

CRISP COUNTY, GEORGIA

FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2023

CRISP COUNTY, GEORGIA
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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CRISP COUNTY, GEORGIA

LIST OF PRINCIPAL OFFICIALS JUNE 30, 2023

ELECTED

James R. Dowdy, III, Chairman

Larry Felton, Vice Chairman

Mark Crenshaw, County Commissioner

Sam Farrow, Jr., County Commissioner

Authur James Nance, 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 Audit of the Financial Statements

Opinion

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, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

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, the aggregate remaining fund information of the County as of June 30, 2023, 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 American Rescue Plan Act ("ARPA") Fund, the Transportation Special Purpose Local Option Sales Tax ("TSPLOST") 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.

We did not audit the financial statements of Crisp Regional Health Services, Inc. or the Crisp County Department of Public Health, which represents 70%, 64%, and 71%, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units as of June 30, 2023, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended. 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, are based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States ("*Government Auditing Standards*"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

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 70 – 73) be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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.

Supplementary 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 accompanying combining and individual fund financial statements, the Schedule of Expenditures of Federal Awards, 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 the Schedule of Expenditures of Special Purpose Local Option Sales Tax proceeds, as required by the Official Code of Georgia Annotated §48-8-121, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 GAAS. In our opinion, the combining and individual nonmajor fund financial statements, the Schedule of Expenditures of Federal Awards, and the Schedule of Expenditures of Special Purpose Local Option Sales Tax proceeds are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 28, 2023 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
December 28, 2023

CRISP COUNTY, GEORGIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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, 2023. 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, 2023 by \$72,371,944 (net position). Of this amount, \$15,701,920 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.

- The County's total assets increased by \$972,447 for the fiscal year ended June 30, 2023.
- Included in the total net position of the County is a net investment of \$43,341,658 in capital assets net of accumulated depreciation.
- The General Fund recorded a net increase in total fund balance of \$358,242, bringing it to \$14,229,418 at June 30, 2023. The unassigned fund balance, which represents amounts not yet constrained for specific purposes, increased by \$383,378 to \$5,115,929. This equates to 27% of total General Fund expenditures.
- The fund balances of \$16,461,490 from the Special Service District Fund, SPLOST Funds, TSPLOST Fund, E911 Fund, ARPA Fund and other nonmajor governmental funds brings the County's combined ending fund balance to \$30,690,908 as of the close of fiscal year 2023. This represents an 11% increase of \$3,013,096 in the total Governmental Funds fund balance from the previous fiscal year.
- Leases, payable, compensated absences, net pension liability, notes payable, bonds payable, along with landfill closure and post-closure cost accounts for a total of \$15,251,514 in long-term debt at June 30, 2023. Compensated absences, net pension liability, leases payable, notes payable and revenue bonds payable collectively decreased by \$732,032. That, combined with a net increase of \$5,785,959 in closure and post-closure costs, provided the County with a net increase in long-term debt of \$5,053,927 over the last twelve (12) months.

Overview of the Financial Statements

This Management's Discussion and Analysis 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 outflows 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 government'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 Crisp County itself (known as the primary government), but also a separate electric power commission (Crisp County Power Commission), a hospital authority (Crisp Regional Health Services, Inc) and a board of health (Crisp County Department of Public Health). Although these are legally separate entities, the County is financially accountable for each.

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. Crisp 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 (3) 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, 2023, the County maintained nineteen (19) individual governmental funds to account for the following activities: General Fund, Accounts Payable Fund, Law Library Fund, Jail Maintenance Fund, Opioid Fund, DARE/DATEF Fund, Opioid Settlement Fund, E-911 Fund, American Rescue Plan Act Fund, Transportation Special Purpose Local Option Sales Tax ("TSPLOST") 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 Purpose Local Option Sales Tax Funds, TSPLOST Capital Projects Fund, Community Development Block Grant ("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 TSPLOST Special Revenue Fund, the 2017 Special Purpose 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 2023. 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. In addition to its governmental funds, the County maintains two (2) individual enterprise funds: the Water Fund and the Landfill Fund are used respectively to account for the County's water distribution and municipal solid waste disposal operations.

The other type proprietary fund is known as an Internal Service Fund and is used as a device to accumulate and allocate costs 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 Fund and the Landfill Fund, both are considered major funds of the County.

The basic proprietary fund financial statements can be found on pages 29 – 33 of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held by agencies for the benefit of parties outside the government. They are referred to as custodial 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. Custodial 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 Assets and Liabilities – Custodial funds Statement of Net Position can be found on pages 34 and 35 of this report. The combining statement of assets and liabilities for custodial funds is located on pages 80 – 83.

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 36 – 69 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 70 – 73, shows the calculation of the County's net pension liability as a percentage of covered employee payroll as 136.8% at June 30, 2023.

Other Information. The combining schedules and statements referred to earlier in connection with nonmajor governmental funds are presented next on pages 74 – 77 and include the fiscal year's activity for following funds: Law Library Fund; Asset Forfeiture Fund; DARE Fund; Jail Fund; Opioid Settlement Fund; Hotel/Motel Tax Fund; CDBG Revolving Loan Fund; CDBG 20 Meadow Park Street Drainage Project Fund; CDBG MIT Fund; 2011 SPLOST Fund; and the TSPLOST Capital Project Fund.

Following that, on pages 78 and 79, are the Schedules of Expenditures for fiscal year June 30, 2023 on each of the County's Special Purpose 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 \$72,371,944 in total net position at the close of the most recent fiscal year.

The largest portion of the County's net position (56%) reflects its net investment in capital assets of \$40,315,459 (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, 2023

	Governmental Activities		Business-type Activities		Total	
	FY2022	FY2023	FY2022	FY2023	FY2022	FY2023
Current and other assets	\$ 33,995,508	\$ 35,605,509	\$ 9,100,764	\$ 10,937,982	\$ 43,096,272	\$ 46,543,491
Capital assets	37,023,696	35,051,350	8,792,734	8,290,308	45,816,430	43,341,658
Total assets	<u>\$ 71,019,204</u>	<u>\$ 70,656,859</u>	<u>\$ 17,893,498</u>	<u>\$ 19,228,290</u>	<u>\$ 88,912,702</u>	<u>\$ 89,885,149</u>
Deferred outflows of resources	<u>\$ 548,985</u>	<u>\$ 2,733,654</u>	<u>\$ 17,866</u>	<u>\$ 99,102</u>	<u>\$ 566,851</u>	<u>\$ 2,832,756</u>
Long-term liabilities outstanding	\$ 359,212	\$ 201,178	\$ 5,543,776	\$ 5,342,399	\$ 5,902,988	\$ 5,543,577
Other liabilities	9,777,739	13,429,073	851,394	1,103,955	10,629,133	14,533,028
Total liabilities	<u>\$ 10,136,951</u>	<u>\$ 13,630,251</u>	<u>\$ 6,395,170</u>	<u>\$ 6,446,354</u>	<u>\$ 16,532,121</u>	<u>\$ 20,076,605</u>
Deferred inflows of resources	<u>\$ 3,011,468</u>	<u>\$ 259,933</u>	<u>\$ 98,003</u>	<u>\$ 9,423</u>	<u>\$ 3,109,471</u>	<u>\$ 269,356</u>
Net position:						
Net investment in capital assets	\$ 36,762,804	\$ 34,855,376	\$ 5,414,655	\$ 5,460,083	\$ 42,177,459	\$ 40,315,459
Restricted	13,863,275	16,301,946	50,939	52,619	13,914,214	16,354,565
Unrestricted	<u>7,793,691</u>	<u>8,343,007</u>	<u>5,952,597</u>	<u>7,358,913</u>	<u>13,746,288</u>	<u>15,701,920</u>
Total net position	<u>\$ 58,419,770</u>	<u>\$ 59,500,329</u>	<u>\$ 11,418,191</u>	<u>\$ 12,871,615</u>	<u>\$ 69,837,961</u>	<u>\$ 72,371,944</u>

The balance of unrestricted net position of \$15,701,920 is available for use to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, Crisp County is able to report positive balances in all three (3) categories of net position for the governmental and business-type activities.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Governmental Activities. As indicated by the following table, governmental activities revenues exceeded total expenses by approximately 7% resulting in an increase of \$1,936,159 in net position for the twelve-month period of July 1, 2022 through June 30, 2023.

