Service District Fund, the Transportation Special Purpose Local Option Sales Tax ("T-SPLOST") Special Revenue Fund, and the E-911 Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

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

As shown in Notes 6 and 7, the Government implemented Governmental Accounting Standards Board ("GASB") Statement No. 87, *Leases*, as of July 1, 2020. 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 Management's Discussion and Analysis (on pages 5 through 14), the Schedule of Changes in the County's Net Pension Liability and Related Ratios and the Schedule of County Contributions (on pages 68 and 69) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual nonmajor fund financial statements and schedules and the schedule of expenditures of special purpose local option sales tax proceeds, as required by the Official Code of Georgia Annotated ("O.C.G.A.") §48-8-121, as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules, the schedule of expenditures of special purpose local option sales tax proceeds, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules, the schedule of expenditures of special purpose local option sales tax proceeds, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 26, 2022, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Crisp County, Georgia's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Macon, Georgia
January 26, 2022

CRISP COUNTY, GEORGIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

As management of Crisp County Georgia, (the "County") we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County, for the fiscal year ended June 30, 2021. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the financial statements and the notes to the financial statements.

Financial Highlights

The County's total assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at June 30, 2021 by \$66,572,659 (net position). Of this amount, \$11,297,969 (unrestricted net position) may be used to meet the County's ongoing obligations to citizens and creditors.

- The County's total assets increased by \$4,424,100 for the fiscal year ended June 30, 2021.
- Included in the total net position of the Primary Government, is a net investment of \$39,951,434 in capital assets net of accumulated depreciation.
- The General Fund recorded a net increase in total fund balance of \$2,174,300, bringing it to \$13,364,737 at June 30, 2021. The unassigned fund balance, which represents amounts not yet constrained for specific purposes, increased by \$1,706,726 to \$5,134,797. This equates to 31% of total General Fund expenditures.
- The fund balances of \$9,990,744 from the Special Service District Fund, Special Purpose Local Option Sales Tax ("SPLOST") Funds, E-911 Fund, American Rescue Plan Act ("ARPA") Fund, and other nonmajor governmental funds brings the County's combined ending fund balance to \$23,355,481 as of the close of fiscal year 2021. This represents an 18% increase of \$3,617,885 in the total Governmental Funds fund balance from the previous fiscal year.
- Capital leases, compensated absences, net pension liability, along with Landfill closure and post-closure cost accounts for a total of \$13,180,585 in long-term debt at 6/30/21. Capital leases, notes and revenue bonds payable and net pension liability decreased by \$2,495,232. That combined with an increase of \$82,917 in closure and post-closure care provided the County with a net reduction in long term debt of \$2,412,315 over the last twelve months.

Overview of the Financial Statements

This Management's Discussion and Analysis ("MD&A") is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of three components: 1) Government-wide financial statements, 2) Fund financial statements, and 3) Notes to the financial statements. In addition to the basic statements, this report also contains other supplementary information and a section on compliance.

Government-Wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business. All governmental and business-type activities are consolidated to arrive at a total for the County. There are two government-wide statements, the statement of net position and the statement of activities, which are described next.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The statement of net position presents information on all of the County's assets, deferred inflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating. It is important to note that this statement consolidates the governmental fund's current financial resources (short-term) with capital assets and long-term liabilities.

The statement of activities presents information showing how the County's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through administrative fees and charges (business-type activities). The governmental activities of the County include general government, judicial, public safety, public works, health and welfare, parks and recreation, community and economic development. The business-type activities of the County include the water distribution system and the municipal solid waste landfill.

The government-wide financial statements include not only the County itself (known as the Primary Government), but also a legally separate Board of Health, a hospital authority, and an electric power commission. The County is financially accountable for each of these entities.

The government-wide financial statements can be found on pages 15 – 17 of this report.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the fiscal year ended June 30, 2021, the County maintained 18 individual governmental funds to account for the following activities: General Fund, Accounts Payable Fund, Law Library Fund, Jail Maintenance Fund, DARE/DATEF Fund, E-911 Fund, American Rescue Plan Act Fund, T-SPLOST Special Revenue Fund, CDBG MIT Grant Project Fund, CDBG 20 Grant Project Fund, Special Services District Fund, Hotel/Motel Tax Fund, 2011 and 2017 Issue Special Local Option Sales Tax Funds, T-SPLOST Capital Projects Fund, CDBG Revolving Loan Fund, Fixed Assets Fund and the Asset Forfeiture Fund. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Special Service District Fund, the T-SPLOST Special Revenue Fund, the 2017 Special Local Option Sales Tax Fund, the E-911 Fund and the American Rescue Plan Act Fund, all of which are considered to be major funds for fiscal year 2021. Data from the other governmental funds are combined into a single, aggregated column. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The County adopts an annual appropriated budget for all General and Special Revenue Funds. Budgetary comparison statements have been provided for the General Fund and Major Special Revenue Funds to demonstrate compliance with budget. Budgets for capital project funds are adopted on a project-length basis, however, they are reviewed and updated as needed during the annual budget process.

Proprietary Funds. There are two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for water distribution and solid waste operations.

Internal service funds are an accounting device used to accumulate and allocate cost internally among the County's various departments and divisions. There are no internal service funds included in this report.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water System Fund and the Landfill Fund, both are considered major funds of the County.

The basic proprietary fund financial statements can be found on pages 28 – 32 of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held by agencies for benefit of parties outside the government. They are referred to as fiduciary funds in the County's financial report and include the Clerk of Superior Court, the Probate Judge, the Crisp County Sheriff, the Jail Inmate Fund, the Tax Commissioner and the Magistrate Court. Fiduciary funds are not reflected in the government-wide financial statements. The accounting used for fiduciary funds is much like that used for proprietary funds.

The Statement of Fiduciary Net Position – Fiduciary Funds and Statement of Changes in Fiduciary Net Position – Fiduciary Funds financial statements can be found on pages 33 and 34 of this report. The Combining Statement of Fiduciary Net Position – Fiduciary Funds and Combining Statement of Changes in Fiduciary Net Position – Fiduciary Funds is located on pages 76 – 79.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 35 – 67 of this report.

Required Supplementary Information. The schedule of changes in the County's defined benefit retirement plan that is presented immediately following the notes to the financial statements on pages 68 and 69, shows the calculation of the County's net pension liability as a percentage of covered employee payroll as 99.5% at June 30, 2021.

Other Information. The combining schedules and statements referred to earlier in connection with nonmajor governmental funds are presented next on pages 70 – 73 and include the fiscal year's activity for the following funds: Law Library Fund; Asset Forfeiture Fund; DARE Fund; Jail Fund; Hotel/Motel Tax Fund; CDBG Revolving Loan Fund; CDBG 20 Meadow Park Street Drainage Project Fund; CDBG MIT Fund; the 2011 SPLOST Fund; and the T-SPLOST Capital Project Fund.

Following that, on pages 74 and 75, are the schedules of expenditures for fiscal year June 30, 2021 on each of the County's Special Local Option Sales Tax Funds.

Government-Wide Financial Analysis

Net position amounts generally serve over time as a useful indicator of a government's financial status. In the case of the County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources leaving it with \$66,572,659 in total net position at the close of the most recent fiscal year.

The largest portion of the County's net position (68%) reflects its net investment in capital assets of \$45,138,860 (e.g., land, buildings, machinery, and equipment) less depreciation and any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

MANAGEMENT'S DISCUSSION AND ANALYSIS

CRISP COUNTY'S NET POSITION JUNE 30, 2021

	Governmental Activities		Business-type Activities		Total	
	FY2020	FY2021	FY2020	FY2021	FY2020	FY2021
Current and other assets	\$ 23,062,100	\$ 29,047,630	\$ 6,432,344	\$ 7,497,651	\$ 29,494,444	\$ 36,545,281
Capital assets	42,349,756	39,951,434	8,767,132	8,538,717	51,116,888	48,490,151
Total assets	\$ 65,411,856	\$ 68,999,064	\$ 15,199,476	\$ 16,036,368	\$ 80,611,332	\$ 85,035,432
Deferred outflows of resources	\$ 2,497,790	\$ 1,445,658	\$ 90,238	\$ 47,976	\$ 2,588,028	\$ 1,493,634
Long-term liabilities outstanding	\$ 201,600	\$ 287,473	\$ 5,143,686	\$ 5,186,288	\$ 5,345,286	\$ 5,473,761
Other liabilities	11,302,049	11,815,989	820,775	829,938	12,122,824	12,645,927
Total liabilities	\$ 11,503,649	\$ 12,103,462	\$ 5,964,461	\$ 6,016,226	\$ 17,468,110	\$ 18,119,688
Deferred inflows of resources	\$ 1,239,860	\$ 1,777,723	\$ 44,793	\$ 58,996	\$ 1,284,653	\$ 1,836,719
Net position:						
Net investment in capital assets	\$ 41,117,233	\$ 39,708,162	\$ 5,283,830	\$ 5,430,698	\$ 46,401,063	\$ 45,138,860
Restricted	8,684,330	10,086,518	47,738	49,312	8,732,068	10,135,830
Unrestricted	5,364,574	6,768,857	3,948,892	4,529,112	9,313,466	11,297,969
Total net position	\$ 55,166,137	\$ 56,563,537	\$ 9,280,460	\$ 10,009,122	\$ 64,446,597	\$ 66,572,659

The balance of unrestricted net position of \$11,297,969 is available for use to meet the County's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the County is able to report positive balances in all three categories of net position for the governmental and business-type activities.

Governmental Activities. As indicated by the following table, governmental activities revenues exceeded total expenses by approximately 5% resulting in an increase of \$1,397,400 in net position for the 12-month period of July 1, 2020 through June 30, 2021.

Business-type activities. Business-type activities increased the County's net position over the prior year by \$728,662 for fiscal year 2021. Excluding transfers and investment earnings, charges for services represented 95% of the total revenues. The following table also indicates the changes in net position for business-type activities for the 2021 fiscal year:

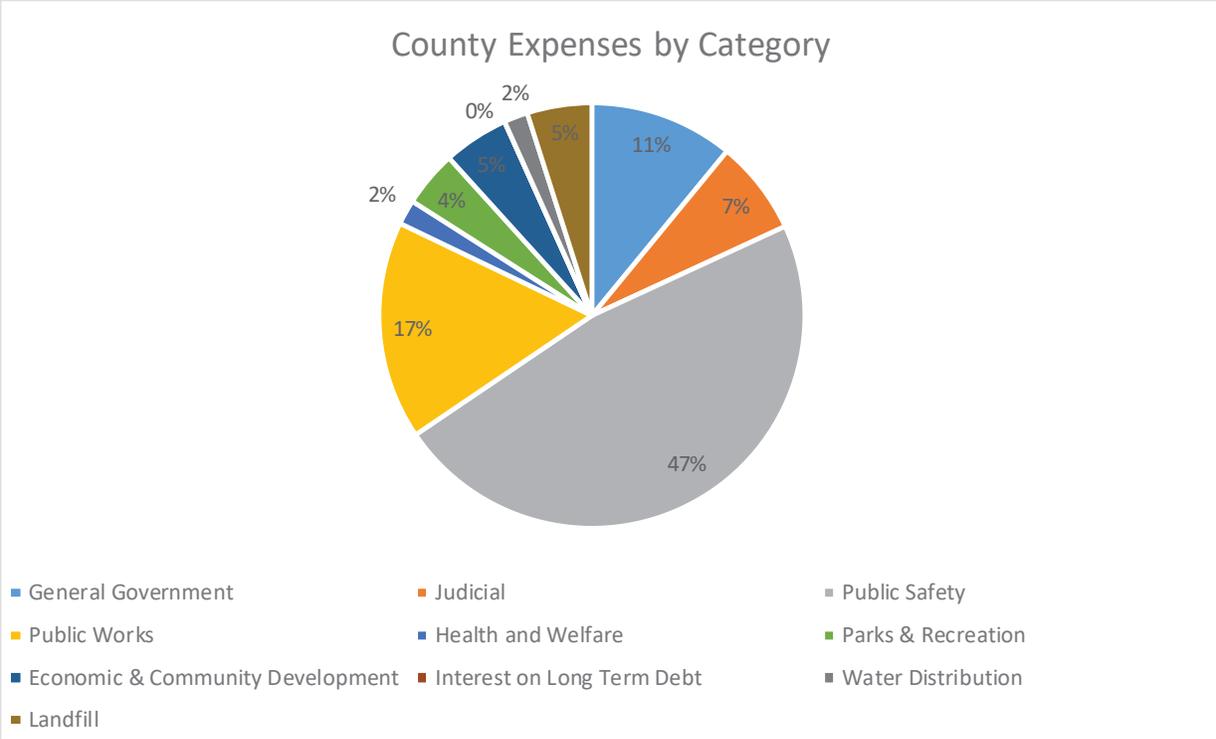
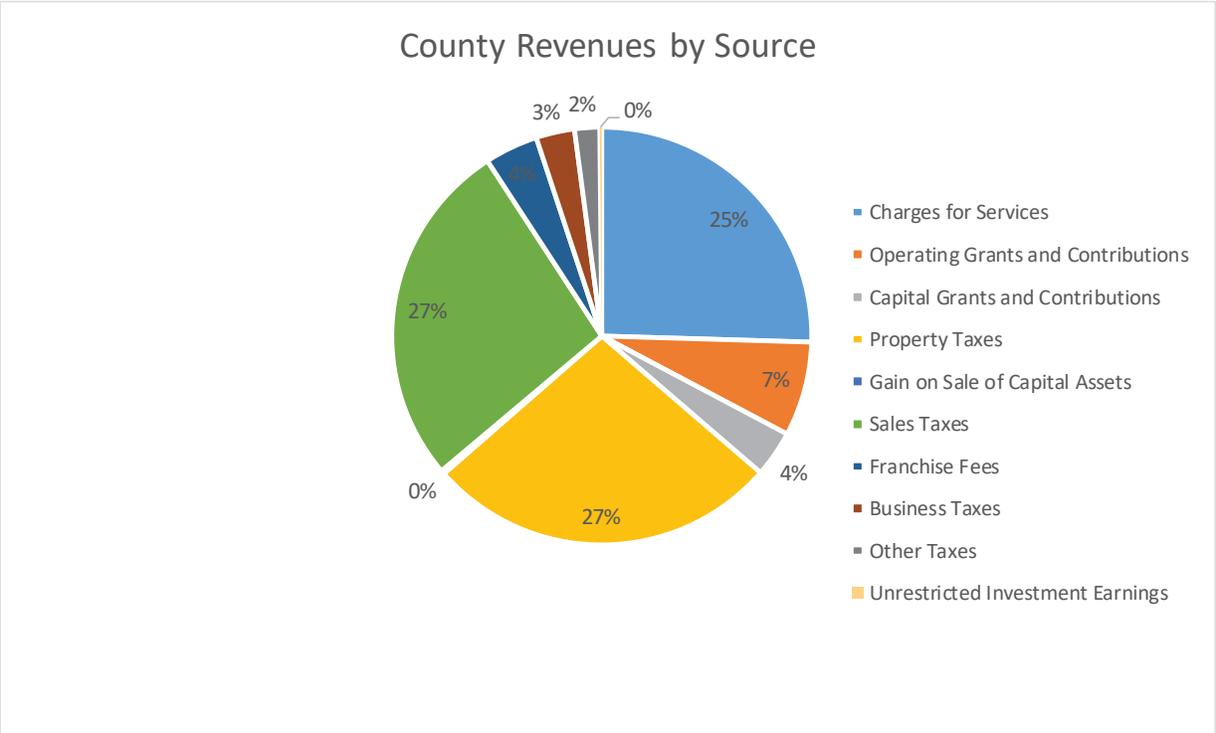
MANAGEMENT'S DISCUSSION AND ANALYSIS

CRISP COUNTY'S CHANGES IN NET POSITION JUNE 30, 2021

	Governmental Activities		Business-type Activities		Total	
	FY2020	FY2021	FY2020	FY2021	FY2020	FY2021
Revenues						
Program revenues:						
Charges for services	\$ 5,679,182	\$ 5,364,048	\$ 2,731,970	\$ 2,553,309	\$ 8,411,152	\$ 7,917,357
Operating grants and contributions	1,545,935	2,273,913	-	-	1,545,935	2,273,913
Capital grants and contributions	1,351,782	1,014,112	134,651	96,839	1,486,433	1,110,951
General revenues:						
Property taxes	9,543,438	8,454,791	-	-	9,543,438	8,454,791
Sales taxes	6,893,418	8,394,082	-	-	6,893,418	8,394,082
Franchise taxes	1,144,922	1,279,121	-	-	1,144,922	1,279,121
Insurance premium tax	870,587	923,546	-	-	870,587	923,546
Other taxes	458,385	600,241	-	-	458,385	600,241
Unrestricted investment earnings	143,639	40,925	11,773	6,393	155,412	47,318
Gain on sale of capital assets	6,701	88,570	-	-	6,701	88,570
Transfers	17,584	(19,898)	(17,584)	19,898	-	-
Total revenues	<u>27,655,573</u>	<u>28,413,451</u>	<u>2,860,810</u>	<u>2,676,439</u>	<u>30,516,383</u>	<u>31,089,890</u>
Expenses						
General government	4,000,133	3,168,524	-	-	4,000,133	3,168,524
Judicial	2,146,671	2,076,439	-	-	2,146,671	2,076,439
Public safety	13,690,898	13,734,091	-	-	13,690,898	13,734,091
Public works	4,592,369	4,810,924	-	-	4,592,369	4,810,924
Health and welfare	519,258	548,877	-	-	519,258	548,877
Recreation	1,405,234	1,233,622	-	-	1,405,234	1,233,622
Housing and community development	1,337,523	1,440,690	-	-	1,337,523	1,440,690
Interest on long-term debt	17,727	2,884	-	-	17,727	2,884
Water	-	-	491,341	523,783	491,341	523,783
Landfill	-	-	1,628,341	1,423,994	1,628,341	1,423,994
Total expenses	<u>27,709,813</u>	<u>27,016,051</u>	<u>2,119,682</u>	<u>1,947,777</u>	<u>29,829,495</u>	<u>28,963,828</u>
Total increase (decrease) in net position	(54,240)	1,397,400	741,128	728,662	686,888	2,126,062
Net position, beginning of year	55,220,377	55,166,137	8,539,332	9,280,460	63,759,709	64,446,597
Net position, end of year	<u>\$ 55,166,137</u>	<u>\$ 56,563,537</u>	<u>\$ 9,280,460</u>	<u>\$ 10,009,122</u>	<u>\$ 64,446,597</u>	<u>\$ 66,572,659</u>

MANAGEMENT’S DISCUSSION AND ANALYSIS

Approximately 25% of the County’s total revenue came from charges from services, 27% from property taxes, 27% from sales tax, while the remaining 21% came from various other revenues. The County’s expenses cover a range of services. The largest expenses, 47%, are related to providing public safety, which includes law enforcement, fire protection, E-911 services, ambulance services, animal control, coroner, and detention facility services.