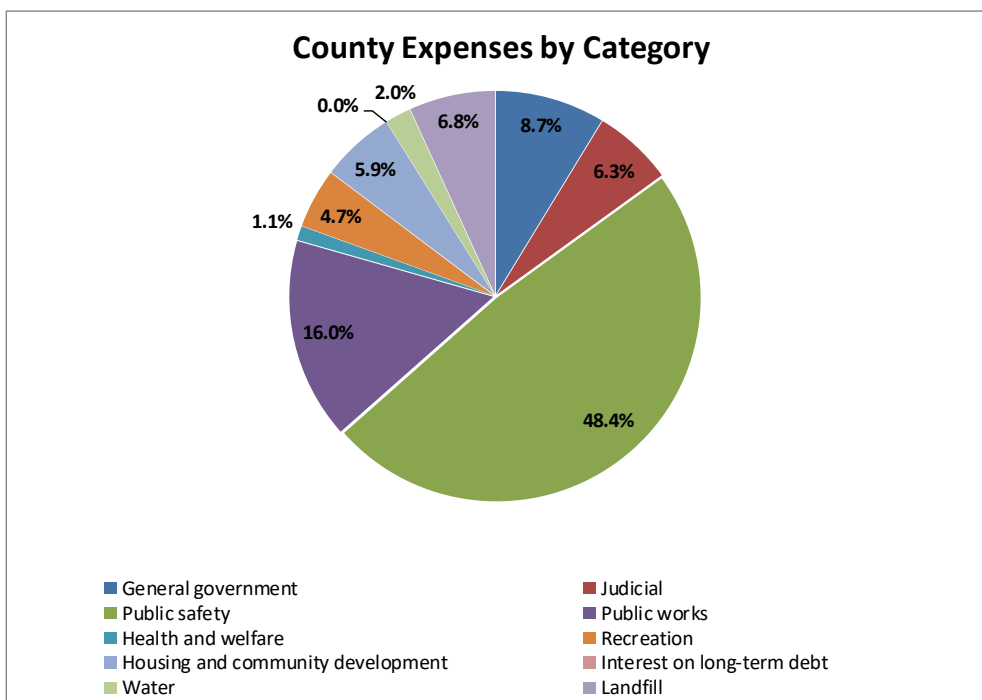
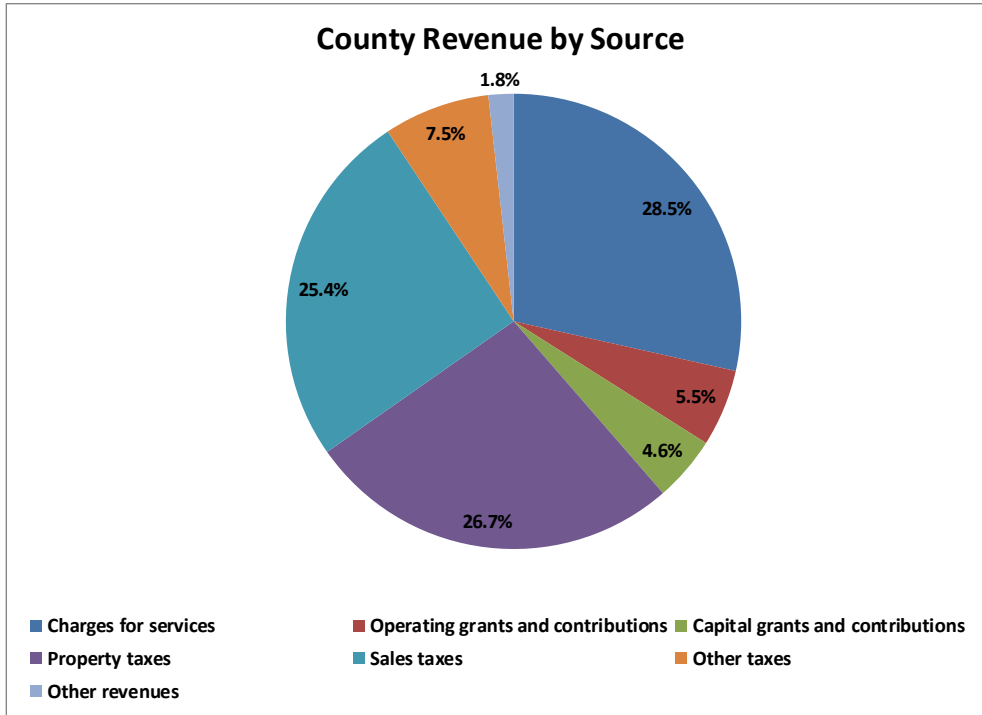
Business-type activities. Business-type activities increased the County's net position over the prior year by \$1,453,424 for fiscal year 2023. Excluding transfers and investment earnings, charges for services represented 97% of the total revenues. The following table also indicates the changes in net position for business-type activities for the 2023 fiscal year:

CRISP COUNTY'S CHANGES IN NET POSITION JUNE 30, 2023

	Governmental Activities		Business-type Activities		Total	
	FY2022	FY2023	FY2022	FY2023	FY2022	FY2023
Revenues						
Program revenues:						
Charges for services	\$ 5,188,392	\$ 6,564,803	\$ 3,572,613	\$ 4,005,011	\$ 8,761,005	\$ 10,569,814
Operating grants and contributions	945,648	2,032,270	-	-	945,648	2,032,270
Capital grants and contributions	3,428,235	1,614,147	-	102,379	3,428,235	1,716,526
General revenues:						
Property taxes	9,334,393	9,887,738	-	-	9,334,393	9,887,738
Sales taxes	9,040,825	9,423,922	-	-	9,040,825	9,423,922
Franchise taxes	1,349,459	1,411,385	-	-	1,349,459	1,411,385
Insurance premium tax	953,241	776,172	-	-	953,241	776,172
Other taxes	716,048	606,541	-	-	716,048	606,541
Unrestricted investment earnings	53,355	342,629	6,401	143,502	59,756	486,131
Gain on sale of capital assets	55,199	174,159	201	-	55,400	174,159
Transfers	(185,505)	(254,624)	185,505	254,624	-	-
Total revenues	30,879,290	32,579,142	3,764,720	4,505,516	34,644,010	37,084,658
Expenses						
General government	2,319,632	3,002,193	-	-	2,319,632	3,002,193
Judicial	2,229,242	2,181,770	-	-	2,229,242	2,181,770
Public safety	15,309,652	16,737,716	-	-	15,309,652	16,737,716
Public works	5,157,684	5,519,444	-	-	5,157,684	5,519,444
Health and welfare	397,443	388,251	-	-	397,443	388,251
Recreation	1,474,375	1,639,875	-	-	1,474,375	1,639,875
Housing and community development	2,124,228	2,022,372	-	-	2,124,228	2,022,372
Interest on long-term debt	10,801	6,962	-	-	10,801	6,962
Water	-	-	554,346	700,394	554,346	700,394
Landfill	-	-	1,801,305	2,351,698	1,801,305	2,351,698
Total expenses	29,023,057	31,498,583	2,355,651	3,052,092	31,378,708	34,550,675
Total increase (decrease) in net position	1,856,233	1,080,559	1,409,069	1,453,424	3,265,302	2,533,983
Net position, beginning of year	56,563,537	58,419,770	10,009,122	11,418,191	66,572,659	69,837,961
Net position, end of year	\$ 58,419,770	\$ 59,500,329	\$ 11,418,191	\$ 12,871,615	\$ 69,837,961	\$ 72,371,944

MANAGEMENT'S DISCUSSION AND ANALYSIS

Approximately 29% of the County's total revenue came from charges from services, 27% from property taxes, another 25% from sales tax, while the remaining 19% came from various other revenues. The County's expenses cover a range of services. The largest expenses, 48%, 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 \$3,013,096 pushing that number up to \$30,690,908.

The General Fund is the chief operating fund of Crisp County and ended the fiscal year with a fund balance of \$14,229,418, which is up \$358,242 from the previous year. As a measure of the General Fund's liquidity, it is useful to compare the unassigned fund balance of \$5,115,929 to the fund's total expenditures of \$18,913,276 as a percentage. Unassigned fund balance represents 27% 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 TSPLOST Special Revenue Fund, the 2017 Special Purpose Local Option Sales Tax Fund, the E-911 Fund and the American Rescue Plan Act Fund, all considered major funds for fiscal year 2022, and the Nonmajor Governmental Funds ended the year with a total combined fund balance of \$16,461,490, of which all but \$73,115 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 \$4,365,314. The Water Fund recorded an operating income of \$76,282 for fiscal year 2023. Combining that with net non-operating expenses and transfers increased this fund's net position by \$229,443 during this fiscal year.

Unrestricted net position of the Landfill Fund at the end of the year amounted to \$2,993,599. The Landfill Fund's operating income of \$986,193 combined with net non-operating expenses, capital contributions and transfers provided an increase of \$1,223,981 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, 2023 amounts to \$43,341,658 (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	
	2023	2023	Total
Land	\$ 2,536,632	\$ 765,223	\$ 3,301,855
Construction in progress	1,151,708	115,435	1,267,143
Land improvements	5,604,692	-	5,604,692
Infrastructure	8,575,456	173,035	8,748,491
Plant and buildings	13,058,668	6,187,937	19,246,605
Right-to-use leased equipment	184,722	775,443	960,165
Furniture, machinery and equipment	3,939,472	271,073	4,210,545
System improvements	-	2,162	2,162
Total	<u>\$ 35,051,350</u>	<u>\$ 8,290,308</u>	<u>\$ 43,341,658</u>

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

- \$187,780 in SPLOST funds was utilized to purchase a new ambulance for the EMS Division.
- TSPLOST, LMIG and private contributions in the amount of \$313,342 were used to begin construction of Rock Road.
- \$302,714 in General Fund and SPLOST dollars were used to put a new roof on the Government Center Annex building, which is used for voting and extension service services.
- \$576,445 in SPLOST, Asset Forfeiture and General Funds were used to purchase vehicles for the Sheriff's Office, the Recreation Department, the Fire Department and Public Works.
- \$424,010 in SPLOST and General Funds was used to purchase equipment and heavy equipment for County Buildings, the Landfill, Recreation, the Detention Center, Public Works, EMS, the County Roads Department and Water Distribution.
- Additional information on the County's capital assets can be found in Note 6 on pages 53 – 55 of this report.

Long-Term Debt. As of June 30, 2023, 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 increase in total long-term debt for its governmental funds of \$5,028,544. The business-type activities logged a net increase in long-term debt of \$25,383 during fiscal year ended June 30, 2023.

Additional information on the County's long-term debt can be found in Note 7 on page 55 – 59 of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Economic Factors

- Crisp County's unemployment decreased significantly over the last twelve months, from 4.3% at June 30, 2022 to 3.9% at June 30, 2023. This was above both the State of Georgia average of 3.2% and the national average of 3.6%.

Requests for Information

This financial report is designed to provide a general overview of Crisp 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, Crisp County Finance Director
210 South 7th Street, Suite 309,
Cordele, Georgia 31015 or sleverett@crispcounty.com

CRISP COUNTY, GEORGIA

STATEMENT OF NET POSITION JUNE 30, 2023

	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	\$ 25,878,030	\$ 10,538,631	\$ 36,416,661	\$ 6,543,175	\$ 2,960,000	\$ 1,066,226
Investments	5,732,509	-	5,732,509	27,985,800	-	-
Taxes receivable	1,060,695	-	1,060,695	-	-	-
Accounts receivable, net of allowance	28,143	215,350	243,493	4,217,063	30,148,000	357
Notes receivable	792,257	-	792,257	775,000	1,128,000	-
Internal balances	1,330	(1,330)	-	-	-	-
Due from other governments	1,451,278	-	1,451,278	-	-	-
Inventories	12,748	-	12,748	1,878,381	2,027,000	-
Prepaid items	648,519	27,037	675,556	150,385	-	-
Net pension asset	-	-	-	1,083,685	-	-
Other assets	-	-	-	582,599	4,960,000	-
Restricted assets:						
Cash	-	158,294	158,294	-	-	-
Assets limited as to use	-	-	-	969,130	84,410,000	-
Goodwill	-	-	-	-	8,735,000	-
Operating lease right-of-use assets	-	-	-	-	23,000	-
Investment in affiliated companies	-	-	-	-	432,000	-
Capital assets:						
Nondepreciable	3,688,340	880,658	4,568,998	1,163,614	9,253,000	-
Depreciable, net of accumulated depreciation	31,363,010	7,409,650	38,772,660	27,267,347	40,431,000	12,099
Total assets	<u>70,656,859</u>	<u>19,228,290</u>	<u>89,885,149</u>	<u>72,616,179</u>	<u>184,507,000</u>	<u>1,078,682</u>
DEFERRED OUTFLOWS OF RESOURCES						
Pension	2,733,654	99,102	2,832,756	6,424,269	-	73,576
Total deferred outflows of resources	<u>2,733,654</u>	<u>99,102</u>	<u>2,832,756</u>	<u>6,424,269</u>	<u>-</u>	<u>73,576</u>

(Continued)

CRISP COUNTY, GEORGIA

STATEMENT OF NET POSITION JUNE 30, 2023

	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	\$ 1,428,914	\$ 64,763	\$ 1,493,677	\$ 5,120,136	\$ 9,254,000	\$ 6,165
Accrued liabilities	363,441	21,923	385,364	651,506	10,682,000	-
Customer deposits payable	-	59,790	59,790	969,130	-	-
Due to other governments	1,077	45,855	46,932	-	-	-
Unearned revenues	2,088,896	-	2,088,896	-	-	-
Current portion of operating lease liabilities	-	-	-	-	11,000	-
Leases payable due within one year	69,749	192,356	262,105	-	-	-
Leases payable due in more than one year	126,225	601,981	728,206	-	-	-
Notes payable due within one year	-	316,229	316,229	100,000	-	-
Notes payable due in more than one year	-	604,959	604,959	675,000	-	-
Bonds payable due within one year	-	52,619	52,619	-	1,905,000	-
Bonds payable due in more than one year	-	1,062,081	1,062,081	-	48,873,000	-
Compensated absences due within one year	108,682	10,798	119,480	-	-	-
Compensated absences due in more than one year	74,953	13,014	87,967	-	-	-
Closure and post-closure care costs	-	3,060,364	3,060,364	-	-	-
Net pension liability	9,368,314	339,622	9,707,936	-	-	238,555
Asset retirement obligation	-	-	-	4,950,000	-	-
Total liabilities	13,630,251	6,446,354	20,076,605	12,465,772	70,725,000	244,720
DEFERRED INFLOWS OF RESOURCES						
Pension	259,933	9,423	269,356	2,490,691	-	113,745
Total deferred inflows of resources	259,933	9,423	269,356	2,490,691	-	113,745
NET POSITION						
Net investment in capital assets	34,855,376	5,460,083	40,315,459	28,430,961	-	12,099
Restricted for:						
Debt service	-	52,619	52,619	-	-	-
Judicial	178,607	-	178,607	-	-	-
Public safety	2,346,649	-	2,346,649	-	-	-
Economic development	1,507,333	-	1,507,333	-	-	-
Capital outlay	12,269,357	-	12,269,357	-	-	121,011
Unrestricted	8,343,007	7,358,913	15,701,920	35,653,024	113,782,000	660,683
Total net position	\$ 59,500,329	\$ 12,871,615	\$ 72,371,944	\$ 64,083,985	\$ 113,782,000	\$ 793,793