MANAGEMENT'S DISCUSSION AND ANALYSIS

Financial Analysis of the Government's Funds

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the County's governmental funds reported an increase in combined ending fund balances from the previous year of \$3,617,885, pushing that number up to \$23,355,481.

The General Fund is the chief operating fund of the County and ended the fiscal year with a fund balance of \$13,364,737, which is up \$2,174,300 from the previous year. As a measure of the General Fund's liquidity, it is useful to compare the unassigned fund balance of \$5,134,797 to the fund's total expenditures of \$16,808,258 as a percentage. Unassigned fund balance represents 31% of total General Fund expenditures and is considered available to meet the County's ongoing service obligations to its citizens as well as fulfill all debt requirements.

The remaining governmental funds which include the Special Service District Fund, the T-SPLOST Special Revenue Fund and the 2017 Special Local Option Sales Tax Funds, the E-911 Fund, and the American Rescue Plan Act Fund, all considered major funds for fiscal year 2021, and the Nonmajor Governmental Funds ended the year with a total combined fund balance of \$9,990,744, of which all but (\$95,316) is restricted for specific uses.

Proprietary Funds. The County's proprietary fund statements provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Water Fund at the end of the year amounted to \$3,725,454. The Water Fund recorded an operating income of \$230,361 for fiscal year 2021. Combining that with net non-operating expenses, capital contributions and transfers increased this fund's net position by \$228,946 during this fiscal year.

Unrestricted net position of the Landfill Fund at the end of the year amounted to \$803,658. The Landfill Fund's operating income of \$482,646 combined with net non-operating expenses and capital contributions provided an increase of \$499,716 over the previous year's net position balance.

Capital Asset and Debt Administration

Capital Assets. The County's investment in capital assets for its governmental and business-type activities as of June 30, 2021, amounts to \$48,490,151 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, machinery and equipment, infrastructure, and construction in progress.

MANAGEMENT'S DISCUSSION AND ANALYSIS

CRISP COUNTY'S CAPITAL ASSETS (Net of Depreciation)

	Governmental Activities	Business-type Activities	Total
	2021	2021	
Land	\$ 2,536,632	\$ 765,223	\$ 3,301,855
Construction in progress	1,008,021	115,435	1,123,456
Land improvements	6,686,667	-	6,686,667
Infrastructure	10,729,985	194,243	10,924,228
Plant and buildings	14,400,588	6,851,979	21,252,567
Right-to-use leased equipment	243,958	374,777	618,735
Furniture, machinery and equipment	4,345,583	218,968	4,564,551
System improvements	-	18,092	18,092
Total	\$ 39,951,434	\$ 8,538,717	\$ 48,490,151

Major capital asset events during the current fiscal year included the following:

- \$692,033 in SPLOST and Federal Aviation Transportation funding was used on the Phase II Drainage Rehabilitation project at the Crisp County-Cordele Airport.
- SPLOST Funds in the amount \$393,019 were used to purchase new heavy machinery and equipment along with \$62,273 for motor vehicles for the Crisp County Landfill.
- \$259,852 was utilized from SPLOST Funds to purchase new roads and public works equipment.
- A new K-9 was purchased for \$13,800 from Asset Forfeiture Funds.
- \$256,338 in Georgia Emergency Management Agency ("GEMA") grant funds was used to purchase a BearCat Armored Vehicle for Emergency Management.
- SPLOST Funds in the amount of \$160,184 were used to purchase a new ambulance with emergency equipment.
- SPLOST, General and Asset Forfeiture Funds combined to purchase five vehicles and emergency equipment for the Crisp County Sheriff's Department at a total cost of \$159,812.
- \$151,840 in SPLOST, General and T-SPLOST Funds was used to purchase four vehicles and one trailer for the Roads and Public Works departments; \$594,575 in SPLOST and Georgia Department of Transportation ("GDOT") funding was used to replace the bridge on Cannon Road.
- Additional information on the County's capital assets can be found in Note 6 on pages 51 – 53 of this report.

Long-Term Debt. As of June 30, 2021, Crisp County's long-term debt consisted of notes payable, capital lease payable, compensated absences, revenue bonds payable, pension liability and landfill closure and post-closure care. The County recorded a net decrease in total long-term debt for its governmental funds of \$2,521,015. The business-type activities logged a net increase in long-term debt of \$19,062 during fiscal year ended June 30, 2021.

Additional information on the County's long-term debt can be found in Note 7 on pages 53 – 57 of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Economic Factors

- The County's unemployment increased significantly over the last 12 months, from 7.4% at June 30, 2020 to 8.3% at June 30, 2021. This was above the State of Georgia average of 4.4% and above the national average of 5.9%.

Requests for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Sherrie Leverett, Finance Director, 210 South 7th Street, Suite 309, Cordele, Georgia 31015 or sleverett@crispcounty.com.

BASIC FINANCIAL STATEMENTS

CRISP COUNTY, GEORGIA

**STATEMENT OF NET POSITION
JUNE 30, 2021**

	Primary Government			Component Units		
	Governmental Activities	Business-type Activities	Total	Crisp County Power Commission	Crisp Regional Health Services, Inc.	Crisp County Department of Public Health
ASSETS						
Cash and cash equivalents	\$ 19,369,469	\$ 7,148,313	\$ 26,517,782	\$ 11,494,203	\$ 14,574,000	\$ 1,036,235
Investments	5,130,475	-	5,130,475	37,816,842	-	-
Taxes receivable	988,422	-	988,422	-	-	-
Accounts receivable, net of allowances	49,418	196,813	246,231	3,968,701	20,729,000	152
Notes receivable	1,145,911	-	1,145,911	975,000	1,130,000	-
Internal balances	23,430	(23,430)	-	-	-	-
Due from other governments	1,898,326	-	1,898,326	-	-	-
Due from component unit	9,632	-	9,632	-	-	-
Inventories	29,373	-	29,373	1,163,911	2,292,000	-
Prepaid items	403,174	19,762	422,936	102,352	-	-
Other assets	-	-	-	1,808,500	8,453,000	-
Restricted assets:						
Cash	-	156,193	156,193	-	-	-
Assets limited as to use	-	-	-	700,610	65,488,000	-
Goodwill	-	-	-	-	10,658,000	-
Operating lease right-of-use assets	-	-	-	-	198,000	-
Investment in affiliated companies	-	-	-	-	432,000	-
Capital assets:						
Nondepreciable	3,544,653	880,658	4,425,311	1,926,864	5,097,000	-
Depreciable, net of accumulated depreciation	36,406,781	7,658,059	44,064,840	19,123,224	38,135,000	7,980
Total assets	<u>68,999,064</u>	<u>16,036,368</u>	<u>85,035,432</u>	<u>79,080,207</u>	<u>167,186,000</u>	<u>1,044,367</u>
DEFERRED OUTFLOWS OF RESOURCES						
Pension	1,445,658	47,976	1,493,634	8,574,977	-	175,119
Total deferred outflows of resources	<u>1,445,658</u>	<u>47,976</u>	<u>1,493,634</u>	<u>8,574,977</u>	<u>-</u>	<u>175,119</u>

(Continued)

CRISP COUNTY, GEORGIA

**STATEMENT OF NET POSITION
JUNE 30, 2021**

	Primary Government			Component Units		
	Governmental Activities	Business-type Activities	Total	Crisp County Power Commission	Crisp Regional Health Service, Inc.	Crisp County Department of Public Health
LIABILITIES						
Accounts payable	\$ 1,319,823	\$ 71,393	\$ 1,391,216	\$ 2,870,593	\$ 5,301,000	\$ 5,579
Accrued liabilities	323,120	16,556	339,676	619,137	9,192,000	-
Customer deposits payable	-	70,377	70,377	700,610	-	-
Other payables	-	-	-	-	574,000	-
Due to other governments	383,241	21,248	404,489	-	-	-
Unearned revenues	2,733,345	-	2,733,345	-	-	-
Current portion of operating lease liabilities	-	-	-	-	185,000	-
Leases payable due within one year	50,419	76,703	127,122	-	-	-
Leases payable due in more than one year	192,853	298,602	491,455	-	-	-
Notes payable due within one year	-	292,460	292,460	100,000	4,354,000	-
Notes payable due in more than one year	-	1,225,303	1,225,303	875,000	3,396,000	-
Bonds payable due within one year	-	49,312	49,312	-	1,994,000	-
Bonds payable due in more than one year	-	1,165,639	1,165,639	-	34,891,000	-
Compensated absences due within one year	212,565	6,439	219,004	-	-	11,131
Compensated absences due in more than one year	94,620	21,387	116,007	-	-	14,654
Closure and post-closure care costs	-	2,475,357	2,475,357	-	-	-
Net pension liability	6,793,476	225,450	7,018,926	2,244,721	-	353,046
Asset retirement obligation	-	-	-	5,124,000	-	-
Net OPEB liability	-	-	-	-	-	91,562
Total liabilities	<u>12,103,462</u>	<u>6,016,226</u>	<u>18,119,688</u>	<u>12,534,061</u>	<u>59,887,000</u>	<u>475,972</u>
DEFERRED INFLOWS OF RESOURCES						
Pension	1,777,723	58,996	1,836,719	955,395	-	110,265
Total deferred inflows of resources	<u>1,777,723</u>	<u>58,996</u>	<u>1,836,719</u>	<u>955,395</u>	<u>-</u>	<u>110,265</u>
NET POSITION						
Net investment in capital assets	39,708,162	5,430,698	45,138,860	21,050,088	-	7,980
Restricted for:						
Debt service	-	49,312	49,312	-	-	-
Judicial	127,987	-	127,987	-	-	-
Public safety	1,700,694	-	1,700,694	-	-	-
Economic development	2,024,102	-	2,024,102	-	-	-
Capital outlay	6,233,735	-	6,233,735	-	-	198,118
Unrestricted	6,768,857	4,529,112	11,297,969	53,115,640	107,299,000	427,151
Total net position	<u>\$ 56,563,537</u>	<u>\$ 10,009,122</u>	<u>\$ 66,572,659</u>	<u>\$ 74,165,728</u>	<u>\$ 107,299,000</u>	<u>\$ 633,249</u>

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

CRISP COUNTY, GEORGIA

STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position					
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component units		
					Governmental Activities	Business-type Activities	Total	Crisp Co Power Commission	Crisp Regional Health Services, Inc.	Crisp County Department of Public Health
Primary government										
Governmental activities:										
General government	\$ 3,168,524	\$ 1,184,744	\$ 635,295	\$ 56	\$ (1,348,429)	\$ -	\$ (1,348,429)	\$ -	\$ -	\$ -
Judicial	2,076,439	33,123	-	17	(2,043,299)	-	(2,043,299)	-	-	-
Public safety	13,734,091	4,109,567	1,489,246	989,318	(7,145,960)	-	(7,145,960)	-	-	-
Public works	4,810,924	-	149,372	2,658	(4,658,894)	-	(4,658,894)	-	-	-
Health and welfare	548,877	-	-	-	(548,877)	-	(548,877)	-	-	-
Parks and recreation	1,233,622	28,914	-	24	(1,204,684)	-	(1,204,684)	-	-	-
Housing and development	1,440,690	7,700	-	22,039	(1,410,951)	-	(1,410,951)	-	-	-
Interest on long-term debt	2,884	-	-	-	(2,884)	-	(2,884)	-	-	-
Total governmental activities	<u>27,016,051</u>	<u>5,364,048</u>	<u>2,273,913</u>	<u>1,014,112</u>	<u>(18,363,978)</u>	<u>-</u>	<u>(18,363,978)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Business-type activities:										
Water system	523,783	713,822	-	-	-	190,039	190,039	-	-	-
Landfill	1,423,994	1,839,487	-	96,839	-	512,332	512,332	-	-	-
Total business-type activities	<u>1,947,777</u>	<u>2,553,309</u>	<u>-</u>	<u>96,839</u>	<u>-</u>	<u>702,371</u>	<u>702,371</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 28,963,828</u>	<u>\$ 7,917,357</u>	<u>\$ 2,273,913</u>	<u>\$ 1,110,951</u>	<u>(18,363,978)</u>	<u>702,371</u>	<u>(17,661,607)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Component units:										
Crisp County Power Commission	\$ 39,562,318	\$ 42,368,827	\$ -	\$ -	-	-	-	2,806,509	-	-
Crisp Regional Health Services, Inc.	110,552,000	113,832,000	1,459,000	-	-	-	-	-	4,739,000	-
Crisp County Department of Public Health	699,154	374,378	453,290	-	-	-	-	-	-	128,514
Total component units	<u>\$ 150,813,472</u>	<u>\$ 156,575,205</u>	<u>\$ 1,912,290</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,806,509</u>	<u>4,739,000</u>	<u>128,514</u>
General revenues:										
Property taxes					8,454,791	-	8,454,791	-	-	-
Sales taxes					8,394,082	-	8,394,082	-	-	-
Franchise fees					1,279,121	-	1,279,121	-	-	-
Business taxes					923,546	-	923,546	-	-	-
Other taxes					600,241	-	600,241	-	-	-
Unrestricted investment earnings					40,925	6,393	47,318	422,731	8,231,000	454
Gain on sale of capital assets					88,570	-	88,570	-	-	-
Transfers					(19,898)	19,898	-	-	-	-
Total general revenues and transfers					<u>19,761,378</u>	<u>26,291</u>	<u>19,787,669</u>	<u>422,731</u>	<u>8,231,000</u>	<u>454</u>
Change in net position					1,397,400	728,662	2,126,062	3,229,240	12,970,000	128,968
Net position, beginning of year					55,166,137	9,280,460	64,446,597	70,936,488	94,329,000	504,281
Net position, end of year	<u>\$ 56,563,537</u>	<u>\$ 10,009,122</u>	<u>\$ 66,572,659</u>	<u>\$ -</u>	<u>\$ 56,563,537</u>	<u>\$ 10,009,122</u>	<u>\$ 66,572,659</u>	<u>\$ 74,165,728</u>	<u>\$ 107,299,000</u>	<u>\$ 633,249</u>