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

CRISP COUNTY, GEORGIA

STATEMENT OF ACTIVITIES

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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	\$ 3,002,193	\$ 2,701,480	\$ 1,108,256	\$ 3,760	\$ 811,303	\$ -	\$ 811,303	\$ -	\$ -	\$ -
Judicial	2,181,770	39,971	-	1,133	(2,140,666)	-	(2,140,666)	-	-	-
Public safety	16,737,716	3,753,665	432,437	744,828	(11,806,786)	-	(11,806,786)	-	-	-
Public works	5,519,444	-	491,577	808,827	(4,219,040)	-	(4,219,040)	-	-	-
Health and welfare	388,251	-	-	-	(388,251)	-	(388,251)	-	-	-
Parks and recreation	1,639,875	62,487	-	1,613	(1,575,775)	-	(1,575,775)	-	-	-
Housing and development	2,022,372	7,200	-	53,986	(1,961,186)	-	(1,961,186)	-	-	-
Interest on long-term debt	6,962	-	-	-	(6,962)	-	(6,962)	-	-	-
Total governmental activities	<u>31,498,583</u>	<u>6,564,803</u>	<u>2,032,270</u>	<u>1,614,147</u>	<u>(21,287,363)</u>	<u>-</u>	<u>(21,287,363)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Business-type activities:										
Water system	700,394	739,565	-	-	-	39,171	39,171	-	-	-
Landfill	2,351,698	3,265,446	-	102,379	-	1,016,127	1,016,127	-	-	-
Total business-type activities	<u>3,052,092</u>	<u>4,005,011</u>	<u>-</u>	<u>102,379</u>	<u>-</u>	<u>1,055,298</u>	<u>1,055,298</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 34,550,675</u>	<u>\$ 10,569,814</u>	<u>\$ 2,032,270</u>	<u>\$ 1,716,526</u>	<u>(21,287,363)</u>	<u>1,055,298</u>	<u>(20,232,065)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Component units:										
Crisp County Power Commission	\$ 60,498,206	\$ 50,923,218	\$ -	\$ -	-	-	-	(9,574,988)	-	-
Crisp Regional Health Services, Inc.	125,264,000	119,111,000	2,965,000	-	-	-	-	-	(3,188,000)	-
Crisp County Department of Public Health	583,339	230,581	428,482	-	-	-	-	-	-	75,724
Total component units	<u>\$ 186,345,545</u>	<u>\$ 170,264,799</u>	<u>\$ 3,393,482</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(9,574,988)</u>	<u>(3,188,000)</u>	<u>75,724</u>
General revenues:										
Property taxes					9,887,738	-	9,887,738	-	-	-
Sales taxes					9,423,922	-	9,423,922	-	-	-
Franchise fees					1,411,385	-	1,411,385	-	-	-
Business taxes					776,172	-	776,172	-	-	-
Other taxes					606,541	-	606,541	-	-	-
Unrestricted investment earnings					342,629	143,502	486,131	189,639	3,387,000	-
Gain on sale of capital assets					174,159	-	174,159	46,549	-	-
Transfers					(254,624)	254,624	-	-	-	-
Total general revenues and transfers					<u>22,367,922</u>	<u>398,126</u>	<u>22,766,048</u>	<u>236,188</u>	<u>3,387,000</u>	<u>-</u>
Change in net position					<u>1,080,559</u>	<u>1,453,424</u>	<u>2,533,983</u>	<u>(9,338,800)</u>	<u>199,000</u>	<u>75,724</u>
Net position, beginning of year					<u>58,419,770</u>	<u>11,418,191</u>	<u>69,837,961</u>	<u>73,422,785</u>	<u>113,583,000</u>	<u>718,069</u>
Net position, end of year					<u>\$ 59,500,329</u>	<u>\$ 12,871,615</u>	<u>\$ 72,371,944</u>	<u>\$ 64,083,985</u>	<u>\$ 113,782,000</u>	<u>\$ 793,793</u>

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

CRISP COUNTY, GEORGIA

BALANCE SHEET GOVERNMENTAL FUNDS JUNE 30, 2023

	General Fund	Special Service District Fund	TSPLOST Special Revenue Fund	2017 Sales Tax Fund
ASSETS				
Cash and cash equivalents	\$ 7,859,092	\$ 55,928	\$ 449,084	\$ 9,762,809
Investments	4,239,155	1,250,000	-	-
Receivables, net of allowance:				
Taxes	993,490	63,623	-	-
Accounts	17,965	8,641	629	-
Notes	-	-	-	-
Due from other funds	1,634,118	-	6,987	-
Due from other governments	718,417	-	92,571	542,078
Prepaid items	469,799	47,067	3,581	-
Inventory	12,748	-	-	-
Total assets	<u>\$ 15,944,784</u>	<u>\$ 1,425,259</u>	<u>\$ 552,852</u>	<u>\$ 10,304,887</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 460,658	\$ 16,943	\$ 16,951	\$ 494,090
Accrued liabilities	279,074	53,456	4,617	-
Due to other funds	3,908	2,952	361,234	-
Due to other governments	1,077	-	-	-
Unearned revenues	-	-	-	-
Total liabilities	<u>744,717</u>	<u>73,351</u>	<u>382,802</u>	<u>494,090</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	970,649	61,624	-	-
Total deferred inflows of resources	<u>970,649</u>	<u>61,624</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Non-spendable:				
Prepaid items	469,799	47,067	3,581	-
Inventory	12,748	-	-	-
Restricted for:				
General government	24,777	-	14,050	-
Judicial	24,484	-	13,883	-
Public safety	151,716	1,243,217	86,031	-
Public works	60,035	-	34,043	-
Parks and recreation	15,266	-	8,656	-
Housing and development	15,001	-	8,507	-
Health and welfare	2,290	-	1,299	-
Capital outlay	-	-	-	9,810,797
Committed for:				
General government	703,674	-	-	-
Judicial	695,337	-	-	-
Public safety	4,308,754	-	-	-
Public works	1,704,993	-	-	-
Parks and recreation	433,543	-	-	-
Housing and development	426,040	-	-	-
Health and welfare	65,032	-	-	-
Unassigned	5,115,929	-	-	-
Total fund balances	<u>14,229,418</u>	<u>1,290,284</u>	<u>170,050</u>	<u>9,810,797</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 15,944,784</u>	<u>\$ 1,425,259</u>	<u>\$ 552,852</u>	<u>\$ 10,304,887</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.

E-911 Fund	American Rescue Plan Act Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 1,649,682	\$ 2,129,038	\$ 3,972,397	\$ 25,878,030
-	-	243,354	5,732,509
-	-	3,582	1,060,695
-	-	908	28,143
-	-	792,257	792,257
-	-	400,847	2,041,952
28,280	-	69,932	1,451,278
6,134	-	121,938	648,519
-	-	-	12,748
<u>\$ 1,684,096</u>	<u>\$ 2,129,038</u>	<u>\$ 5,605,215</u>	<u>\$ 37,646,131</u>

\$ 7,450	\$ -	\$ 432,822	\$ 1,428,914
26,294	-	-	363,441
1,571,103	-	101,425	2,040,622
-	-	-	1,077
-	2,088,896	-	2,088,896
<u>1,604,847</u>	<u>2,088,896</u>	<u>534,247</u>	<u>5,922,950</u>
-	-	-	1,032,273
-	-	-	1,032,273

6,134	-	121,938	648,519
-	-	-	12,748
-	40,142	-	78,969
-	-	140,240	178,607
-	-	865,685	2,346,649
-	-	-	94,078
-	-	-	23,922
-	-	-	23,508
-	-	1,503,744	1,507,333
-	-	2,458,560	12,269,357
-	-	-	703,674
-	-	-	695,337
73,115	-	-	4,381,869
-	-	-	1,704,993
-	-	-	433,543
-	-	-	426,040
-	-	-	65,032
-	-	(19,199)	5,096,730
<u>79,249</u>	<u>40,142</u>	<u>5,070,968</u>	<u>30,690,908</u>
<u>\$ 1,684,096</u>	<u>\$ 2,129,038</u>	<u>\$ 5,605,215</u>	

35,051,350
 1,032,273
 2,733,654
 (379,609)
 (9,368,314)

 (259,933)
\$ 59,500,329

CRISP COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	General	Special Service District Fund	TSPLOST Special Revenue Fund	2017 Sales Tax Fund
Revenues				
Property taxes	\$ 9,047,708	\$ 707,881	\$ -	\$ -
Sales taxes	2,745,897	-	1,082,221	5,595,804
Franchise taxes	757,108	654,277	-	-
Business taxes	66,825	709,347	-	-
Other taxes	545,732	2,971	-	-
Licenses and permits	40,837	40,310	-	-
Intergovernmental	1,472,626	-	-	34,037
Charges for services	1,541,277	-	-	-
Fines and forfeitures	2,138,834	-	-	-
Interest income	342,457	-	18,707	119,327
Other revenues	284,747	100,567	9,299	-
Total revenues	<u>18,984,048</u>	<u>2,215,353</u>	<u>1,110,227</u>	<u>5,749,168</u>
Expenditures				
Current:				
General government	2,672,570	-	-	-
Judicial	2,132,522	-	-	-
Public safety	9,740,573	2,155,324	-	-
Public works	1,967,781	27,258	552,337	-
Health and welfare	361,054	-	-	-
Parks and recreation	1,101,592	-	-	-
Housing and development	910,694	223,242	-	-
Intergovernmental payments	-	-	-	2,799,971
Capital outlay	-	-	-	969,190
Debt service:				
Principal	25,336	-	-	39,582
Interest	1,154	-	-	5,808
Total expenditures	<u>18,913,276</u>	<u>2,405,824</u>	<u>552,337</u>	<u>3,814,551</u>
Excess (deficiency) of revenues over (under) expenditures	<u>70,772</u>	<u>(190,471)</u>	<u>557,890</u>	<u>1,934,617</u>
Other financing sources (uses)				
Proceeds from the sale of capital assets	165,395	-	-	-
Transfers in	686,360	84,511	8,743	-
Transfers out	(564,285)	-	(355,000)	(222,570)
Total other financing sources (uses)	<u>287,470</u>	<u>84,511</u>	<u>(346,257)</u>	<u>(222,570)</u>
Net change in fund balances	358,242	(105,960)	211,633	1,712,047
Fund balances (deficit), beginning of year	<u>13,871,176</u>	<u>1,396,244</u>	<u>(41,583)</u>	<u>8,098,750</u>
Fund balances, end of year	<u>\$ 14,229,418</u>	<u>\$ 1,290,284</u>	<u>\$ 170,050</u>	<u>\$ 9,810,797</u>

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

E-911 Fund	American Rescue Plan Act Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ 9,755,589
-	-	-	9,423,922
-	-	-	1,411,385
-	-	-	776,172
381	-	57,457	606,541
-	-	-	81,147
-	843,794	1,093,734	3,444,191
348,413	-	234,705	2,124,395
-	-	157,254	2,296,088
83	40,143	24,137	544,854
258,201	-	1,410,360	2,063,174
<u>607,078</u>	<u>883,937</u>	<u>2,977,647</u>	<u>32,527,458</u>
-	-	-	2,672,570
-	-	33,828	2,166,350
1,206,184	-	398,639	13,500,720
-	-	485,855	3,033,231
-	-	-	361,054
-	-	-	1,101,592
-	-	42,988	1,176,924
-	-	-	2,799,971
-	-	1,580,415	2,549,605
-	-	-	64,918
-	-	-	6,962
<u>1,206,184</u>	<u>-</u>	<u>2,541,725</u>	<u>29,433,897</u>
<u>(599,106)</u>	<u>883,937</u>	<u>435,922</u>	<u>3,093,561</u>
-	-	8,764	174,159
599,106	-	942,144	2,320,864
-	(843,795)	(589,838)	(2,575,488)
<u>599,106</u>	<u>(843,795)</u>	<u>361,070</u>	<u>(80,465)</u>
-	40,142	796,992	3,013,096
<u>79,249</u>	<u>-</u>	<u>4,273,976</u>	<u>27,677,812</u>
<u>\$ 79,249</u>	<u>\$ 40,142</u>	<u>\$ 5,070,968</u>	<u>\$ 30,690,908</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, 2023

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

Net change in fund balances - total governmental funds	\$ 3,013,096
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.	(1,972,346)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	132,149
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.	64,918
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>(157,258)</u>
Net change in net position - governmental activities	<u>\$ 1,080,559</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, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Property taxes	\$ 8,923,892	\$ 9,047,708	\$ 9,047,708	\$ -
Sales taxes	2,500,000	2,745,897	2,745,897	-
Franchise taxes	710,000	757,108	757,108	-
Business taxes	69,000	66,825	66,825	-
Other taxes	528,000	545,732	545,732	-
Licenses and permits	28,750	40,837	40,837	-
Intergovernmental	1,423,160	1,472,626	1,472,626	-
Charges for services	1,483,016	1,541,277	1,541,277	-
Fines and forfeitures	1,490,000	2,138,834	2,138,834	-
Interest revenue	14,000	339,676	342,457	2,781
Other revenues	256,236	284,747	284,747	-
Total revenues	17,426,054	18,981,267	18,984,048	2,781
Expenditures				
Current:				
General government:				
Legislative	395,847	378,960	378,960	-
Executive	229,436	236,485	236,485	-
Elections	170,280	145,769	145,769	-
Financial administration	524,657	490,857	490,857	-
Data processing	27,544	10,925	10,925	-
Tax commissioner	326,439	292,015	292,015	-
Tax assessor	454,904	441,539	441,539	-
General government buildings and plant	639,416	676,020	676,020	-
Total general government	2,768,523	2,672,570	2,672,570	-
Judicial:				
Judicial administration	343,426	317,231	317,231	-
Drug court	231,691	208,352	208,352	-
Clerk of superior court	468,802	463,740	463,740	-
District attorney	350,970	303,368	303,368	-
Magistrate court	290,886	283,085	283,085	-
Probate court	385,813	385,034	385,034	-
Juvenile court	60,495	58,028	58,028	-
Grand jury	35,000	51,613	51,613	-
Public defender	63,273	62,071	62,071	-
Total judicial	2,230,356	2,132,522	2,132,522	-
Public safety:				
Sheriff	5,455,032	5,515,701	5,515,631	70
Jail operations	2,718,528	2,828,862	2,828,848	14
Fire	10,263	10,123	10,123	-
EMS	728,886	975,288	975,288	-
Coroner	71,482	85,152	85,152	-
Other protection	301,881	325,543	325,531	12
Total public safety	9,286,072	9,740,669	9,740,573	96

(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, 2023

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Expenditures (Continued)				
Current (Continued):				
Public works:				
Public works administration	\$ 1,836,855	\$ 1,843,632	\$ 1,843,621	\$ 11
Intergovernmental payments of energy excise tax	86,821	124,160	124,160	-
Total public works	1,923,676	1,967,792	1,967,781	11
Health and welfare:				
Health	118,550	109,266	109,266	-
Welfare	14,250	6,521	6,521	-
Community services	398,291	243,786	243,786	-
Public education	1,550	1,481	1,481	-
Total health and welfare	532,641	361,054	361,054	-
Parks and recreation:				
Recreation	884,523	972,358	972,656	(298)
Parks	116,423	128,943	128,936	7
Total parks and recreation	1,000,946	1,101,301	1,101,592	(291)
Housing and development:				
Conservation	386,619	433,717	433,708	9
Economic development and assistance	484,208	476,385	476,385	-
Economic opportunity	500	601	601	-
Total housing and development	871,327	910,703	910,694	9
Debt service:				
Principal	6,960	25,336	25,336	-
Interest	-	1,154	1,154	-
Total debt service	6,960	26,490	26,490	-
Total expenditures	18,620,501	18,913,101	18,913,276	(175)
Excess (deficiency) of revenues over (under) expenditures	(1,194,447)	68,166	70,772	2,606
Other financing sources (uses)				
Proceeds from sale of assets	20,000	165,395	165,395	-
Transfers in	408,500	686,360	686,360	-
Transfers out	(741,716)	(561,507)	(564,285)	(2,778)
Total other financing (sources) uses	(313,216)	290,248	287,470	(2,778)
Net change in fund balances	(1,507,663)	358,414	358,242	(172)
Fund balance, beginning of year	13,871,176	13,871,176	13,871,176	-
Fund balance, end of year	\$ 12,363,513	\$ 14,229,590	\$ 14,229,418	\$ (172)