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

CRISP COUNTY, GEORGIA

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021**

	<u>General Fund</u>	<u>Special Service District Fund</u>	<u>T-SPLOST Special Revenue Fund</u>	<u>2017 Sales Tax Fund</u>	<u>E-911 Fund</u>
ASSETS					
Cash and cash equivalents	\$ 7,217,193	\$ 996,386	\$ 151,478	\$ 4,825,385	\$ 781,125
Investments	4,888,399	-	-	-	-
Receivables, net of allowance:					
Taxes	937,524	45,798	-	-	-
Accounts	42,180	5,664	-	-	-
Notes	-	-	-	-	-
Due from other funds	878,066	-	-	-	-
Due from other governments	960,433	20,183	87,404	773,338	29,105
Due from component unit	9,632	-	-	-	-
Prepaid items	324,854	30,865	1,502	-	35,001
Inventory	29,373	-	-	-	-
Total assets	<u>\$ 15,287,654</u>	<u>\$ 1,098,896</u>	<u>\$ 240,384</u>	<u>\$ 5,598,723</u>	<u>\$ 845,231</u>
LIABILITIES, DEFERRED INFLOW OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 453,024	\$ 9,541	\$ 23,357	\$ 555,361	\$ 15,505
Accrued liabilities	196,383	35,020	3,528	69,189	19,000
Due to other funds	-	11,514	255,082	-	731,477
Due to other governments	383,241	-	-	-	-
Unearned revenues	-	-	-	-	-
Total liabilities	<u>1,032,648</u>	<u>56,075</u>	<u>281,967</u>	<u>624,550</u>	<u>765,982</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	890,269	42,351	-	-	-
Total deferred inflows of resources	<u>890,269</u>	<u>42,351</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Non-spendable:					
Prepaid items	324,854	30,865	1,502	-	35,001
Inventory	29,373	-	-	-	-
Restricted for:					
General government	24,618	-	4,915	-	-
Judicial	27,368	-	5,464	-	-
Public safety	106,284	969,605	21,220	-	-
Public works	26,910	-	5,373	-	-
Parks and recreation	11,580	-	2,312	-	-
Housing and development	7,956	-	1,588	-	-
Health and welfare	3,562	-	711	-	-
Capital outlay	-	-	-	4,974,173	-
Committed for:					
General government	906,291	-	-	-	-
Judicial	1,007,501	-	-	-	-
Public safety	3,912,692	-	-	-	44,248
Public works	990,633	-	-	-	-
Parks and recreation	426,309	-	-	-	-
Housing and development	292,896	-	-	-	-
Health and welfare	131,113	-	-	-	-
Unassigned	5,134,797	-	(84,668)	-	-
Total fund balances	<u>13,364,737</u>	<u>1,000,470</u>	<u>(41,583)</u>	<u>4,974,173</u>	<u>79,249</u>
Total liabilities, deferred inflow of resources and fund balances	<u>\$ 15,287,654</u>	<u>\$ 1,098,896</u>	<u>\$ 240,384</u>	<u>\$ 5,598,723</u>	<u>\$ 845,231</u>

Amounts reported for governmental activities in the statement of net position are different because:

- Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.
- Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.
- Deferred outflows of resources are not available to pay for current resources and, therefore, are not reported in the funds.
- Certain long-term liabilities are not due and payable in the current period and are, therefore, not reported in the funds.
- The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.
- Deferred inflows of resources related to the net difference between expected and actual experience of economic/demographic gains are not due and payable in the current period and, therefore, are not reported in the governmental funds.

Net position of governmental activities

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

American Rescue Plan Act Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 2,172,750	\$ 3,225,152	\$ 19,369,469
-	242,076	5,130,475
-	5,100	988,422
-	1,574	49,418
-	1,145,911	1,145,911
-	265,974	1,144,040
-	27,863	1,898,326
-	-	9,632
-	10,952	403,174
-	-	29,373
<u>\$ 2,172,750</u>	<u>\$ 4,924,602</u>	<u>\$ 30,168,240</u>

\$ -	\$ 263,035	\$ 1,319,823
-	-	323,120
-	122,537	1,120,610
-	-	383,241
2,172,750	560,595	2,733,345
<u>2,172,750</u>	<u>946,167</u>	<u>5,880,139</u>

-	-	932,620
-	-	932,620

-	10,952	403,174
-	-	29,373
-	-	29,533
-	95,155	127,987
-	603,585	1,700,694
-	-	32,283
-	-	13,892
-	-	9,544
-	2,019,829	2,024,102
-	1,259,562	6,233,735
-	-	906,291
-	-	1,007,501
-	-	3,956,940
-	-	990,633
-	-	426,309
-	-	292,896
-	-	131,113
-	(10,648)	5,039,481
-	3,978,435	23,355,481
<u>\$ 2,172,750</u>	<u>\$ 4,924,602</u>	

39,951,434
932,620
1,445,658
(550,457)
(6,793,476)
(1,777,723)
\$ 56,563,537

CRISP COUNTY, GEORGIA

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

	<u>General</u>	<u>Special Service District Fund</u>	<u>T-SPLOST Special Revenue Fund</u>	<u>2017 Sales Tax Fund</u>	<u>E-911 Fund</u>
Revenues					
Property taxes	\$ 8,591,620	\$ 616,354	\$ -	\$ -	\$ -
Sales taxes	2,417,592	-	1,037,234	4,939,256	-
Franchise taxes	684,354	594,767	-	-	-
Business taxes	67,383	856,163	-	-	-
Other taxes	549,391	4,884	-	-	-
Licenses and permits	23,050	38,354	-	-	-
Intergovernmental	2,696,888	-	1,749	563,799	4,576
Charges for services	1,954,085	-	-	-	618,601
Fines and forfeitures	1,747,932	-	-	-	-
Interest income	14,918	-	1,311	1,704	63
Other revenues	368,742	176,961	7,482	-	1,526
Total revenues	<u>19,115,955</u>	<u>2,287,483</u>	<u>1,047,776</u>	<u>5,504,759</u>	<u>624,766</u>
Expenditures					
Current:					
General government	2,659,814	-	-	-	-
Judicial	2,059,154	-	-	-	-
Public safety	8,285,496	1,647,526	-	-	1,065,242
Public works	1,816,726	23,535	448,059	-	-
Health and welfare	510,039	-	-	-	-
Parks and recreation	865,449	-	-	-	-
Housing and development	596,784	199,591	-	-	-
Intergovernmental payments	-	-	-	1,225,828	-
Capital outlay	-	-	-	1,363,869	-
Debt service:					
Principal	12,971	-	-	1,212,558	-
Interest	1,825	-	-	1,059	-
Total expenditures	<u>16,808,258</u>	<u>1,870,652</u>	<u>448,059</u>	<u>3,803,314</u>	<u>1,065,242</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,307,697</u>	<u>416,831</u>	<u>599,717</u>	<u>1,701,445</u>	<u>(440,476)</u>
Other financing sources (uses)					
Proceeds from the sale of capital assets	230,000	-	-	-	-
Leases (as lessee)	67,398	-	-	195,357	-
Transfers in	16,446	-	-	-	440,476
Transfers out	(447,241)	-	(599,717)	(19,898)	-
Total other financing sources (uses)	<u>(133,397)</u>	<u>-</u>	<u>(599,717)</u>	<u>175,459</u>	<u>440,476</u>
Net change in fund balances	2,174,300	416,831	-	1,876,904	-
Fund balances (deficit), beginning of year	<u>11,190,437</u>	<u>583,639</u>	<u>(41,583)</u>	<u>3,097,269</u>	<u>79,249</u>
Fund balances (deficit), end of year	<u>\$ 13,364,737</u>	<u>\$ 1,000,470</u>	<u>\$ (41,583)</u>	<u>\$ 4,974,173</u>	<u>\$ 79,249</u>

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

American Rescue Plan Act Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 9,207,974
-	-	8,394,082
-	-	1,279,121
-	-	923,546
-	45,966	600,241
-	-	61,404
-	18,000	3,285,012
-	326,936	2,899,622
-	53,583	1,801,515
-	25,942	43,938
-	46,796	601,507
-	<u>517,223</u>	<u>29,097,962</u>
-	-	2,659,814
-	27,233	2,086,387
-	365,513	11,363,777
-	39,822	2,328,142
-	-	510,039
-	-	865,449
-	270,530	1,066,905
-	-	1,225,828
-	1,227,834	2,591,703
-	-	-
-	26,477	1,252,006
-	-	2,884
-	<u>1,957,409</u>	<u>25,952,934</u>
-	(1,440,186)	3,145,028
-	-	230,000
-	-	262,755
-	627,755	1,084,677
-	(37,719)	(1,104,575)
-	<u>590,036</u>	<u>472,857</u>
-	(850,150)	3,617,885
-	4,828,585	19,737,596
<u>\$ -</u>	<u>\$ 3,978,435</u>	<u>\$ 23,355,481</u>

CRISP COUNTY, GEORGIA

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

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds	\$ 3,617,885
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeds capital outlay in the current period.	(2,256,892)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.	(141,430)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(753,183)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the principal payment on notes payable and the proceeds from debt issuances.	989,251
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.	<u>(58,231)</u>
Net change in net position - governmental activities	<u>\$ 1,397,400</u>

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

CRISP COUNTY, GEORGIA

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

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Property taxes	\$ 8,254,501	\$ 8,591,613	\$ 8,591,620	\$ 7
Sales taxes	1,738,000	2,417,592	2,417,592	-
Franchise taxes	484,500	684,354	684,354	-
Business taxes	57,000	67,383	67,383	-
Other taxes	380,600	549,388	549,391	3
Licenses and permits	16,800	23,050	23,050	-
Intergovernmental	1,216,216	2,696,883	2,696,888	5
Charges for services	1,800,450	1,954,115	1,954,085	(30)
Fines and forfeitures	1,501,672	1,747,930	1,747,932	2
Interest revenue	100,000	14,369	14,918	549
Other revenues	239,000	368,740	368,742	2
Total revenues	15,788,739	19,115,417	19,115,955	538
Expenditures				
Current:				
General government:				
Legislative	374,970	354,750	354,745	5
Executive	207,424	209,582	209,582	-
Elections	120,400	129,905	129,905	-
Financial administration	469,166	434,600	434,592	8
Data processing	26,600	15,783	15,780	3
Human resources	88,515	92,700	92,696	4
Tax commissioner	292,914	276,246	276,246	-
Tax assessor	413,376	460,965	460,965	-
General government buildings and plant	649,031	653,617	685,303	(31,686)
Total general government	2,642,396	2,628,148	2,659,814	(31,666)
Judicial:				
Judicial administration	350,044	369,314	405,009	(35,695)
Drug court	165,715	218,726	218,726	-
Clerk of superior court	407,686	393,931	393,931	-
District attorney	367,822	321,880	321,880	-
Magistrate court	285,576	257,676	257,676	-
Probate court	356,499	347,086	347,086	-
Juvenile court	62,513	54,344	54,344	-
Grand jury	35,000	13,160	13,160	-
Public defender	82,594	47,342	47,342	-
Total judicial	2,113,449	2,023,459	2,059,154	(35,695)
Public safety:				
Sheriff	4,927,812	4,560,531	4,560,503	28
Jail operations	2,434,697	2,229,824	2,229,824	-
Fire	9,363	9,137	9,137	-
EMS	505,813	919,281	919,281	-
Coroner	43,960	42,970	42,970	-
Other protection	251,612	523,781	523,781	-
Total public safety	8,173,257	8,285,524	8,285,496	28

(Continued)

CRISP COUNTY, GEORGIA

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

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Expenditures (Continued)				
Current (Continued):				
Public works:				
Public works administration	\$ 1,732,850	\$ 1,734,464	\$ 1,734,464	\$ -
Intergovernmental payments of energy excise tax	72,544	82,262	82,262	-
Total public works	<u>1,805,394</u>	<u>1,816,726</u>	<u>1,816,726</u>	<u>-</u>
Health and welfare:				
Health	120,990	118,694	118,691	3
Welfare	12,325	1,057	1,057	-
Community services	247,775	389,165	389,165	-
Public education	990	1,126	1,126	-
Total health and welfare	<u>382,080</u>	<u>510,042</u>	<u>510,039</u>	<u>3</u>
Parks and recreation:				
Recreation	854,280	748,427	748,419	8
Parks	116,871	117,037	117,030	7
Total parks and recreation	<u>971,151</u>	<u>865,464</u>	<u>865,449</u>	<u>15</u>
Housing and development:				
Conservation	186,230	167,779	167,769	10
Economic development and assistance	392,036	426,815	426,815	-
Economic opportunity	1,900	2,200	2,200	-
Total housing and development	<u>580,166</u>	<u>596,794</u>	<u>596,784</u>	<u>10</u>
Debt service:				
Principal	-	12,971	12,971	-
Interest	-	1,825	1,825	-
Total debt service	<u>-</u>	<u>14,796</u>	<u>14,796</u>	<u>-</u>
Total expenditures	<u>16,667,893</u>	<u>16,740,953</u>	<u>16,808,258</u>	<u>(67,305)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(879,154)</u>	<u>2,374,464</u>	<u>2,307,697</u>	<u>(66,767)</u>
Other financing sources (uses)				
Proceeds from sale of assets	185,000	230,000	230,000	-
Leases (as lessee)	-	-	67,398	67,398
Transfers in	200,000	16,446	16,446	-
Transfers out	(487,630)	(446,693)	(447,241)	(548)
Total other financing uses, net	<u>(102,630)</u>	<u>(200,247)</u>	<u>(133,397)</u>	<u>66,850</u>
Net change in fund balances	(981,784)	2,174,217	2,174,300	83
Fund balance, beginning of year	<u>11,190,437</u>	<u>11,190,437</u>	<u>11,190,437</u>	<u>-</u>
Fund balance, end of year	<u>\$ 10,208,653</u>	<u>\$ 13,364,654</u>	<u>\$ 13,364,737</u>	<u>\$ 83</u>

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

CRISP COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET (GAAP) BASIS AND ACTUAL SPECIAL SERVICE DISTRICT FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Property taxes	\$ 596,796	\$ 616,351	\$ 616,354	\$ 3
Franchise taxes	450,000	594,765	594,767	2
Business taxes	680,000	856,163	856,163	-
Other taxes	1,800	4,883	4,884	1
Licenses and permits	23,000	38,354	38,354	-
Other revenues	61,000	176,958	176,961	3
Total revenues	<u>1,812,596</u>	<u>2,287,474</u>	<u>2,287,483</u>	<u>9</u>
Expenditures				
Current:				
Public safety:				
Fire	1,612,192	1,647,526	1,647,526	-
Total public safety	<u>1,612,192</u>	<u>1,647,526</u>	<u>1,647,526</u>	<u>-</u>
Public works:				
Solid waste collection	12,000	23,535	23,535	-
Total public works	<u>12,000</u>	<u>23,535</u>	<u>23,535</u>	<u>-</u>
Housing and development:				
Planning and zoning	189,404	199,591	199,591	-
Total housing and development	<u>189,404</u>	<u>199,591</u>	<u>199,591</u>	<u>-</u>
Total expenditures	<u>1,813,596</u>	<u>1,870,652</u>	<u>1,870,652</u>	<u>-</u>
Net change in fund balances	(1,000)	416,822	416,831	9
Fund balance, beginning of year	<u>583,639</u>	<u>583,639</u>	<u>583,639</u>	<u>-</u>
Fund balance, end of year	<u><u>\$ 582,639</u></u>	<u><u>\$ 1,000,461</u></u>	<u><u>\$ 1,000,470</u></u>	<u><u>\$ 9</u></u>

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

CRISP COUNTY, GEORGIA

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (GAAP) BASIS AND ACTUAL
E-911 FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 4,576	\$ 4,576	\$ -
Charges for services	622,531	618,601	618,601	-
Interest revenue	100	63	63	-
Other revenues	250	1,526	1,526	-
Total revenues	<u>622,881</u>	<u>624,766</u>	<u>624,766</u>	<u>-</u>
Expenditures:				
Current:				
Public safety:				
EMS	<u>1,105,051</u>	<u>1,065,242</u>	<u>1,065,242</u>	<u>-</u>
Total public safety	<u>1,105,051</u>	<u>1,065,242</u>	<u>1,065,242</u>	<u>-</u>
Total expenditures	<u>1,105,051</u>	<u>1,065,242</u>	<u>1,065,242</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(482,170)</u>	<u>(440,476)</u>	<u>(440,476)</u>	<u>-</u>
Other financing sources (uses)				
Transfers in	<u>482,170</u>	<u>440,476</u>	<u>440,476</u>	<u>-</u>
Total other financing sources (uses)	<u>482,170</u>	<u>440,476</u>	<u>440,476</u>	<u>-</u>
Net change in fund balances	-	-	-	-
Fund balance, beginning of year	<u>79,249</u>	<u>79,249</u>	<u>79,249</u>	<u>-</u>
Fund balance, end of year	<u>\$ 79,249</u>	<u>\$ 79,249</u>	<u>\$ 79,249</u>	<u>\$ -</u>