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, 2023

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues				
Property taxes	\$ 727,563	\$ 707,881	\$ 707,881	\$ -
Franchise taxes	626,144	654,277	654,277	-
Business taxes	890,000	709,347	709,347	-
Other taxes	2,900	2,971	2,971	-
Licenses and permits	35,000	40,310	40,310	-
Other revenues	66,300	100,567	100,567	-
Total revenues	2,347,907	2,215,353	2,215,353	-
Expenditures				
Current:				
Public safety:				
Fire	2,107,170	2,157,194	2,155,324	1,870
Total public safety	2,107,170	2,157,194	2,155,324	1,870
Public works:				
Solid waste collection	15,000	27,258	27,258	-
Total public works	15,000	27,258	27,258	-
Housing and development:				
Planning and zoning	232,337	223,248	223,242	6
Total housing and development	232,337	223,248	223,242	6
Total expenditures	2,354,507	2,407,700	2,405,824	1,876
Deficiency of revenues over expenditures	(6,600)	(192,347)	(190,471)	1,876
Other financing sources				
Transfers in	-	84,511	84,511	-
Total other financing sources	-	84,511	84,511	-
Net change in fund balances	(6,600)	(107,836)	(105,960)	1,876
Fund balance, beginning of year	1,396,244	1,396,244	1,396,244	-
Fund balance, end of year	<u>\$ 1,389,644</u>	<u>\$ 1,288,408</u>	<u>\$ 1,290,284</u>	<u>\$ 1,876</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, 2023

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues				
Charges for services	\$ 361,980	\$ 348,413	\$ 348,413	\$ -
Other taxes	300	380	381	1
Interest revenue	75	82	83	1
Other revenues	257,150	258,216	258,201	(15)
Total revenues	619,505	607,091	607,078	(13)
Expenditures				
Current:				
Public safety:				
EMS	1,338,776	1,206,197	1,206,184	13
Total public safety	1,338,776	1,206,197	1,206,184	13
Total expenditures	1,338,776	1,206,197	1,206,184	13
Deficiency of revenues under expenditures	(719,271)	(599,106)	(599,106)	-
Other financing sources				
Transfers in	719,271	599,106	599,106	-
Total other financing sources	719,271	599,106	599,106	-
Net change in fund balances	-	-	-	-
Fund balance, beginning of year	79,249	79,249	79,249	-
Fund balance, end of year	\$ 79,249	\$ 79,249	\$ 79,249	\$ -

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 TSPLOST SPECIAL REVENUE FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues				
Sales taxes	\$ 900,000	\$ 1,082,221	\$ 1,082,221	\$ -
Interest revenue	2,200	18,707	18,707	-
Other revenues	25	9,299	9,299	-
Total revenues	902,225	1,110,227	1,110,227	-
Expenditures				
Current:				
Public works:				
Highways and streets	549,614	552,337	552,337	-
Total public works	549,614	552,337	552,337	-
Total expenditures	549,614	552,337	552,337	-
Excess of revenues over expenditures	352,611	557,890	557,890	-
Other financing sources (uses)				
Transfers in	-	8,743	8,743	-
Transfers out	(352,611)	(355,000)	(355,000)	-
Total other financing (uses), net	(352,611)	(346,257)	(346,257)	-
Net change in fund balances	-	211,633	211,633	-
Fund balance (deficit), beginning of year	(41,583)	(41,583)	(41,583)	-
Fund balance (deficit), end of year	<u>\$ (41,583)</u>	<u>\$ 170,050</u>	<u>\$ 170,050</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 AMERICAN RESCUE PLAN ACT FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ -	\$ 1,444,808	\$ 843,794	\$ (601,014)
Interest income		198	40,143	39,945
Total revenues	-	1,445,006	883,937	(561,069)
Other financing uses				
Transfers out	-	(1,445,006)	(843,795)	601,211
Total other financing uses	-	(1,445,006)	(843,795)	601,211
Net change in fund balances	-	-	40,142	40,142
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40,142</u>	<u>\$ 40,142</u>

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

CRISP COUNTY, GEORGIA

STATEMENT OF NET POSITION PROPRIETARY FUNDS JUNE 30, 2023

	Crisp County Water System	Crisp County Landfill	Totals
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	\$ 4,354,892	\$ 6,183,739	\$ 10,538,631
Accounts receivable, net of allowances	60,679	154,671	215,350
Due from other funds	405	3,313	3,718
Prepaid expenses	8,464	18,573	27,037
Restricted assets, cash	158,294	-	158,294
Total current assets	<u>4,582,734</u>	<u>6,360,296</u>	<u>10,943,030</u>
NON-CURRENT ASSETS			
Capital assets:			
Nondepreciable	-	880,658	880,658
Depreciable, net of accumulated depreciation	2,177,076	5,232,574	7,409,650
Total non-current assets	<u>2,177,076</u>	<u>6,113,232</u>	<u>8,290,308</u>
Total assets	<u>6,759,810</u>	<u>12,473,528</u>	<u>19,233,338</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension	30,655	68,447	99,102
Total deferred outflows of resources	<u>30,655</u>	<u>68,447</u>	<u>99,102</u>
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable	8,550	56,213	64,763
Accrued liabilities	5,629	16,294	21,923
Due to other funds	5,048	-	5,048
Due to other governments	-	45,855	45,855
Leases payable, current portion	-	192,356	192,356
Notes payable, current portion	-	316,229	316,229
Compensated absences, current portion	2,745	8,053	10,798
Payable from restricted assets:			
Customer deposits	59,790	-	59,790
Revenue bonds payable, current portion	52,619	-	52,619
Total current liabilities	<u>134,381</u>	<u>635,000</u>	<u>769,381</u>
NON-CURRENT LIABILITIES			
Leases payable, net of current portion	-	601,981	601,981
Notes payable, net of current portion	-	604,959	604,959
Revenue bonds payable, net of current portion	1,062,081	-	1,062,081
Compensated absences, net of current portion	5,726	7,288	13,014
Closure and post-closure care costs	-	3,060,364	3,060,364
Net pension liability	105,053	234,569	339,622
Total non-current liabilities	<u>1,172,860</u>	<u>4,509,161</u>	<u>5,682,021</u>
Total liabilities	<u>1,307,241</u>	<u>5,144,161</u>	<u>6,451,402</u>

(Continued)

CRISP COUNTY, GEORGIA

STATEMENT OF NET POSITION PROPRIETARY FUNDS JUNE 30, 2023

	<u>Crisp County Water System</u>	<u>Crisp County Landfill</u>	<u>Totals</u>
DEFERRED INFLOWS OF RESOURCES			
Pension	\$ 2,915	\$ 6,508	\$ 9,423
Total deferred inflows of resources	<u>2,915</u>	<u>6,508</u>	<u>9,423</u>
NET POSITION			
Net investment in capital assets	1,062,376	4,397,707	5,460,083
Restricted for debt service	52,619	-	52,619
Unrestricted	4,365,314	2,993,599	7,358,913
Total net position	<u>\$ 5,480,309</u>	<u>\$ 7,391,306</u>	<u>\$ 12,871,615</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, 2023

	Crisp County Water System	Crisp County Landfill	Totals
OPERATING REVENUES			
Charges for services	\$ 739,565	\$ 3,264,709	\$ 4,004,274
Other revenue	-	737	737
Total operating revenues	<u>739,565</u>	<u>3,265,446</u>	<u>4,005,011</u>
OPERATING EXPENSES			
Personnel services	200,428	460,424	660,852
Cost of sales and services	82,882	1,074,585	1,157,467
Supplies	136,485	209,087	345,572
Administration	34,695	109,271	143,966
Depreciation	208,793	425,886	634,679
Total operating expenses	<u>663,283</u>	<u>2,279,253</u>	<u>2,942,536</u>
Operating income	<u>76,282</u>	<u>986,193</u>	<u>1,062,475</u>
NON-OPERATING INCOME (EXPENSES)			
Interest income	77,693	65,809	143,502
Interest expense	(37,111)	(72,445)	(109,556)
Total non-operating income (expenses)	<u>40,582</u>	<u>(6,636)</u>	<u>33,946</u>
Income before capital contributions and transfers	116,864	979,557	1,096,421
CAPITAL CONTRIBUTIONS	<u>102,379</u>	<u>-</u>	<u>102,379</u>
TRANSFERS			
Transfers in	10,200	244,424	254,624
Total transfers	<u>10,200</u>	<u>244,424</u>	<u>254,624</u>
Change in net position	229,443	1,223,981	1,453,424
NET POSITION, beginning of year	<u>5,250,866</u>	<u>6,167,325</u>	<u>11,418,191</u>
NET POSITION, end of year	<u>\$ 5,480,309</u>	<u>\$ 7,391,306</u>	<u>\$ 12,871,615</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, 2023

	Crisp County Water System	Crisp County Landfill	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from other customers	\$ 759,409	\$ 3,592,333	\$ 4,351,742
Payments to suppliers	(257,152)	(1,039,559)	(1,296,711)
Payments to employees	(174,095)	(443,511)	(617,606)
Net cash provided by operating activities	328,162	2,109,263	2,437,425
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers in	10,200	244,424	254,624
Net cash provided by noncapital financing activities	10,200	244,424	254,624
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and construction of capital assets	(2,641)	(27,233)	(29,874)
Principal paid on bonds payable	(50,939)	-	(50,939)
Principal paid on notes payable	-	(304,115)	(304,115)
Principal paid on leases	-	(192,800)	(192,800)
Interest paid	(37,120)	(72,530)	(109,650)
Net cash used in capital and related financing activities	(90,700)	(596,678)	(687,378)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	77,693	65,809	143,502
Net cash provided by investing activities	77,693	65,809	143,502
Increase in cash and cash equivalents	325,355	1,822,818	2,148,173
Cash and cash equivalents:			
Beginning of year	4,187,831	4,360,921	8,548,752
End of year	\$ 4,513,186	\$ 6,183,739	\$ 10,696,925
Classified as:			
Cash and cash equivalents	\$ 4,354,892	\$ 6,183,739	\$ 10,538,631
Restricted assets, cash	158,294	-	158,294
	\$ 4,513,186	\$ 6,183,739	\$ 10,696,925

(Continued)

CRISP COUNTY, GEORGIA

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Crisp County Water System</u>	<u>Crisp County Landfill</u>	<u>Totals</u>
Reconciliation of operating income to net cash provided by operating activities			
Operating income	\$ 76,282	\$ 986,193	\$ 1,062,475
Adjustments to reconcile operating income to net cash provided by operating activities			
Depreciation	208,793	425,886	634,679
Decrease in accounts receivable	11,164	320,727	331,891
Decrease in due from other funds	6,880	18,521	25,401
Increase in prepaid expenses	(7,867)	(14,561)	(22,428)
Increase in assumption change	(26,225)	(55,011)	(81,236)
Increase in subsequent pension contributions	(21,383)	(67,197)	(88,580)
Increase in accounts payable	4,777	27,711	32,488
Increase in accrued liabilities	710	4,156	4,866
Increase (decrease) in customer deposits	903	(12,362)	(11,459)
Increase (decrease) in due to other funds	897	(24,806)	(23,909)
Increase in compensated absences	1,645	6,070	7,715
Increase in net pension liability	71,586	133,051	204,637
Increase in closure and post-closure costs	-	360,885	360,885
Net cash provided by operating activities	<u>\$ 328,162</u>	<u>\$ 2,109,263</u>	<u>\$ 2,437,425</u>
Noncash investing, capital, and financing activities:			
Contributions of capital assets from outside sources	\$ (102,379)	\$ -	\$ (102,379)
	<u>\$ (102,379)</u>	<u>\$ -</u>	<u>\$ (102,379)</u>

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

CRISP COUNTY, GEORGIA

STATEMENT OF FIDUCIARY NET POSITION FIDUCIARY FUNDS JUNE 30, 2023

		Custodial Funds
	ASSETS	
Cash and cash equivalents		\$ 1,775,797
Taxes receivable		1,477,170
Total assets		<u>\$ 3,252,967</u>
	LIABILITIES	
Due to others		\$ 469,793
Uncollected taxes		1,477,170
Total liabilities		<u>\$ 1,946,963</u>
	NET POSITION	
Restricted for individuals, organizations and other governments		<u>\$ 1,306,004</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, 2023

	Custodial Funds
ADDITIONS	
Taxes collected	\$ 14,980,292
Fines and fees collected	6,628,693
Total additions	<u>21,608,985</u>
DEDUCTIONS	
Taxes disbursed	14,765,837
Fines and fees disbursed	6,738,067
Total deductions	<u>21,503,904</u>
Change in net position	105,081
Net position, beginning of year	<u>1,200,923</u>
Net position, end of year	<u><u>\$ 1,306,004</u></u>

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

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

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.

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 ("TSPLOST") Special Revenue Fund** is a special revenue fund used to account for the collection of the discretionary portion of the TSPLOST 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 at the date of donation.

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.

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:

Asset Category	Years
Furniture, machinery and equipment	5 – 15
System improvements	35
Plant and buildings	20 – 50
Right-to-use leased equipment	5 – 15
Right-to-use leased vehicles	7 – 10
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 represents a consumption of net assets 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 represents an acquisition of net assets 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.

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.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Fund Equity (Continued)

- **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

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.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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, 2023, 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.

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 used 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Leases (Continued)

- 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.

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	\$ (195,974)
Compensated absences	<u>(183,635)</u>
Net adjustment to decrease fund balance - total governmental funds to arrive at <i>net position - governmental activities</i>	<u><u>\$ (379,609)</u></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

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	\$ 2,327,099
Depreciation expense	<u>(4,299,445)</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>\$ (1,972,346)</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	\$ 126,975
Change in net pension liability and related deferred inflows and outflows of resources	<u>(284,233)</u>
Net adjustment to reduce <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ (157,258)</u>

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.

NOTES TO FINANCIAL STATEMENTS

NOTE 3. LEGAL COMPLIANCE – BUDGETS (CONTINUED)

A. Budgets and Budgetary Accounting (Continue)

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.

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, 2023, expenditures exceeded budget as follows:

<u>Department</u>	<u>Excess</u>
General Fund:	
Recreation	\$ (298)

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

NOTES TO FINANCIAL STATEMENTS

NOTE 3. LEGAL COMPLIANCE – BUDGETS (CONTINUED)

D. Fund Deficit

The Jail Fund reported a deficit fund balance of \$761 at June 30, 2023. The deficit is intended to be eliminated through transfers from the General Fund.

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, 2023, 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	28-day weighted average	AAAf	\$ 5,489,155
Certificates of deposit	7-month weighted average	(a)	243,354
			<u>\$ 5,732,509</u>

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

As of June 30, 2023, 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, 2023, none of the County deposits were exposed to custodial credit risk as uninsured and uncollateralized as defined by GASB pronouncements.

NOTES TO FINANCIAL STATEMENTS

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

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 \$5,489,155 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 \$243,354 within the fair value hierarchy.