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

CRISP COUNTY, GEORGIA

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
BUDGET (GAAP) BASIS AND ACTUAL
T-SPLOST SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Sales taxes	\$ 650,000	\$ 1,037,234	\$ 1,037,234	\$ -
Intergovernmental	-	1,749	1,749	-
Interest revenue	2,000	1,311	1,311	-
Other revenues	-	7,482	7,482	-
Total revenues	<u>652,000</u>	<u>1,047,776</u>	<u>1,047,776</u>	<u>-</u>
Expenditures				
Current:				
Public works:				
Highways and streets	<u>465,308</u>	<u>448,059</u>	<u>448,059</u>	<u>-</u>
Total public works	<u>465,308</u>	<u>448,059</u>	<u>448,059</u>	<u>-</u>
Total expenditures	<u>465,308</u>	<u>448,059</u>	<u>448,059</u>	<u>-</u>
Excess of revenues over expenditures	186,692	599,717	599,717	-
Other financing uses				
Transfers out	<u>(186,692)</u>	<u>(599,717)</u>	<u>(599,717)</u>	<u>-</u>
Total other financing uses	<u>(186,692)</u>	<u>(599,717)</u>	<u>(599,717)</u>	<u>-</u>
Net change in fund balances	-	-	-	-
Fund balance (deficit), beginning of year	<u>(41,583)</u>	<u>(41,583)</u>	<u>(41,583)</u>	<u>-</u>
Fund balance (deficit), end of year	<u><u>\$ (41,583)</u></u>	<u><u>\$ (41,583)</u></u>	<u><u>\$ (41,583)</u></u>	<u><u>\$ -</u></u>

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

CRISP COUNTY, GEORGIA

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2021**

	<u>Crisp County Water System</u>	<u>Crisp County Landfill</u>	<u>Totals</u>
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	\$ 3,686,487	\$ 3,461,826	\$ 7,148,313
Accounts receivable, net of allowances	62,073	134,740	196,813
Prepaid expenses	5,661	14,101	19,762
Restricted assets, cash	156,193	-	156,193
Total current assets	<u>3,910,414</u>	<u>3,610,667</u>	<u>7,521,081</u>
NON-CURRENT ASSETS			
Capital assets:			
Nondepreciable	-	880,658	880,658
Depreciable, net of accumulated depreciation	2,497,714	5,160,345	7,658,059
Total non-current assets	<u>2,497,714</u>	<u>6,041,003</u>	<u>8,538,717</u>
Total assets	<u>6,408,128</u>	<u>9,651,670</u>	<u>16,059,798</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension	11,527	36,449	47,976
Total deferred outflows of resources	<u>11,527</u>	<u>36,449</u>	<u>47,976</u>
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable	7,707	63,686	71,393
Accrued liabilities	2,618	13,938	16,556
Due to other funds	3,413	20,017	23,430
Due to other governments	-	21,248	21,248
Leases payable, current portion	-	76,703	76,703
Notes payable, current portion	-	292,460	292,460
Compensated absences, current portion	181	6,258	6,439
Payable from restricted assets:			
Customer deposits	58,015	12,362	70,377
Revenue bonds payable, current portion	49,312	-	49,312
Total current liabilities	<u>121,246</u>	<u>506,672</u>	<u>627,918</u>
NON-CURRENT LIABILITIES			
Leases payable, net of current portion	-	298,602	298,602
Notes payable, net of current portion	-	1,225,303	1,225,303
Revenue bonds payable, net of current portion	1,165,639	-	1,165,639
Compensated absences, net of current portion	6,900	14,487	21,387
Closure and post-closure care costs	-	2,475,357	2,475,357
Net pension liability	54,167	171,283	225,450
Total non-current liabilities	<u>1,226,706</u>	<u>4,185,032</u>	<u>5,411,738</u>
Total liabilities	<u>1,347,952</u>	<u>4,691,704</u>	<u>6,039,656</u>

(Continued)

CRISP COUNTY, GEORGIA

**STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 JUNE 30, 2021**

	<u>Crisp County Water System</u>	<u>Crisp County Landfill</u>	<u>Totals</u>
DEFERRED INFLOWS OF RESOURCES			
Pension	\$ 14,174	\$ 44,822	\$ 58,996
Total deferred inflows of resources	<u>14,174</u>	<u>44,822</u>	<u>58,996</u>
NET POSITION			
Net investment in capital assets	1,282,763	4,147,935	5,430,698
Restricted for debt service	49,312	-	49,312
Unrestricted	3,725,454	803,658	4,529,112
Total net position	<u>\$ 5,057,529</u>	<u>\$ 4,951,593</u>	<u>\$ 10,009,122</u>

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

CRISP COUNTY, GEORGIA

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

	Crisp County Water System	Crisp County Landfill	Totals
OPERATING REVENUES			
Charges for services	\$ 712,073	\$ 1,805,572	\$ 2,517,645
Other revenue	1,749	33,915	35,664
Total operating revenues	<u>713,822</u>	<u>1,839,487</u>	<u>2,553,309</u>
OPERATING EXPENSES			
Personnel services	104,625	385,887	490,512
Cost of sales and services	75,588	672,793	748,381
Supplies	59,942	84,087	144,029
Administration	27,000	90,000	117,000
Depreciation	216,306	124,074	340,380
Total operating expenses	<u>483,461</u>	<u>1,356,841</u>	<u>1,840,302</u>
Operating income	<u>230,361</u>	<u>482,646</u>	<u>713,007</u>
NON-OPERATING INCOME (EXPENSES)			
Interest income	4,341	2,052	6,393
Interest expense	(40,322)	(67,153)	(107,475)
Total non-operating expenses, net	<u>(35,981)</u>	<u>(65,101)</u>	<u>(101,082)</u>
Income before capital contributions and transfers	194,380	417,545	611,925
CAPITAL CONTRIBUTIONS	<u>34,566</u>	<u>62,273</u>	<u>96,839</u>
TRANSFERS			
Transfers in	-	19,898	19,898
Total transfers	<u>-</u>	<u>19,898</u>	<u>19,898</u>
Change in net position	228,946	499,716	728,662
NET POSITION, beginning of year	<u>4,828,583</u>	<u>4,451,877</u>	<u>9,280,460</u>
NET POSITION, end of year	<u>\$ 5,057,529</u>	<u>\$ 4,951,593</u>	<u>\$ 10,009,122</u>

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

CRISP COUNTY, GEORGIA

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

	<u>Crisp County Water System</u>	<u>Crisp County Landfill</u>	<u>Totals</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from other customers	\$ 727,535	\$ 1,822,175	\$ 2,549,710
Payments to suppliers	(158,039)	(735,889)	(893,928)
Payments to employees	(99,774)	(400,303)	(500,077)
	<u>469,722</u>	<u>685,983</u>	<u>1,155,705</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers in	-	19,898	19,898
Net cash provided by noncapital financing activities	<u>-</u>	<u>19,898</u>	<u>19,898</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and construction of capital assets	-	(393,019)	(393,019)
Proceeds from capital leases	-	375,305	375,305
Principal paid on bonds payable	(47,738)	-	(47,738)
Principal paid on notes payable	-	(324,957)	(324,957)
Interest paid	(40,332)	(68,111)	(108,443)
Net cash used in capital and related financing activities	<u>(88,070)</u>	<u>(410,782)</u>	<u>(498,852)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	<u>4,341</u>	<u>2,052</u>	<u>6,393</u>
Net cash provided by investing activities	<u>4,341</u>	<u>2,052</u>	<u>6,393</u>
Increase in cash and cash equivalents	385,993	297,151	683,144
Cash and cash equivalents:			
Beginning of year	<u>3,456,687</u>	<u>3,164,675</u>	<u>6,621,362</u>
End of year	<u>\$ 3,842,680</u>	<u>\$ 3,461,826</u>	<u>\$ 7,304,506</u>
Classified as:			
Cash and cash equivalents	\$ 3,686,487	\$ 3,461,826	\$ 7,148,313
Restricted assets, cash	156,193	-	156,193
	<u>\$ 3,842,680</u>	<u>\$ 3,461,826</u>	<u>\$ 7,304,506</u>

(Continued)

CRISP COUNTY, GEORGIA

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

	Crisp County Water System	Crisp County Landfill	Totals
Reconciliation of operating income to net cash provided by operating activities			
Operating income	\$ 230,361	\$ 482,646	\$ 713,007
Adjustments to reconcile operating income to net cash provided by operating activities			
Depreciation	216,306	124,074	340,380
Increase in accounts receivable	(10,659)	(17,494)	(28,153)
Decrease in due from other funds	-	181	181
Decrease in due from other governments	21,546	-	21,546
Increase in prepaid expenses	(1,029)	(2,181)	(3,210)
Decrease in pension assumption change	8,438	33,824	42,262
Decrease in subsequent pension contributions	4,264	9,939	14,203
Increase in accounts payable	5,520	24,080	29,600
Increase in accrued liabilities	434	1,936	2,370
Increase in customer deposits	1,700	-	1,700
Increase in due to other funds	1,126	4,240	5,366
Increase in compensated absences	3,332	2,087	5,419
Decrease in net pension liability	(11,617)	(60,266)	(71,883)
Increase in closure and post-closure costs	-	82,917	82,917
	<u>\$ 469,722</u>	<u>\$ 685,983</u>	<u>\$ 1,155,705</u>
Net cash provided by operating activities			
Noncash investing, capital, and financing activities:			
Contributions of capital assets from governmental activities	\$ -	\$ 62,273	\$ 62,273
Contributions of capital assets from outside sources	34,566	-	34,566
	<u>\$ 34,566</u>	<u>\$ 62,273</u>	<u>\$ 96,839</u>

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

CRISP COUNTY, GEORGIA

**STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2021**

	ASSETS	<u>Custodial Funds</u>
Cash and cash equivalents		\$ 1,684,005
Accounts receivable		18,110
Taxes receivable		<u>1,806,925</u>
Total assets		<u>\$ 3,509,040</u>
	LIABILITIES	
Due to others		\$ 454,629
Uncollected taxes		<u>1,806,925</u>
Total liabilities		<u>\$ 2,261,554</u>
	NET POSITION	
Restricted for individuals, organizations, and other governments		<u>\$ 1,247,486</u>

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

CRISP COUNTY, GEORGIA

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

	<u>Custodial Funds</u>
ADDITIONS	
Taxes collected	\$ 14,745,315
Fines and fees collected	<u>7,250,025</u>
Total additions	<u>21,995,340</u>
DEDUCTIONS	
Taxes disbursed	14,671,216
Fines and fees disbursed	<u>7,043,106</u>
Total deductions	<u>21,714,322</u>
Change in net position	281,018
Net position, beginning of year, as restated	<u>966,468</u>
Net position, end of year	<u>\$ 1,247,486</u>

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

CRISP COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

Crisp County, Georgia was incorporated in the State of Georgia on August 17, 1905. The County is governed by an elected Board of Commissioners and an elected Chairman of the Board and provides the following services to the citizens of Crisp County: public safety (police and fire), public works, recreation, health and welfare services, education, judicial services, planning and community development, and general administrative services.

As required by accounting principles generally accepted in the United States of America, the financial statements of the reporting entity include those of the County (the primary government) and its component units. The component units discussed below are included in the County's reporting entity because of the significance of their operational and financial relationships with the County.

The Board of the **Crisp County Power Commission** (the "Commission") oversees the operations of the Crisp County Power Commission. Three of the seven Board members are appointed by the Board of County Commissioners while the other four are appointed by the County grand jury and the County has the ability to impose its will over the organization. The Commission has a December 31 year-end. Complete financial statements can be obtained at the following address: Crisp County Power Commission, 202 South 7th Street, Cordele, GA 31015.

The **Crisp Regional Health Services, Inc.** (the "Corporation") oversees the hospital facilities and related healthcare support services for the citizens of the County. The Board is appointed by the County Commissioners and the County has the ability to impose its will over the organization. Complete financial statements can be obtained at the following address: Crisp Regional Health Services, Inc., 902 7th Street North, Cordele, GA 31015.

The **Crisp County Board of Health** (the "Board of Health") oversees the operations of the Crisp County Department of Public Health. The County provides financial support to the Department of Public Health and appoints a majority of the members of the Board of Health. Complete financial statements can be obtained at the following address: Crisp County Department of Public Health, 111 East 24th Avenue, Cordele, GA 31015.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

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

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

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

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service principal and interest expenditures on general long-term debt, including lease liabilities, as well as expenditures related to compensated absences and claims and judgments, post-employment benefits and environmental obligations are recognized later based on specific accounting rules applicable to each, generally when payment is due. General capital asset acquisitions, including entering into contracts giving the County the right to use leased assets are reported as expenditures in governmental funds. Issuance of long-term debt and financing through leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, intergovernmental grants, licenses, and investment income 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. All other revenue items are considered to be measurable and available only when cash is received by the County.

The County reports the following major governmental funds:

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

The **Special Service District Fund** is a special revenue fund used to account for the receipt of taxes assessed to a special district that are restricted for expenditures of the district.

The **Transportation Special Purpose Local Option Sales Tax ("T-SPLOST") Special Revenue Fund** is a special revenue fund used to account for the collection of the discretionary portion of the T-SPLOST proceeds and expenditures, which are legally restricted for road maintenance and noncapital projects.

The **2017 Sales Tax Fund** is a capital projects fund used to account for the acquisition, construction, equipping and installation of certain capital outlay projects for the benefit of all Crisp County citizens. Financing is provided by a special purpose sales and use tax.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The ***E-911 Fund*** is a special revenue fund used to account for the costs of operating and maintaining the 911 Emergency Communication System for the County. Financing is provided by a charge to each telephone subscriber whose exchange access lines are in areas served by the County "911" service and by contributions from the City of Cordele.

The ***American Rescue Plan Act Fund*** is a special revenue fund used to account for the American Rescue Plan Act's grant revenues and expenditures.

The County reports the following major proprietary funds:

The ***Crisp County Water System*** is an enterprise fund used to account for the provision of water services to the citizens of Crisp County. Activities of the fund include water administration, operations, billing and collections.

The ***Crisp County Landfill*** is an enterprise fund used to account for the revenues and expenses associated with the operation of the County's landfill.

Additionally, the County reports the following fund types:

The ***special revenue funds*** account for revenue sources that are legally restricted or committed for expenditures of specific purposes.

The ***capital project funds*** account for the acquisition or construction of capital facilities.

The ***custodial funds*** are used to account for assets held by the County as a custodial for individuals, private organizations, other governmental units, and/or other funds.

Amounts reported as *program revenues* include: 1) charges for services provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Crisp Regional Health Services, Inc., a discretely presented component unit of the County, reports under the Financial Accounting Standards Board (“FASB”) standards; including FASB Codification Topic 958, *Not-for-Profit Entities*. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features.

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

D. Cash, Cash Equivalents and Investments

The County and discretely presented component units’ cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

The investment in the Georgia Fund 1 represents the County’s portion of a pooled investment account operated by the Office of the State Treasurer. The pool consists of U.S. treasury obligations, securities issued or guaranteed by the U.S. government or any of its agencies or instrumentalities, bankers’ acceptances, overnight and term repurchase agreements with highly rated counterparties, and collateralized bank accounts. The investment in the Georgia Fund 1 is valued at fair market value.

E. Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. For the most part, the effect of interfund activity has been removed from the government-wide statement of net position. Any residual balances outstanding between the governmental and business-type activities are reported in the government-wide statement of net position as “internal balances.” In the fund financial statements, these receivables and payables are classified as “due from other funds” or “due to other funds”.

F. Inventory and Prepaid Items

Inventory in the governmental funds is valued at the lower of cost or market. The County accounts for inventory on the purchase basis. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the government-wide financial statements. In accordance with GASB 34, infrastructure assets acquired after June 30, 1980 have been capitalized. Capital assets are defined by the County as assets with an initial, individual cost of more than \$1,500 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value.

As the County constructs or acquires capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost (except for intangible right-to-use lease assets, the measurement of which is discussed in Note 1. - O. below). The reported value excludes normal maintenance and repairs, which are amounts spent in relation to capital assets that do not increase the asset's capacity or efficiency or increase its estimated useful life. Donated capital assets are recorded at acquisition value as of the date of donation. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential on the date of the donation. Intangible assets follow the same capitalization policies as tangible capital assets and are reported with tangible assets in the appropriate capital asset class.

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

Major outlays for capital improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets is included as part of the capitalized value of assets constructed. No interest expense was capitalized during the fiscal year ended June 30, 2021.

Land and construction in progress are not depreciated. The other tangible and intangible property, plant, equipment, the right-to-use leased equipment, and infrastructure of the primary government are depreciated/amortized using the straight-line method over the following estimated lives:

<u>Asset Category</u>	<u>Years</u>
Furniture, machinery and equipment	5 – 15
System improvements	35
Plant and buildings	20 – 50
Right-to-use leased equipment	5 – 15
Infrastructure	20
Land improvements	2 – 50

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. 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), therefore, will not be recognized as an outflow of resources (expense/expenditure) until then. The County does not have any items that qualify for reporting in this category other than the items related to the changes in the net pension liability which are discussed on the following page.

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

The County also has deferred outflows and deferred inflows of resources related to the recording of changes in its net pension liability. Certain changes in the net pension liability are recognized as pension expense over time instead of all being recognized in the year of occurrence. The County reports deferred outflows of resources for assumption changes which are amortized into pension expense over the average expected remaining service lives of plan members. The difference between projected investment return on pension investments and actual return on those investments is also deferred and amortized against pension expense over a five-year period. Experience gains or losses result from periodic studies by the County's actuary which adjust the net pension liability for actual experience for certain trend information that was previously assumed, for example, the assumed dates of retirement of plan members. These experience gains or losses are recorded as deferred inflows and outflows of resources and are amortized into pension expense over the expected remaining service lives of plan members.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Pensions

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

J. 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, and 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 reported as expenses in the year the debt is issued.

In the fund financial statements, governmental fund types recognize bond premiums, discounts, and 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.

K. Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the County does not have a policy to pay any amounts when the employees separate from service with the County. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Fund Equity

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

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

- **Non-spendable** – Fund balances are reported as non-spendable when amounts cannot be spent because they are either: a) not in spendable form (i.e., items that are not expected to be converted to cash), or b) legally or contractually required to be maintained intact.
- **Restricted** – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.
- **Committed** – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the County Commission through the adoption of a resolution. Only the County Commission may modify or rescind the commitment.
- **Assigned** – Fund balances are reported as assigned when amounts are constrained by the County’s intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the County Commission has authorized the County Administrator to assign fund balances.
- **Unassigned** – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The County reports positive unassigned fund balance only in the general fund. Negative unassigned fund balances may be reported in all funds.

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

- Committed
- Assigned
- Unassigned

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Fund Equity (Continued)

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

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

M. Management Estimates

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

N. Tax Abatement Agreements

Effective June 30, 2017, the County implemented GASB Statement No. 77, *Tax Abatement Disclosures*. This statement requires the County to disclose information for any tax abatement agreements either entered into by the County, or agreements entered into by other governments that reduce the County's tax revenues. For the fiscal year ended June 30, 2021, the County did not have any such agreements, either entered into by the County or by other governments that exceeded the quantitative threshold for disclosure.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Leases

Effective July 1, 2020, the County implemented the provisions of GASB Statement No. 87, *Leases*. The information disclosed below is presented in accordance with this new standard.

Lessee. The County is a lessee for a non-cancellable lease of equipment. The County recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The County recognizes lease liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease terms. Subsequently, the lease liability is reduced by the principal portion of the lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the County determines: 1) the discount rate is uses to discount the expected lease payments to present value, 2) lease term, and 3) lease payments.

- The County uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the non-cancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the County is reasonably certain to exercise.

The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

NOTES TO FINANCIAL STATEMENTS

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

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position

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

Leases payable	\$ (243,272)
Compensated absences	<u>(307,185)</u>
Net adjustment to decrease fund balance - total governmental funds to arrive at <i>net position - governmental activities</i>	<u>\$ (550,457)</u>

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures and changes in fund balances and the government-wide statement of activities

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

Capital outlay	\$ 2,014,151
Depreciation expense	<u>(4,271,043)</u>
Net adjustment to decrease <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ (2,256,892)</u>

NOTES TO FINANCIAL STATEMENTS

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

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures and changes in fund balances and the government-wide statement of activities (Continued)

Another element of that reconciliation that explains that “Bond and other debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond and other debt principal is an expenditure in the governmental fund, but repayment reduces long-term liabilities in the Statement of Net Position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.” The details of this difference are as follows:

Issuance of leases payable	\$ (262,755)
Principal payments on leases payable	<u>1,252,006</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ 989,251</u>

Another element of that reconciliation explains that “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”. The details of this difference are as follows:

Compensated absences	\$ 95,057
Change in net pension liability and related deferred inflows and outflows of resources	<u>(153,288)</u>
Net adjustment to decrease <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ (58,231)</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 3. LEGAL COMPLIANCE – BUDGETS

A. Budgets and Budgetary Accounting

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

1. No later than January 15th of each year, the County Commission shall approve the subsequent fiscal year's budget calendar. This calendar shall include specific dates for completion of each task necessary to prepare, review and approve the County's operating budget. The budget calendar shall establish the date to have a completed budget approved and adopted.
2. After preparation of the departmental budgets by the department heads and the County Administrator, each department head formally presents the budget to the Board of Commissioners. The Board of Commissioners reviews each budget at this time.
3. After review of each departmental budget and revisions made by the department heads, the budget is adopted by the Board of Commissioners.
4. Formal budgetary integration is the management tool used as a control device during the year for the General Fund. The legal level of budgetary control is the department level.
5. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual appropriated budgets are legally adopted for the General Fund and each special revenue fund.
6. The County budgets the capital projects funds on a project basis with the term of the project being longer than the County's fiscal period.
7. All appropriations lapse at fiscal year-end.

NOTES TO FINANCIAL STATEMENTS

NOTE 3. LEGAL COMPLIANCE – BUDGETS (CONTINUED)

B. Encumbrances

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 not utilized by the County.

C. Excess of Expenditures Over Appropriations

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

<u>Department</u>	<u>Excess</u>
General Fund:	
General government buildings and plant	\$ (31,686)
Judicial administration	(35,695)

Excess expenditures over budget were funded by under-expenditures in other departments.

D. Fund Deficit

The Jail Fund and T-SPLOST Special Revenue Fund reported a deficit fund balance of \$696 and \$41,583, respectively, at June 30, 2021. The deficit is intended to be eliminated through transfers from the General Fund.

NOTES TO FINANCIAL STATEMENTS

NOTE 4. DEPOSITS AND INVESTMENTS

Credit risk. State statutes authorize the County to invest in obligations of the State of Georgia or other states; obligations issued by the U.S. government; obligations fully insured or guaranteed by the U.S. government or by a government agency of the United States; obligations of any corporation of the U.S. government; prime bankers' acceptances; the local government investment pool established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia.

At June 30, 2021, the County had the following investments:

<u>Investments</u>	<u>Maturities</u>	<u>Credit Rating</u>	<u>Fair Value</u>
Primary government:			
Georgia Fund 1	36-day weighted average	AAAf	\$ 4,888,399
Certificates of deposit	6-month weighted average	(a)	242,076
			<u>\$ 5,130,475</u>

(a) These are certificates of deposits held at a local financial institution and are not rated.

As of June 30, 2021, the County's investment in Georgia Fund 1 was rated AAAf by Standard & Poor's.

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

Custodial credit risk – Deposits. The County does not have a formal custodial credit risk policy. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of June 30, 2021, none of the County deposits were exposed to custodial credit risk as uninsured and uncollateralized as defined by GASB pronouncements.

Fair Value Measurements. The County categorizes its fair value investments within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The Georgia Fund 1 is an investment pool which does not meet the criteria of GASB Statement No. 79 and is thus valued at fair value in accordance with GASB Statement No. 31. As a result, the County does not disclose its position in the Georgia Fund 1 of \$4,888,399 within the fair value hierarchy. Certificates of deposit are investments carried at cost. As a result, the County does not disclose its position in certificates of deposits of \$242,076 within the fair value hierarchy.

NOTES TO FINANCIAL STATEMENTS

NOTE 5. RECEIVABLES

Receivables at June 30, 2021, for the County's individual major funds and nonmajor funds in the aggregate, are as follows:

	General Fund	Special Service District Fund	Nonmajor Governmental Funds
Receivables:			
Taxes	\$ 986,867	\$ 48,208	\$ 5,100
Accounts	42,180	5,664	1,574
Notes	-	-	2,237,590
	1,029,047	53,872	2,244,264
Less allowance for uncollectibles	(49,343)	(2,410)	(1,091,679)
Total receivables	\$ 979,704	\$ 51,462	\$ 1,152,585
		Crisp County Water System	Total
Receivables:			
Taxes	\$ -	\$ -	\$ 1,040,175
Accounts	145,566	62,073	257,057
Notes	-	-	2,237,590
	145,566	62,073	3,534,822
Less allowance for uncollectibles	(10,826)	-	(1,154,258)
Total receivables	\$ 134,740	\$ 62,073	\$ 2,380,564

The County's property taxes were levied on the assessed values of all real and personal property with utilities, including mobile homes and motor vehicles, located in the County.

The tax billing cycle for fiscal year 2021 is as follows:

Levy date	April 26, 2020
Payment due date	December 20, 2020
Delinquency date	December 21, 2020

Notes receivable consist of community development loans to individuals and businesses. Financing has been provided by various federal and state grants.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. CAPITAL ASSETS

The County's capital asset activity for the fiscal year ended June 30, 2021, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	<u>Ending Balance</u>
Governmental activities					
Capital assets, not being depreciated:					
Land	\$ 2,536,632	\$ -	\$ -	\$ -	\$ 2,536,632
Construction in progress	136,565	881,426	(9,970)	-	1,008,021
Total	<u>2,673,197</u>	<u>881,426</u>	<u>(9,970)</u>	<u>-</u>	<u>3,544,653</u>
Capital assets, being depreciated:					
Land improvements	12,892,446	8,200	(26,284)	-	12,874,362
Infrastructure	76,195,629	-	-	-	76,195,629
Plant and buildings	27,148,866	7,543	(279,296)	-	26,877,113
Right-to-use leased equipment	-	262,755	-	-	262,755
Furniture, machinery and equipment	21,998,148	854,227	(2,496,848)	-	20,355,527
Total	<u>138,235,089</u>	<u>1,132,725</u>	<u>(2,802,428)</u>	<u>-</u>	<u>136,565,386</u>
Less accumulated depreciation for:					
Land improvements	(5,704,861)	(509,118)	26,285	-	(6,187,694)
Infrastructure	(64,011,900)	(1,453,744)	-	-	(65,465,644)
Plant and buildings	(11,704,012)	(955,665)	183,152	-	(12,476,525)
Right-to-use leased equipment	-	(18,797)	-	-	(18,797)
Furniture, machinery and equipment	(17,137,757)	(1,333,719)	2,461,531	-	(16,009,945)
Total	<u>(98,558,530)</u>	<u>(4,271,043)</u>	<u>2,670,968</u>	<u>-</u>	<u>(100,158,605)</u>
Total capital assets, being depreciated, net	<u>39,676,559</u>	<u>(3,138,318)</u>	<u>(131,460)</u>	<u>-</u>	<u>36,406,781</u>
Governmental activities capital assets, net	<u>\$ 42,349,756</u>	<u>\$ (2,256,892)</u>	<u>\$ (141,430)</u>	<u>\$ -</u>	<u>\$ 39,951,434</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 6. CAPITAL ASSETS (CONTINUED)

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	<u>Ending Balance</u>
Business-type activities					
Capital assets, not being depreciated:					
Land	\$ 765,223	\$ -	\$ -	\$ -	\$ 765,223
Construction in progress	115,435	-	-	-	115,435
Total capital assets, not being depreciated	<u>880,658</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>880,658</u>
Capital assets, being depreciated:					
Infrastructure	212,081	-	-	-	212,081
Plant and buildings	16,338,508	-	-	-	16,338,508
Furniture, machinery and equipment	4,718,813	96,839	-	-	4,815,652
Right-to-use leased equipment	-	393,019	-	-	393,019
System improvements	342,454	-	-	-	342,454
Total	<u>21,611,856</u>	<u>489,858</u>	<u>-</u>	<u>-</u>	<u>22,101,714</u>
Less accumulated depreciation for:					
Infrastructure	(7,234)	(10,604)	-	-	(17,838)
Plant and buildings	(9,224,952)	(261,577)	-	-	(9,486,529)
Furniture, machinery and equipment	(4,560,044)	(36,640)	-	-	(4,596,684)
Right-to-use leased equipment	-	(18,242)	-	-	(18,242)
System improvements	(311,045)	(13,317)	-	-	(324,362)
Total	<u>(14,103,275)</u>	<u>(340,380)</u>	<u>-</u>	<u>-</u>	<u>(14,443,655)</u>
Total capital assets, being depreciated, net	<u>7,508,581</u>	<u>149,478</u>	<u>-</u>	<u>-</u>	<u>7,658,059</u>
Business-type activities capital assets, net	<u>\$ 8,389,239</u>	<u>\$ 149,478</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,538,717</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 6. CAPITAL ASSETS (CONTINUED)

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

Governmental activities	
General government	\$ 401,127
Judicial	21,725
Public safety	1,512,820
Public works	1,553,988
Health and welfare	38,838
Parks and recreation	375,529
Housing and development	367,017
Total depreciation expense - governmental activities	\$ 4,271,044
 Business-type activities	
Water system	\$ 216,306
Landfill	124,074
Total depreciation expense - business-type activities	\$ 340,380

NOTE 7. LONG-TERM DEBT

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities					
Leases payable	\$ 1,232,523	\$ 262,755	\$ 1,252,006	\$ 243,272	\$ 50,419
Compensated absences	402,242	662,485	757,542	307,185	212,565
Net pension liability	8,230,183	-	1,436,707	6,793,476	-
Governmental activities long-term liabilities	\$ 9,864,948	\$ 925,240	\$ 3,446,255	\$ 7,343,933	\$ 262,984
 Business-type activities					
Notes payable	\$ 1,842,720	\$ -	\$ 324,957	\$ 1,517,763	\$ 292,460
Leases payable	-	393,019	17,714	375,305	76,703
Revenue bonds payable	1,262,689	-	47,738	1,214,951	49,312
Compensated absences	22,407	14,565	9,146	27,826	6,439
Closure and post-closure care	2,392,440	82,917	-	2,475,357	-
Net pension liability	297,334	-	71,884	225,450	-
Business-type activities long-term liabilities	\$ 5,817,590	\$ 490,501	\$ 471,439	\$ 5,836,652	\$ 424,914

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

For governmental activities, compensated absences and net pension liability are generally liquidated by the General Fund. For business-type activities, compensated absences and net pension liability are liquidated by the Crisp County Water System Fund and the Crisp County Landfill Fund.

Governmental Activities Debt

Leases Payable

During the current fiscal year, the County entered into a five-year lease agreement as lessee for the acquisition and use of road equipment. An initial lease liability was recorded in the amount of \$128,569 during the current fiscal year. As of June 30, 2021, the value of the lease liability was \$128,569. The County is required to make monthly principal and interest payments of \$2,360. The lease has an interest rate of 4%. The equipment has a five-year estimated useful life. The value of the right-to-use asset as of the end of the current fiscal year was \$128,569 and had accumulated amortization of \$564.

During the current fiscal year, the County entered into a five-year lease agreement as lessee for the acquisition and use of construction equipment. An initial lease liability was recorded in the amount of \$66,788 during the current fiscal year. As of June 30, 2021, the value of the lease liability was \$60,492. The County is required to make monthly principal and interest payments of \$1,226. The lease has an interest rate of 4%. The equipment has a five-year estimated useful life. The value of the right-to-use asset as of the end of the current fiscal year was \$66,788 and had accumulated amortization of \$5,123.

During the current fiscal year, the County entered into a five-year lease agreement as lessee for the acquisition and use of traffic cameras. An initial lease liability was recorded in the amount of \$67,398 during the current fiscal year. As of June 30, 2021, the value of the lease liability was \$54,427. The County is required to make monthly principal and interest payments of \$3,699. The lease has an interest rate of 4%. The equipment has a five-year estimated useful life. The value of the right-to-use asset as of the end of the current fiscal year was \$67,398 and had accumulated amortization of \$13,110.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

Governmental Activities Debt (Continued)

Leases Payable (Continued)

The future principal and interest lease payments as of June 30, 2021, were as follows:

<u>Fiscal Year Payable</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 59,263	\$ 50,419	\$ 8,844
2023	57,826	50,881	6,945
2024	57,826	53,100	4,726
2025	57,826	55,217	2,609
2026	34,280	33,655	625
	<u>\$ 267,021</u>	<u>\$ 243,272</u>	<u>\$ 23,749</u>

Business Activities Debt

Leases

During the current fiscal year, the County entered into a five-year lease agreement as lessee for the acquisition and use of construction equipment. An initial lease liability was recorded in the amount of \$50,058 during the current fiscal year. As of June 30, 2021, the value of the lease liability was \$44,571. The County is required to make monthly principal and interest payments of \$919. The lease has an interest rate of 4%. The equipment has a ten-year estimated useful life. The value of the right-to-use asset as of the end of the current fiscal year was \$50,058 and had accumulated amortization of \$4,992.

During the current fiscal year, the County entered into a five-year lease agreement as lessee for the acquisition and use of construction equipment. An initial lease liability was recorded in the amount of \$78,139 during the current fiscal year. As of June 30, 2021, the value of the lease liability was \$70,772. The County is required to make monthly principal and interest payments of \$1,434. The lease has an interest rate of 4%. The equipment has a ten-year estimated useful life. The value of the right-to-use asset as of the end of the current fiscal year was \$78,139 and had accumulated amortization of \$5,994.

During the current fiscal year, the County entered into a five-year lease agreement as lessee for the acquisition and use of construction equipment. An initial lease liability was recorded in the amount of \$264,822 during the current fiscal year. As of June 30, 2021, the value of the lease liability was \$259,961. The County is required to make monthly principal and interest payments of \$4,861. The lease has an interest rate of 4%. The equipment has a ten-year estimated useful life. The value of the right-to-use asset as of the end of the current fiscal year was \$264,822 and had accumulated amortization of \$7,255.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

Business Activities Debt (Continued)

Leases (Continued)

The future principal and interest lease payments as of June 30, 2021, were as follows:

<u>Fiscal Year Payable</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 90,275	\$ 76,703	\$ 13,572
2023	86,568	75,326	11,242
2024	86,568	79,066	7,502
2025	86,568	82,184	4,384
2026	63,253	62,026	1,227
	<u>\$ 413,232</u>	<u>\$ 375,305</u>	<u>\$ 37,927</u>

Notes Payable. The County has also incurred debt to the Georgia Environmental Facilities Authority (“GEFA”) for landfill improvements. These notes are as follows at June 30, 2021:

<u>Purpose</u>	<u>Original Amount</u>	<u>Interest Rate</u>	<u>Due Date</u>	<u>Balance at June 30, 2021</u>
Landfill improvements	\$ 1,417,970	3.98%	2025	\$ 312,755
Landfill improvements	2,766,304	3.89%	2027	1,205,008
				1,517,763
		Less current maturities		(292,460)
				<u>\$ 1,225,303</u>

Notes payable debt service requirements to maturity are as follows as of June 30, 2021:

<u>Fiscal Year Payable</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 346,883	\$ 292,460	\$ 54,423
2023	346,873	304,105	42,768
2024	346,874	316,225	30,649
2025	269,308	250,489	18,819
2026	243,718	234,070	9,648
2027	121,784	120,414	1,370
	<u>\$ 1,675,440</u>	<u>\$ 1,517,763</u>	<u>\$ 157,677</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

Business Activities Debt (Continued)

Revenue Bonds Payable. The County issued Series 1997A Water Revenue bonds in the principal amount of \$1,941,340. These bonds matured and were reissued as Series 1999A Water Revenue Bonds in January 1999. Upon their maturity in December 1999, Series 1999B Water Revenue bonds were issued. These bonds were purchased by the United States Department of Agriculture and are being repaid over 40 years beginning December 28, 2000. These bonds are payable in monthly installments of \$7,399 including interest at 3.25%. Final payment is due September 28, 2039.

Debt service requirements to maturity on the bonds payable are as follows:

<u>Fiscal Year Payable</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 88,068	\$ 49,312	\$ 38,756
2023	88,068	50,939	37,129
2024	88,068	52,619	35,449
2025	88,068	54,355	33,713
2026	88,068	56,148	31,920
2027 – 2031	440,340	309,779	130,561
2032 – 2036	440,340	364,358	75,982
2037 – 2040	352,276	277,441	74,835
	<u>\$ 1,673,296</u>	<u>\$ 1,214,951</u>	<u>\$ 458,345</u>

NOTE 8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of June 30, 2021, is as follows:

Due to/from other funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Crisp County Water System Fund	\$ 3,413
General Fund	Special Service District Fund	11,514
General Fund	E-911	731,477
General Fund	Nonmajor Governmental Funds	106,280
General Fund	Crisp County Landfill Fund	20,017
General Fund	T-SPLOST Special Revenue Fund	5,365
Nonmajor Governmental Funds	T-SPLOST Special Revenue Fund	249,717
Nonmajor Governmental Funds	Nonmajor Governmental Funds	16,257
		<u>\$ 1,144,040</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)

Due to/from other funds (Continued)

These balances resulted from the time lag between the dates that: 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system, and 3) payments between funds are made.

Interfund transfers

<u>Transfers In</u>	<u>Transfers Out</u>				<u>Total</u>
	<u>General Fund</u>	<u>T-SPLOST Special Revenue Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>2017 Sales Tax Fund</u>	
Nonmajor Governmental Funds	\$ 6,216	\$ 599,717	\$ 21,822	\$ -	\$ 627,755
General Fund	549	-	15,897	-	16,446
E-911 Fund	440,476	-	-	-	440,476
Crisp County Landfill Fund	-	-	-	19,898	19,898
Total	<u>\$ 447,241</u>	<u>\$ 599,717</u>	<u>\$ 37,719</u>	<u>\$ 19,898</u>	<u>\$ 1,104,575</u>

Transfers are used to: 1) move revenues from the fund that the statute or budget requires to collect them to the fund that the statute or budget requires to expend them, 2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, 3) move unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, and 4) transfers out of the 2017 Sales Tax Fund to the Crisp County Landfill Fund were made to be used for projects associated with SPLOST activities.

NOTE 9. LANDFILL CLOSURE AND POST-CLOSURE CARE COST

State and federal laws and regulations require the County place a cover on its landfills when they are filled and perform certain maintenance and monitoring functions for 30 years after closure. In addition to operating expenses related to current activities of the landfill, an expense provision is being recognized based on the estimated future closure and post-closure care costs to be incurred near or after the date the landfill no longer accepts waste. A liability equal to estimated future costs related to these requirements is recorded based on the percentage of landfill capacity used to date. The estimated total cost of the landfill closure and post-closure care costs is based on the amount that would be paid if all equipment facilities and services required to close, monitor and maintain the landfill were acquired or incurred as of June 30, 2021. Actual costs may be higher due to changes in inflation, changes in technology, or changes in regulations.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. LANDFILL CLOSURE AND POST-CLOSURE CARE COST (CONTINUED)

At the present rate of disposal, it is estimated that the remaining lifespan of the Subtitle D Landfill is 20 years.

A summary of the liability recorded at June 30, 2021 for closure and post-closure care costs is as follows:

	Vertical Landfill	Subtitle D Landfill	Total
Estimated closure costs	\$ -	\$ 4,548,256	\$ 4,548,256
Estimated post-closure care costs	580,215	2,622,106	3,202,321
	580,215	7,170,362	\$ 7,750,577
Percentage of capacity filled, June 30, 2021	100%	26.43%	
Closure and post-closure care cost liability	\$ 580,215	\$ 1,895,142	\$ 2,475,357

NOTE 10. DEFINED BENEFIT PENSION PLANS

Plan Description

The County, as authorized by the County Commission, has established a non-contributory defined benefit pension plan, the Crisp County Defined Benefit Plan (the "Plan"), covering substantially all of the County's employees. The County's pension plan is administered through the Association County Commissioners of Georgia Third Restated Defined Benefit Plan (the "ACCG Plan"), an agent multiple-employer pension plan administered by GEBCorp and affiliated with the Association of County Commissioners of Georgia (the "ACCG"). The Plan provides retirement, disability, and death benefits to plan members and beneficiaries. The Plan benefits are provided for the Plan participants who were participants in the Plan before January 1, 2004 whereby retirees receive between 1% and 1.75% multiplied by the average of the highest five consecutive years of earnings multiplied by the total credited years of service. The Plan benefits are provided for the Plan participants who were participants in the Plan on or after January 1, 2004 whereby retirees receive 1% multiplied by the average of the highest five consecutive years of earnings multiplied by the total credited years of service. The ACCG, in its role as the Plan sponsor, has the sole authority to establish and amend the benefit provisions and the contribution rates of the County related to the Plan, as provided in Section 19.03 of the ACCG Plan document. The County has the authority to amend the adoption agreement, which defines the specific benefit provisions of the Plan, as provided in Section 19.02 of the ACCG Plan document. The County Commission retains this authority. The ACCG Plan issues a publicly available financial report that includes financial statements and required supplementary information for the pension trust. That report may be obtained at www.gebcorp.com or by writing to Association County Commissioners of Georgia, Retirement Services, 191 Peachtree Street, NE, Atlanta, Georgia 30303 or by calling (800) 736-7166.

NOTES TO FINANCIAL STATEMENTS

NOTE 10. DEFINED BENEFIT PENSION PLANS (CONTINUED)

Plan Membership

As of January 1, 2020, the date of the most recent actuarial valuation date, pension plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	100
Inactive plan members entitled to but not receiving benefits	79
Active plan members	<u>159</u>
	<u><u>338</u></u>

Contributions

The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The Board of Trustees of the ACCG Plan has adopted a recommended actuarial funding policy for the Plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the Plan. The funding policy for the Plan, as adopted by the County Commission, is to contribute an amount equal to or greater than the actuarially recommended contribution rate. This rate is based on the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. No contributions are made by the Plan participants. For the year ended June 30, 2021, the County's contribution rate was 16.1% of annual payroll. County contributions to the Plan were \$1,497,140 for the year ended June 30, 2021.

Net Pension Liability of the County

The County's net pension liability was measured as of December 31, 2020. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2020.

Actuarial Assumptions. The total pension liability in the January 1, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary increases	3.50% - 5.50%, including inflation
Investment rate of return	7.00%, net of pension plan investment expense, including inflation

Mortality rates were based on the Pub-2010 amount weighted Mortality Table with a blend of 50% of the General Employees Table and 50% of the Public Safety Employees with Scale AA to 2020.

NOTES TO FINANCIAL STATEMENTS

NOTE 10. DEFINED BENEFIT PENSION PLANS (CONTINUED)

Net Pension Liability of the County (Continued)

Actuarial Assumptions (Continued). The actuarial assumptions used in the January 1, 2020 valuation were based on the results of an actuarial experience study through December 31, 2019.

The long-term expected rate of return on pension plan investments was determined through a blend of using a building-block method based on 20-year benchmarks (25%) and 30-year benchmarks (25%), as well as forward-looking capital market assumptions for a moderate asset allocation (50%), as determined by UBS. Expected future rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2020, are summarized in the following table:

Asset Class	Target Allocation	Range
Fixed Income	30 %	25 – 35 %
Large Cap	30	25 – 35
Mid Cap	5	2.5 – 10
Small Cap	5	2.5 – 10
REIT	5	2.5 – 10
International	15	10 – 20
Multi Cap	5	2.5 – 10
Global Allocation	5	2.5 – 10
	100 %	

* Rates shown are net of the 3.00% assumed rate of inflation.

Discount Rate. The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that County contributions will be made based on the average County contribution made to the Plan over the prior five years. Based on this assumption, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all of the projected benefit payments to determine the total pension liability.

NOTES TO FINANCIAL STATEMENTS

NOTE 10. DEFINED BENEFIT PENSION PLANS (CONTINUED)

Net Pension Liability of the County (Continued)

Changes in the Net Pension Liability of the County. The changes in the components of the net pension liability of the County for the year ended June 30, 2021, were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at June 30, 2020	\$ 28,802,784	\$ 20,275,267	\$ 8,527,517
Changes for the year:			
Service cost	454,235	-	454,235
Interest	1,979,231	-	1,979,231
Experience differences	22,556	-	22,556
Assumption changes	48,620	-	48,620
Contributions - employer	-	1,497,140	(1,497,140)
Net investment income	-	2,683,470	(2,683,470)
Benefit payments, including refunds of employee contributions	(1,056,106)	(1,056,106)	-
Administrative expense	-	(50,502)	50,502
Other charges	-	(116,875)	116,875
Net changes	1,448,536	2,957,127	(1,508,591)
Balances at June 30, 2021	\$ 30,251,320	\$ 23,232,394	\$ 7,018,926

The required schedule of changes in the County's net pension liability and related ratios immediately following the notes to the financial statements presents multi-year trend information about whether the value of plan assets is increasing or decreasing over time relative to the total pension liability.

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
County's net pension liability	\$ 10,797,842	\$ 7,018,926	\$ 3,856,234

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of December 31, 2020, and the current sharing pattern of costs between employer and employee.

NOTES TO FINANCIAL STATEMENTS

NOTE 10. DEFINED BENEFIT PENSION PLANS (CONTINUED)

Net Pension Liability of the County (Continued)

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

For the year ended June 30, 2021, the County recognized pension expense of \$1,634,689. At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ 1,716,084
Pension assumption changes	790,974	-
Differences between expected and actual experience of economic/demographic (gains)/losses	702,660	120,635
	\$ 1,493,634	\$ 1,836,719

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30,

2022	\$ 339,428
2023	233,853
2024	(672,626)
2025	(243,740)
Total	\$ (343,085)

NOTE 11. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County participates in the ACCG Group Self-Insurance Workers' Compensation Fund and the Interlocal Risk Management Agency Property and Liability Insurance Fund, public entity risk pools currently operating as common risk management and insurance programs for member local governments.

NOTES TO FINANCIAL STATEMENTS

NOTE 11. RISK MANAGEMENT (CONTINUED)

As part of these risk pools, the County is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pools' agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the funds being required to pay any claim of loss. The County is also to allow the pools' agents and attorneys to represent the 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 past three years have not exceeded the coverages.

NOTE 12. COMMITMENTS AND CONTINGENT LIABILITIES

A. Litigation

The County is involved in several pending lawsuits. Liability, if any, which might result from these proceedings, would not, in the opinion of management and legal counsel, have a material adverse effect on the financial position of the County.

B. Grant Contingencies

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

C. Crisp Regional Health Services, Inc. Debt Guarantee

Crisp Regional Health Services, Inc. issued Series 2008A Revenue Bonds in the original principal amount of \$10,000,000 and Series 2008B Revenue Bonds in the original principal amount of \$3,000,000. Principal payments are due July 1 each year through 2027 with interest rates varying from 3.13% to 4.00%. These bonds are collateralized by the Crisp Regional Health Services, Inc.'s gross revenues and are guaranteed by Crisp County and an insurance policy. Crisp Regional Health Services, Inc. issued Series 2013 Revenue Bonds in the original principal amount of \$16,500,000. Principal payments are due July 1 each year through 2043 with interest rates varying from 3.50% to 4.15%. These bonds are collateralized by the Crisp Regional Health Services, Inc.'s gross revenues and are guaranteed by the County and an insurance policy. Crisp Regional Health Services, Inc.'s revenue bonds outstanding at June 30, 2021 total \$22,907,000, which are guaranteed by the County.

NOTES TO FINANCIAL STATEMENTS

NOTE 13. JOINT VENTURES

A. River Valley Regional Commission

Under Georgia law, the County, in conjunction with cities and counties in the 16-county west central Georgia area, is a member of the River Valley Regional Commission ("RVRC"). During its year ended June 30, 2021, the County paid \$11,397 in such dues. Membership in a regional commission is required by the Official Code of Georgia Annotated ("O.C.G.A.") §50-8-34, which provides for the organizational structure of the RVRC in Georgia. The RVRC Board membership includes the chief elected official of each county and municipality of the area. O.C.G.A. §50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC. Separate financial statements may be obtained from the River Valley Regional Commission, 1428 Second Avenue, Columbus, Georgia 31902.

B. Crisp/Dooly Joint Development Authority

The County, in conjunction with Dooly County, is a member of the Crisp/Dooly Joint Development Authority (the "Authority"). The Authority has fiscal responsibility relative to the strategic plan adopted for the Crisp/Dooly Enterprise Community. The Authority's board members are appointed in an equal number by the Crisp and Dooly County Commissioners. The County does not have an equity interest in the Crisp/Dooly Joint Development Authority, and the joint venture is not expected to provide a financial benefit or burden to the County. Information concerning the financial statements may be obtained from the Crisp/Dooly Joint Development Authority.

NOTE 14. RELATED ORGANIZATION

Solid Waste Management Authority of Crisp County

The Solid Waste Management Authority ("SWMA") is governed by a seven-member board consisting of the Board of Commissioners of the County and two members appointed by the Commissioners. The SWMA was formed to provide solid waste disposal and recycling services to the citizens of the County.

The SWMA recycling facility and equipment were placed in operation in October 1998. Soon thereafter, the facility proved to be inadequate in handling the volume of waste necessary to support itself. Upon default of the bond payments in August 2001, the operations of the SWMA were taken over by its bond insurers, Financial Security Assurance, Inc. Subsequent thereto, the County landfill stopped taking SWMA waste. Because the County has no influence over the operations of the SWMA, it does not have the ability to impose its will on the organization.

NOTES TO FINANCIAL STATEMENTS

NOTE 15. CHANGE IN ACCOUNTING PRINCIPLE

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

	<u>Custodial Funds</u>
Net position, as previously reported	\$ -
Adjustment needed to record beginning net position of the agency funds now reported as custodial funds in accordance with GASB Statement No. 84	<u>966,468</u>
Net position, as restated	<u><u>\$ 966,468</u></u>

REQUIRED SUPPLEMENTARY INFORMATION

CRISP COUNTY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION DEFINED BENEFIT RETIREMENT PLAN SCHEDULE OF CHANGES IN THE COUNTY'S NET PENSION LIABILITY AND RELATED RATIOS FOR THE FISCAL YEAR ENDED JUNE 30,

	2021	2020	2019	2018	2017	2016	2015
Total pension liability							
Service cost	\$ 454,235	\$ 418,959	\$ 338,824	\$ 317,004	\$ 300,955	\$ 281,683	\$ 279,312
Interest on total pension liability	1,979,231	1,719,735	1,651,966	1,547,263	1,437,762	1,368,905	1,297,948
Changes of benefit terms	-	-	-	-	-	-	-
Differences between expected and actual experience	22,556	1,493,844	(637,634)	439,165	633,787	(246,743)	-
Changes of assumptions	48,620	1,079,902	1,368,871	46,511	627,846	631,117	-
Service credit transfer	-	13,189	-	-	-	-	-
Benefit payments, including refunds of employee contributions	(1,056,106)	(967,768)	(925,667)	(885,892)	(771,991)	(730,879)	(631,169)
Net change in total pension liability	1,448,536	3,757,861	1,796,360	1,464,051	2,228,359	1,304,083	946,091
Total pension liability - beginning	28,802,784	25,044,923	23,248,563	21,784,512	19,556,153	18,252,070	17,305,979
Total pension liability - ending (a)	30,251,320	28,802,784	25,044,923	23,248,563	21,784,512	19,556,153	18,252,070
Plan fiduciary net position							
Contributions - employer	1,497,140	1,454,323	1,046,710	1,157,954	1,055,935	914,768	957,690
Net investment income	2,683,470	3,425,155	(784,375)	2,322,374	963,499	97,867	884,473
Benefit payments, including refunds of employee contributions	(1,056,106)	(967,768)	(925,667)	(885,892)	(771,991)	(704,462)	(608,356)
Service credit transfer	-	13,189	-	-	-	-	-
Administrative expenses	(50,502)	(50,344)	(35,127)	(30,744)	(34,721)	(31,198)	(28,961)
Other	(116,875)	(102,315)	(86,276)	(118,355)	(126,873)	(76,070)	(90,130)
Net change in Plan fiduciary net position	2,957,127	3,772,240	(784,735)	2,445,337	1,085,849	200,905	1,114,716
Plan fiduciary net position - beginning	20,275,267	16,503,027	17,287,762	14,842,425	13,756,576	13,555,671	12,440,955
Plan fiduciary net position - ending (b)	23,232,394	20,275,267	16,503,027	17,287,762	14,842,425	13,756,576	13,555,671
County's net pension liability - ending (a) - (b)	\$ 7,018,926	\$ 8,527,517	\$ 8,541,896	\$ 5,960,801	\$ 6,942,087	\$ 5,799,577	\$ 4,696,399
Plan fiduciary net position as a percentage of the total pension liability	76.8%	70.4%	65.9%	74.4%	68.1%	70.3%	74.3%
Covered payroll	\$ 7,050,989	\$ 6,905,301	\$ 6,222,195	\$ 5,763,308	\$ 5,837,978	\$ 5,620,286	\$ 5,546,941
County's net pension liability as a percentage of covered payroll	99.5%	123.5%	137.3%	103.4%	118.9%	103.2%	84.7%

Notes to the Schedule

The schedule will present 10 years of information once it is accumulated.

CRISP COUNTY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION DEFINED BENEFIT RETIREMENT PLAN SCHEDULE OF COUNTY CONTRIBUTIONS FOR THE FISCAL YEAR ENDED JUNE 30,

	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 1,497,140	\$ 1,454,323	\$ 1,046,710	\$ 1,157,954	\$ 1,055,935	\$ 914,768	\$ 957,690
Contributions in relation to the actuarially determined contribution	<u>1,497,140</u>	<u>1,454,323</u>	<u>1,046,710</u>	<u>1,157,954</u>	<u>1,055,935</u>	<u>914,768</u>	<u>957,690</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>				
Covered payroll	\$ 9,277,492	\$ 9,579,671	\$ 7,548,070	\$ 5,992,752	\$ 5,800,643	\$ 5,729,132	\$ 5,583,614
Contributions as a percentage of covered payroll	16.1%	15.2%	13.9%	19.3%	18.2%	16.0%	17.2%

Notes to the Schedule

Valuation Date	January 1, 2020
Cost Method	Entry Age Normal
Actuarial Asset Valuation Method	Smoothed market value with a five-year smoothing period
Assumed Rate of Return on Investments	7.00%
Projected Salary Increases	3.5% - 5.5% (including 3% for inflation)
Amortization Period	Closed level dollar for unfunded liability
Remaining Amortization Period	None remaining

**COMBINING AND INDIVIDUAL
FUND STATEMENTS AND SCHEDULES**

CRISP COUNTY, GEORGIA

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Law Library Fund is used to account for revenues generated through special filing charges in the County court system which are used to acquire and maintain law library materials.

Asset Forfeiture Fund is used to account for confiscated assets awarded to the Sheriff's Department to be spent on law enforcement at the discretion of the Sheriff.

DARE Fund is used to account for the collection of additional penalties for certain drug related crimes and for expenditure of those funds solely and exclusively for drug abuse treatment and education programs relating to controlled substances and marijuana (O.C.G.A. §15-21-100).

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

Hotel/Motel Tax Fund is used to account for the collection and disbursement of hotel taxes.

CDBG Revolving Loan Fund is used to account for the operations of the County's revolving loans. Original funding was provided by the Department of Housing and Urban Development through the State of Georgia Department of Community Affairs.

CAPITAL PROJECT FUNDS

CDBG Meadow Park Street Drainage Project Fund is used to account for activities related to the Meadow Park Street Drainage project in the County.

CDBG MIT Fund is used to account for activities related to the MIT project in the County.

2011 Sales Tax Fund is used to account for the acquisition, construction, equipping and installation of certain capital outlay projects for the benefit of all the County citizens. Financing is provided by a special purpose sales and use tax.

T-SPLOST Capital Projects Fund is used to account for proceeds and disbursements of the Transportation Investment Act of 2010, 1% regional transportation sales and use tax authorized by Georgia House Bill 277.

CRISP COUNTY, GEORGIA

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021**

ASSETS	Special Revenue Funds					
	Law Library Fund	Asset Forfeiture Fund	DARE Fund	Jail Fund	Hotel/Motel Tax Fund	CDBG Revolving Loan Fund
Cash and cash equivalents	\$ 95,155	\$ 350,040	\$ 225,354	\$ 89,221	\$ 535	\$ 872,548
Investments	-	242,076	-	-	-	-
Taxes receivable	-	-	-	-	5,100	-
Accounts receivable	-	-	-	-	-	1,574
Notes receivable	-	-	-	-	-	1,145,911
Due from other funds	-	-	-	-	-	-
Due from other governments	-	-	677	3,463	-	-
Prepaid items	-	1,000	-	9,952	-	-
Total assets	\$ 95,155	\$ 593,116	\$ 226,031	\$ 102,636	\$ 5,635	\$ 2,020,033
LIABILITIES AND FUND BALANCES (DEFICIT)						
LIABILITIES						
Accounts payable	\$ -	\$ 196,717	\$ -	\$ 29,210	\$ 5,191	\$ -
Due to other funds	-	-	17,845	74,122	444	204
Unearned revenue	-	-	-	-	-	-
Total liabilities	-	196,717	17,845	103,332	5,635	204
FUND BALANCES (DEFICIT)						
Nonspendable:						
Prepaid items	-	1,000	-	9,952	-	-
Restricted for:						
Judicial	95,155	-	-	-	-	-
Public safety	-	395,399	208,186	-	-	-
Housing and development	-	-	-	-	-	2,019,829
Capital outlay	-	-	-	-	-	-
Unassigned	-	-	-	(10,648)	-	-
Total fund balances (deficit)	95,155	396,399	208,186	(696)	-	2,019,829
Total liabilities and fund balances	\$ 95,155	\$ 593,116	\$ 226,031	\$ 102,636	\$ 5,635	\$ 2,020,033

Capital Projects Funds				
CDBG Meadow Park Street Drainage Project Fund	CDBG MIT Fund	2011 Sales Tax Fund	T-SPLOST Capital Projects Fund	Totals
\$ -	\$ 100	\$ 218,843	\$ 1,373,356	\$ 3,225,152
-	-	-	-	242,076
-	-	-	-	5,100
-	-	-	-	1,574
-	-	-	-	1,145,911
16,257	-	-	249,717	265,974
8,000	-	15,723	-	27,863
-	-	-	-	10,952
<u>\$ 24,257</u>	<u>\$ 100</u>	<u>\$ 234,566</u>	<u>\$ 1,623,073</u>	<u>\$ 4,924,602</u>
\$ 16,257	\$ -	\$ 15,660	\$ -	\$ 263,035
8,000	100	-	21,822	122,537
-	-	-	560,595	560,595
<u>24,257</u>	<u>100</u>	<u>15,660</u>	<u>582,417</u>	<u>946,167</u>
-	-	-	-	10,952
-	-	-	-	95,155
-	-	-	-	603,585
-	-	-	-	2,019,829
-	-	218,906	1,040,656	1,259,562
-	-	-	-	(10,648)
-	-	218,906	1,040,656	3,978,435
<u>\$ 24,257</u>	<u>\$ 100</u>	<u>\$ 234,566</u>	<u>\$ 1,623,073</u>	<u>\$ 4,924,602</u>

CRISP COUNTY, GEORGIA

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

	Special Revenue Funds					CDBG Revolving Loan Fund
	Law Library Fund	Asset Forfeiture Fund	DARE Fund	Jail Fund	Hotel/Motel Tax Fund	
Revenues						
Other taxes	\$ -	\$ -	\$ -	\$ -	\$ 45,966	\$ -
Intergovernmental	-	-	-	-	-	-
Charges for services	33,123	-	-	169,207	-	-
Fines and forfeitures	-	14,342	39,241	-	-	-
Interest revenue	-	1,553	-	-	-	24,072
Other revenues	-	-	-	-	-	46,796
Total revenues	<u>33,123</u>	<u>15,895</u>	<u>39,241</u>	<u>169,207</u>	<u>45,966</u>	<u>70,868</u>
Expenditures						
Current:						
Judicial	27,233	-	-	-	-	-
Public safety	-	179,902	10,188	175,423	-	-
Public works	-	-	-	-	-	-
Housing and development	-	-	-	-	45,069	225,461
Capital outlay	-	-	-	-	-	-
Debt service:						
Principal	-	26,477	-	-	-	-
Total expenditures	<u>27,233</u>	<u>206,379</u>	<u>10,188</u>	<u>175,423</u>	<u>45,069</u>	<u>225,461</u>
Excess (deficiency) of revenues over (under) expenditures	<u>5,890</u>	<u>(190,484)</u>	<u>29,053</u>	<u>(6,216)</u>	<u>897</u>	<u>(154,593)</u>
Other financing sources (uses)						
Transfers in	-	-	-	6,216	-	-
Transfers out	-	-	(15,000)	-	(897)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(15,000)</u>	<u>6,216</u>	<u>(897)</u>	<u>-</u>
Net change in fund balances	5,890	(190,484)	14,053	-	-	(154,593)
Fund balances (deficit), beginning of year	<u>89,265</u>	<u>586,883</u>	<u>194,133</u>	<u>(696)</u>	<u>-</u>	<u>2,174,422</u>
Fund balances (deficit), end of year	<u>\$ 95,155</u>	<u>\$ 396,399</u>	<u>\$ 208,186</u>	<u>\$ (696)</u>	<u>\$ -</u>	<u>\$ 2,019,829</u>

Capital Projects Funds				
CDBG Meadow Park Street Drainage Project Fund	CDBG MIT Fund	2011 Sales Tax Fund	T-SPLOST Capital Projects Fund	Totals
\$ -	\$ -	\$ -	\$ -	\$ 45,966
18,000	-	-	-	18,000
-	-	124,606	-	326,936
-	-	-	-	53,583
-	-	317	-	25,942
-	-	-	-	46,796
<u>18,000</u>	<u>-</u>	<u>124,923</u>	<u>-</u>	<u>517,223</u>
-	-	-	-	27,233
-	-	-	-	365,513
39,822	-	-	-	39,822
-	-	-	-	270,530
-	-	332,132	895,702	1,227,834
-	-	-	-	26,477
<u>39,822</u>	<u>-</u>	<u>332,132</u>	<u>895,702</u>	<u>1,957,409</u>
<u>(21,822)</u>	<u>-</u>	<u>(207,209)</u>	<u>(895,702)</u>	<u>(1,440,186)</u>
21,822	-	-	599,717	627,755
-	-	-	(21,822)	(37,719)
<u>21,822</u>	<u>-</u>	<u>-</u>	<u>577,895</u>	<u>590,036</u>
-	-	(207,209)	(317,807)	(850,150)
-	-	426,115	1,358,463	4,828,585
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 218,906</u>	<u>\$ 1,040,656</u>	<u>\$ 3,978,435</u>

CRISP COUNTY, GEORGIA

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

Project Description	Current Estimated Costs	Expenditures		
		Prior Years	Current Year	Total
<u>2011 REFERENDUM</u>				
Airport Project	\$ 90,000	\$ 88,980	\$ 140,698	\$ 229,678
County Buildings Project	380,000	-	-	-
Detention Center Project	2,100,000	2,102,712	-	2,102,712
E-911 Project	572,300	845,044	-	845,044
Health Department Project	90,000	85,685	-	85,685
Industrial Development Authority Project	9,000,000	8,328,392	-	8,328,392
Public Safety Project	456,029	304,604	-	304,604
EMS Project	711,000	451,935	145,508	597,443
Fire Department Project	1,152,683	916,121	11,360	927,481
Recreation Project	2,275,210	2,268,645	-	2,268,645
County Roads Project	1,000,000	562,667	-	562,667
Public Works Project	1,011,500	2,697,066	34,566	2,731,632
Sheriff's Department Project	697,000	693,068	-	693,068
Sanitary Solid Waste Project	607,000	-	-	-
City of Cordele Project	4,025,000	3,687,422	-	3,687,422
City of Arabi Project	290,000	248,655	-	248,655
Water/Stormwater Project	247,000	-	-	-
Contingency Project	570,278	-	-	-
Totals	<u>\$ 25,275,000</u>	<u>\$ 23,280,996</u>	<u>\$ 332,132</u>	<u>\$ 23,613,128</u>

CRISP COUNTY, GEORGIA

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

Project Description	Original and Current Estimated Costs	Expenditures		
		Prior Years	Current Year	Total
<u>2017 REFERENDUM</u>				
Airport Project	\$ 90,000	\$ 595,686	\$ 698,433	\$ 1,294,119
County Buildings Project	380,000	-	32,300	32,300
Detention Center Project	2,100,000	150,454	-	150,454
E-911 Project	572,300	368,230	-	368,230
Public Safety Project	90,000	2,440	10,500	12,940
EMS Project	9,000,000	8,800	14,677	23,477
Fire Department Project	456,029	17,200	-	17,200
Finance Project	711,000	94,878	21,675	116,553
Recreation Project	1,152,683	327,057	17,376	344,433
Roads Project	2,275,210	236,457	177,070	413,527
Public Works Project	1,000,000	59,533	238,607	298,140
Sheriff's Department Project	1,011,500	541,099	90,958	632,057
Solid Waste Project	697,000	-	-	-
Water/Stormwater Project	607,000	36,437	62,273	98,710
City of Cordele Project	5,168,955	2,660,185	1,169,482	3,829,667
City of Arabi Project	249,000	128,168	56,346	184,514
Totals	<u>\$ 25,560,677</u>	<u>\$ 5,226,624</u>	<u>\$ 2,589,697</u>	<u>\$ 7,816,321</u>

Reconciliation of the Schedule of Expenditures of Special Purpose Local Option Sales Tax Proceeds to the Statement of Revenues, Expenditures and Changes in Fund Balance

Total current year expenditures of special purpose local option sales tax proceeds.	\$ 2,589,697
Payment of principal and interest for expenditures previously included.	<u>1,213,617</u>
Total expenditures, per the statement of revenues, expenditures and changes in fund balance.	<u>\$ 3,803,314</u>

CRISP COUNTY, GEORGIA

CUSTODIAL FUNDS

Clerk of Superior Court	To account for all monies received by the Clerk of Court on behalf of individuals, private organizations, other governmental units, and other funds.
Probate Court	To account for the collection of fees for firearms licenses, certificates, marriage licenses, passports, etc., which are disbursed to other parties.
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.
Jail Inmate	To account for all monies held on behalf of the inmates of the County Jail.
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.
Magistrate Court	To account for the receipt and disbursement of court-ordered fines and fees made on behalf of third parties.

CRISP COUNTY, GEORGIA

**COMBINING STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2021**

ASSETS	<u>Clerk of Superior Court</u>	<u>Probate Court</u>	<u>Sheriff's Office</u>
Cash and cash equivalents	\$ 625,574	\$ 98,725	\$ 395,456
Accounts receivable	-	18,110	-
Taxes receivable	-	-	-
 Total assets	 <u>\$ 625,574</u>	 <u>\$ 116,835</u>	 <u>\$ 395,456</u>
 LIABILITIES			
Due to others	\$ 27,253	\$ 33,353	\$ 7,565
Uncollected taxes	-	-	-
 Total liabilities	 <u>\$ 27,253</u>	 <u>\$ 33,353</u>	 <u>\$ 7,565</u>
 NET POSITION			
Restricted for individuals, organizations, and other governments	 <u>\$ 598,321</u>	 <u>\$ 83,482</u>	 <u>\$ 387,891</u>

<u>Jail Inmate</u>	<u>Tax Commissioner</u>	<u>Magistrate Court</u>	<u>Total</u>
\$ 76,490	\$ 446,727	\$ 41,033	\$ 1,684,005
-	-	-	18,110
-	1,806,925	-	1,806,925
<u>\$ 76,490</u>	<u>\$ 2,253,652</u>	<u>\$ 41,033</u>	<u>\$ 3,509,040</u>
\$ 61,496	\$ 314,481	\$ 10,481	\$ 454,629
-	1,806,925	-	1,806,925
<u>\$ 61,496</u>	<u>\$ 2,121,406</u>	<u>\$ 10,481</u>	<u>\$ 2,261,554</u>
<u>\$ 14,994</u>	<u>\$ 132,246</u>	<u>\$ 30,552</u>	<u>\$ 1,247,486</u>

CRISP COUNTY, GEORGIA

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

	<u>Clerk of Superior Court</u>	<u>Probate Court</u>	<u>Sheriff's Office</u>
ADDITIONS			
Taxes collected	\$ -	\$ -	\$ -
Fines and fees collected	1,160,065	3,398,564	1,868,728
Total additons	<u>1,160,065</u>	<u>3,398,564</u>	<u>1,868,728</u>
DEDUCTIONS			
Taxes disbursed	-	-	-
Fines and fees disbursed	<u>976,772</u>	<u>3,387,950</u>	<u>1,859,663</u>
Total deductions	<u>976,772</u>	<u>3,387,950</u>	<u>1,859,663</u>
Change in net position	183,293	10,614	9,065
Net position, beginning of year, as restated	<u>415,028</u>	<u>72,868</u>	<u>378,826</u>
Net position, end of year	<u>\$ 598,321</u>	<u>\$ 83,482</u>	<u>\$ 387,891</u>

<u>Jail Inmate</u>	<u>Tax Commissioner</u>	<u>Magistrate Court</u>	<u>Total</u>
\$ -	\$ 14,745,315	\$ -	\$ 14,745,315
650,978	-	171,690	7,250,025
<u>650,978</u>	<u>14,745,315</u>	<u>171,690</u>	<u>21,995,340</u>
-	14,671,216	-	14,671,216
662,238	-	156,483	7,043,106
<u>662,238</u>	<u>14,671,216</u>	<u>156,483</u>	<u>21,714,322</u>
(11,260)	74,099	15,207	281,018
26,254	58,147	15,345	966,468
<u>\$ 14,994</u>	<u>\$ 132,246</u>	<u>\$ 30,552</u>	<u>\$ 1,247,486</u>

COMPLIANCE SECTION



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

**Board of Commissioners
of Crisp County, Georgia
Cordele, Georgia**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Crisp County, Georgia (the "County") as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated January 26, 2022. Our report includes a reference to other auditors who audited the financial statements of Crisp Regional Health Services, Inc., and the Crisp County Department of Public Health, as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. Our report also includes a reference to the change in accounting principle resulting from the implementation of Governmental Accounting Standards Board Statement No. 84, Fiduciary Activities, as of July 1, 2020. Our report also includes a reference to the change in accounting principle resulting from the implementation of Governmental Accounting Standards Board Statement No. 87, Leases, as of July 1, 2020.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2021-001 that we consider to be a material weakness.

Compliance and Other Matters

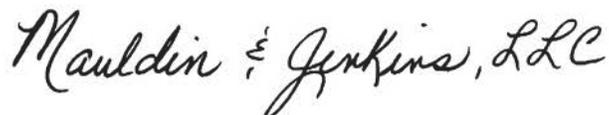
As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Crisp County, Georgia's Response to the Finding

The County's response to the finding 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 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 County'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.



Macon, Georgia
January 26, 2022



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

**Board of Commissioners
of Crisp County, Georgia
Cordele, Georgia**

Report on Compliance for Each Major Federal Program

We have audited Crisp County, Georgia's ("the County") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the fiscal year ended June 30, 2021. 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 the 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 statement audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of the Title 2 U.S. *Code of Federal Regulations* 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 fiscal year ended June 30, 2021.

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, material weaknesses may exist that have not been identified.

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.

Mauldin & Jenkins, LLC

Macon, Georgia
January 26, 2022

CRISP COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

#SPILL! Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Agency or Pass-through Number	Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Justice				
Direct Award				
Bulletproof Vest Partnership Program	16.607	2019BUBX19097835	\$ 2,395	\$ -
Bulletproof Vest Partnership Program	16.607	2020BUBX20022920	1,501	-
Total Bulletproof Vest Partnership Program			3,896	-
Passed through Drug Court Discretionary Grant Program				
Crisp County Adult Felony Drug Court	16.585	J21-8-016	203,217	-
			203,217	-
Passed through Criminal Justice Coordinating Council				
Crime Victims Assistance Program-VOCA Prosecution	16.575	C18-8-467	83,296	-
Crime Victims Assistance Program-VOCA Prosecution	16.575	C18-8-226	37,462	-
Crime Victims Assistance Program-VOCA Prosecution	16.575	C18-8-264	48,661	-
Crime Victims Assistance Program-VOCA Prosecution	16.575	C19-8-103	97,548	-
Total Crime Victims Assistance Program-VOCA Prosecution			266,967	-
Violence Against Women Act (VAWA Prosecution)				
Violence Against Women Act (VAWA Prosecution)	16.588	W20-8-014	45,992	-
Violence Against Women Act (VAWA Prosecution)	16.588	W19-8-016	31,594	-
Total Violence Against Women Act (VAWA Prosecution)			77,586	-
Justice Assistance Grant (JAG) MSNTF				
Total Justice Assistance Grant (JAG) MSNTF	16.803	B18-8-016	26,453	-
			26,453	-
Passed through Cops Hiring Program				
Crisp County Cops Salaries	16.710	2020UMWX0227	24,578	-
			24,578	-
Total U.S. Department Justice			602,697	-
U.S. Department of Transportation				
Passed through Georgia Department of Transportation				
COVID-19 Formula Grants for Rural Areas - Section 5311				
Operating	20.509	T006334-CARES Act	490,434	-
Airport Improvement Program	20.106	AP020-9041-33(081)CRISP	113,547	-
Airport Improvement Program	20.106	T007539-AP021-9046-35(081)	205,617	-
Airport Improvement Program	20.106	AP020-90CA-39(081)CRISPT007437	30,000	-
Total Airport Improvement Program			349,164	-
State and Community Highway Safety Program				
Total Highway Cluster	20.600	GA-2021-F.A.S.T. 402 PT-161	32,881	-
			32,881	-
Total U.S. Department of Transportation			872,479	-
U.S. Department of Homeland Security				
Passed through State of Georgia's Governor Office				
Homeland Security Grant Program	97.067	EMW-2019-SS-00072-S01	251,388	-
Passed through Georgia Emergency Management Agency				
Georgia Emergency Management Agency	97.042	OEM20-042	20,119	-
Office of Planning and Budgeting	97.036	FEMA-4400-DR-GA	191,921	-
			191,921	-
Total U.S. Department of Homeland Security			463,428	-
U.S. Department of Housing and Urban Development				
Passed through Community Development Block Grant				
Water Improvements	14.228	20p-y-040-y-6123	18,000	-
			18,000	-
Total U.S Department of Housing and Urban Development			18,000	-

(Continued)

CRISP COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Agency or Pass-through Number	Federal Expenditures	Passed Through to Subrecipients
U.S. Department of the Treasury				
Passed through Georgia State of Georgia's Governor Office COVID-19 CARES Act Grant	20.019	N/A	\$ 620,373	\$ -
Total U.S Department of the Treasury			<u>620,373</u>	<u>-</u>
U.S. Department of Agriculture				
Direct Award				
Emergency Watershed Protection Program	10.923	NR214310XXXXC003	44,817	-
Total U.S Department of Agriculture			<u>44,817</u>	<u>-</u>
Total Expenditures of Federal Awards			<u>\$ 2,621,794</u>	<u>\$ -</u>

CRISP COUNTY, GEORGIA

NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the County and is prepared on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Measurement Focus

The determination of when an award is expended is based on when the activity related to the award occurred.

De Minimis Indirect Cost Rate

The County chose not to use the 10% de minimus cost rate for the fiscal year ended June 30, 2021.

CRISP COUNTY, GEORGIA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**SECTION I
SUMMARY OF AUDITOR'S RESULTS**

Financial Statements

Type of auditor's report issued Unmodified

Internal control over financial reporting:
Material weaknesses identified? X Yes No

Significant deficiencies identified not considered
to be material weaknesses? Yes X None Reported

Noncompliance material to financial statements noted? Yes X No

Federal Awards

Internal control over major programs:
Material weaknesses identified? Yes X No

Significant deficiencies identified not considered
to be material weaknesses? Yes X None Reported

Type of auditor's report issued on compliance for
major programs Unmodified

Any audit findings disclosed that are required to be
reported in accordance with the Uniform Guidance? Yes X No

Identification of major program:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
20.019	U.S. Department of the Treasury – COVID-19 CARES Act Grant

Dollar threshold used to distinguish between
Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? X Yes No

CRISP COUNTY, GEORGIA

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

SECTION II FINANCIAL STATEMENTS FINDINGS AND RESPONSES

2021-001. Segregation of Duties

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

Condition: There is not appropriate segregation of duties among recording, distribution, and reconciliation of cash accounts and other operational functions in various funds administered by the County. Further, we noted a general lack of segregation of duties. We noted instances where bank statements were being reconciled by employees of the elected officials with no consistent review of the reconciled statements being performed. Specifically, we noted:

County:

- ◆ Cash receipts are handled by the same individual(s) who also opens the mail, makes bank deposits, investigates discrepancies, and posts activity to the receivable subledger.
- ◆ Individuals who record credit adjustments are not independent of cash handling and other accounts receivable bookkeeping.
- ◆ Department heads are responsible for the purchasing function, receipt of goods and services and approval of invoices.
- ◆ Individuals responsible for employee timekeeping also distribute paychecks.
- ◆ Property taxes and special assessments are billed by employees not independent of the collection function.
- ◆ Individuals responsible for monthly water system and landfill account billings are also involved in the receipt of customer payments and posting to customer accounts.
- ◆ Individuals responsible for the processing of invoices and related payables are also involved in the disbursement process and general ledger functions.
- ◆ Individuals responsible for recording capital asset transactions also edit the capital asset master file.

Custodial Funds:

- ◆ Clerk of Superior Court – all individuals have access to the vault, which should be limited to a certain number of approved individuals. One individual who has the ability to sign checks also has the ability to open the mail, prepare checks, reconcile bank statements, mail checks, prepare deposits, make deposits, and post entries to the general ledger. In addition, we noted one individual who has the ability to reconcile that bank statements also has the ability to open the mail and maintain or have access to cash. This is due to staff limitations.
- ◆ Probate Court – One individual who has the ability to sign checks also has the ability to prepare checks, prepare deposits, make deposits, and maintains or has access to cash. This is due to staff limitations.

CRISP COUNTY, GEORGIA

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

SECTION II FINANCIAL STATEMENTS FINDINGS AND RESPONSES (CONTINUED)

2021-001. Segregation of Duties (Continued)

Condition (Continued):

- ◆ Sheriff's Office – One individual who has the ability to open the mail, as well as, prepare deposits, reconcile bank statements, post entries to the general ledger, and maintains or has access to cash. In addition, we noted no independent review of the reconciled bank statements. This is due to staff limitations.
- ◆ Tax Commissioner – One individual who has the ability to deposit cash, reconcile bank statements, prepare deposits, prepare checks, sign checks, mail checks, post transactions to the general ledger, and maintains access to cash. In addition, we noted one individual who has the ability to deposit cash also maintains or has access to cash. In addition, we noted no independent review of the reconciled bank statements. Also, we noted that bank reconciliations are not prepared in a timely manner. This is due to staff limitations.
- ◆ Jail Inmate – One individual who has the ability to deposit cash, reconcile bank statements, prepare deposits, post transactions to the general ledger, and maintains or has access to cash. In addition, we noted no independent review of the reconciled bank statements. This is due to staff limitations. Also, the Jail Inmate operations should have separate bank accounts in order to separate the commissary and inmate activity.
- ◆ Magistrate Court – One individual who has the ability to prepare checks, sign checks, reconcile bank statements, prepare deposits, make deposits, post transactions to the general ledger, and maintains or has access to cash. In addition, we noted no independent review of the reconciled bank statements. This is due to staff limitations.

Context: Several instances of overlapping duties were noted during interviews regarding internal control procedures.

Effect: The failure of the County to have a proper segregation of duties could lead to undetected misappropriation of funds or other irregularities.

Cause: The lack of segregation of duties is due to the limited number of individuals in each office to perform all of the duties.

Recommendation: The County should work to immediately eliminate the above deficiency.

Views of Responsible Officials and Planned Corrective Action: We concur. We will work with staff to segregate duties and apply compensating controls to the extent possible.

CRISP COUNTY, GEORGIA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**SECTION III
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

None reported.

CRISP COUNTY, GEORGIA

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

2020-001. Segregation of Duties

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

Condition: For the fiscal year ended June 30, 2020, appropriate segregation of duties did not exist within several areas of the County's operations, including the Clerk of Court, Magistrate Court, Probate Court, Tax Commissioner's office, Sheriff's Office, and County finance department.

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



THE BOARD OF COMMISSIONERS OF CRISP COUNTY

210 SOUTH 7TH STREET
CORDELE, GEORGIA 31015

January 26, 2022

www.crispcounty.com

OFFICE
229.276.2672
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229.276.2675

State of Georgia
Department of Audits & Accounts
270 Washington Street S.W., Room 1-156
Atlanta, Georgia 30334-8400

ATTN: Jacqueline E. Neubert

Dear Ms. Neubert:

In response to the findings included in our Fiscal Year Ending June 30, 2021 Audited Financial Statements, please be advised of the following plan for corrective action:

1. 2021-001 Segregation of Duties.

The lack of segregation of duties is due to the limited number of individuals in each office. The offices listed are in the process of reviewing their respective systems to evaluate and determine the most effective solution to properly segregate duties among recording, distribution and reconciliation of accounts to provide reasonable assurance that an individual cannot misappropriate funds without being detected during the normal course of business. To the best of my knowledge, this has never resulted in any undetected misappropriation of funds or other irregularities.

2. Expenditures Exceeded Appropriations at the Legal Level of Control.

The budget to actual figures are periodically reviewed during the year and adjustments adopted as timely as possible for completion of year-end financials. All remaining deficits were funded by under expenditures in other line items within the same Fund. The most significant variances from fiscal year 2021 resulted from year end entries made to implement GASB 87, all of which were recorded after final budget adjustments were adopted.

If you have any questions or need additional information, please don't hesitate to let me know.

Sincerely,

Sherrie L. Leverett
Finance Director

- COUNTY COMMISSIONERS
- SAMMIE N. FARROW, JR.
- AUTHUR JAMES NANCE
- MARK CRENSHAW
- LARRY D. FELTON
- JAMES R. DOWDY, III

COUNTY ADMINISTRATOR
CLARK HARRELL

COUNTY ATTORNEY
RICK LAWSON

COUNTY FINANCE DIRECTOR
SHERRIE LEVERETT

COUNTY CLERK
LINDA FINCH