NOTE 5. RECEIVABLES

Receivables at June 30, 2023 for the County's individual major funds and nonmajor funds in the aggregate are as follows:

	<u>General Fund</u>	<u>Special Service District Fund</u>	<u>TSPLOST Revenue Revenue Fund</u>	<u>Nonmajor Governmental Funds</u>
Receivables:				
Taxes	\$ 1,045,779	\$ 66,971	\$ -	\$ 3,582
Accounts	17,965	8,641	629	908
Notes	-	-	-	1,816,127
	<u>1,063,744</u>	<u>75,612</u>	<u>629</u>	<u>1,820,617</u>
Less allowance for uncollectibles	(52,289)	(3,349)	-	(1,023,870)
Total receivables	<u>\$ 1,011,455</u>	<u>\$ 72,263</u>	<u>\$ 629</u>	<u>\$ 796,747</u>

	<u>Crisp County Landfill</u>	<u>Crisp County Water System</u>	<u>Total</u>
Receivables:			
Taxes	\$ -	\$ -	\$ 1,116,332
Accounts	165,497	60,680	254,320
Notes	-	-	1,816,127
	<u>165,497</u>	<u>60,680</u>	<u>3,186,779</u>
Less allowance for uncollectibles	(10,826)	-	(1,090,334)
Total receivables	<u>\$ 154,671</u>	<u>\$ 60,680</u>	<u>\$ 2,096,445</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 5. RECEIVABLES (CONTINUED)

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 2023 is as follows:

Levy date	September 28, 2022
Payment due date	December 20, 2022
Delinquency date	December 21, 2022

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

NOTE 6. CAPITAL ASSETS

The County's capital asset activity for the fiscal year ended June 30, 2023 was as follows:

	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
Governmental activities					
Capital assets, not being depreciated:					
Land	\$ 2,536,632	\$ -	\$ -	\$ -	\$ 2,536,632
Construction in progress	335,623	816,085	-	-	1,151,708
Total	<u>2,872,255</u>	<u>816,085</u>	<u>-</u>	<u>-</u>	<u>3,688,340</u>
Capital assets, being depreciated:					
Land improvements	12,874,362	103,300	-	-	12,977,662
Infrastructure	77,047,055	-	-	-	77,047,055
Plant and buildings	27,020,047	332,586	-	-	27,352,633
Right-to-use leased equipment	346,128	-	-	-	346,128
Furniture, machinery and equipment	20,928,496	1,075,128	(647,912)	-	21,355,712
Total	<u>138,216,088</u>	<u>1,511,014</u>	<u>(647,912)</u>	<u>-</u>	<u>139,079,190</u>
Less accumulated depreciation for:					
Land improvements	(6,770,061)	(602,909)	-	-	(7,372,970)
Infrastructure	(67,012,219)	(1,459,380)	-	-	(68,471,599)
Plant and buildings	(13,395,408)	(898,557)	-	-	(14,293,965)
Right-to-use leased equipment	(92,180)	(69,226)	-	-	(161,406)
Furniture, machinery and equipment	(16,794,779)	(1,269,373)	647,912	-	(17,416,240)
Total	<u>(104,064,647)</u>	<u>(4,299,445)</u>	<u>647,912</u>	<u>-</u>	<u>(107,716,180)</u>
Total capital assets, being depreciated, net	<u>34,151,441</u>	<u>(2,788,431)</u>	<u>-</u>	<u>-</u>	<u>31,363,010</u>
Governmental activities capital assets, net	<u>\$ 37,023,696</u>	<u>\$ (1,972,346)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35,051,350</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 6. CAPITAL ASSETS (CONTINUED)

	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
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	4,834,477	132,253	(443,717)	-	4,523,013
Right-to-use leased equipment	1,110,519	-	-	-	1,110,519
System improvements	342,454	-	-	-	342,454
Total	<u>22,838,039</u>	<u>132,253</u>	<u>(443,717)</u>	<u>-</u>	<u>22,526,575</u>
Less accumulated depreciation for:					
Infrastructure	(28,442)	(10,604)	-	-	(39,046)
Plant and buildings	(9,806,871)	(343,700)	-	-	(10,150,571)
Furniture, machinery and equipment	(4,645,115)	(50,542)	443,717	-	(4,251,940)
Right-to-use leased equipment	(107,854)	(227,222)	-	-	(335,076)
System improvements	(337,681)	(2,611)	-	-	(340,292)
Total	<u>(14,925,963)</u>	<u>(634,679)</u>	<u>443,717</u>	<u>-</u>	<u>(15,116,925)</u>
Total capital assets, being depreciated, net	<u>7,912,076</u>	<u>(502,426)</u>	<u>-</u>	<u>-</u>	<u>7,409,650</u>
Business-type activities capital assets, net	<u>\$ 8,792,734</u>	<u>\$ (502,426)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,290,308</u>

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

Governmental activities	
General government	\$ 412,428
Judicial	26,373
Public safety	1,483,155
Public works	1,490,836
Health and welfare	21,523
Parks and recreation	372,975
Housing and development	492,155
Total depreciation expense - governmental activities	<u>\$ 4,299,445</u>
Business-type activities	
Water system	\$ 208,793
Landfill	425,886
Total depreciation expense - business-type activities	<u>\$ 634,679</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT

The following is a summary of long-term debt activity for the fiscal year ended June 30, 2023:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities					
Leases payable	\$ 260,892	\$ -	\$ 64,918	\$ 195,974	\$ 69,749
Compensated absences	310,610	323,992	450,967	183,635	108,682
Net pension liability	4,147,877	6,688,228	1,467,791	9,368,314	-
Governmental activities long-term liabilities	<u>\$ 4,719,379</u>	<u>\$ 7,012,220</u>	<u>\$ 1,983,676</u>	<u>\$ 9,747,923</u>	<u>\$ 178,431</u>
Business-type activities					
Notes payable	\$ 1,225,303	\$ -	\$ 304,115	\$ 921,188	\$ 316,229
Leases payable	987,137	-	192,800	794,337	192,356
Revenue bonds payable	1,165,639	-	50,939	1,114,700	52,619
Compensated absences	16,097	28,724	21,009	23,812	10,798
Closure and post-closure care	2,699,479	360,885	-	3,060,364	-
Net pension liability	134,986	242,463	37,827	339,622	-
Business-type activities long-term liabilities	<u>\$ 6,228,641</u>	<u>\$ 632,072</u>	<u>\$ 606,690</u>	<u>\$ 6,254,023</u>	<u>\$ 572,002</u>

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.

A. Governmental Activities Debt

Leases Payable

During fiscal year 2021, 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. As of June 30, 2023, the value of the lease liability was \$77,832. 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 \$43,386.

During fiscal year 2021, 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. As of June 30, 2023, the value of the lease liability was \$34,520. 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 \$40,074.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

A. Governmental Activities Debt (Continued)

Leases Payable (Continued)

During fiscal year 2021, 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. As of June 30, 2023, the value of the lease liability was \$31,651. 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 \$40,439.

During the current fiscal year, the County entered into a five-year lease agreement as lessee for the acquisition and use of tasers for the police department. An initial lease liability was recorded in the amount of \$83,373. As of June 30, 2023, the value of the lease liability was \$51,971. The County is required to make monthly principal and interest payments of \$1,561. 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 \$83,373 and had accumulated amortization of \$37,507.

The future principal and interest lease payments as of June 30, 2023 were as follows:

<u>Fiscal Year Payable</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 76,554	\$ 69,749	\$ 6,805
2025	79,890	75,868	4,022
2026	51,702	50,357	1,345
	<u>\$ 208,146</u>	<u>\$ 195,974</u>	<u>\$ 12,172</u>

B. Business Activities Debt

Leases

During fiscal year 2021, 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. As of June 30, 2023, the value of the lease liability was \$25,369. 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 \$30,035.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

B. Business Activities Debt (Continued)

Leases (Continued)

During fiscal year 2021, 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. As of June 30, 2023, the value of the lease liability was \$42,076. 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 \$46,883.

During fiscal year 2021, 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. As of June 30, 2023, the value of the lease liability was \$151,751. 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 \$114,658.

During the current fiscal year, the County entered into a five-year lease agreement as lessee for the acquisition and use of a compactor. An initial lease liability was recorded in the amount of \$717,500. As of June 30, 2023, the value of the lease liability was \$575,141. The County is required to make quarterly principal and interest payments of \$32,785. The lease has an interest rate of 3.34%. 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 \$717,500 and had accumulated depreciation of \$143,500.

The future principal and interest lease payments as of June 30, 2023 were as follows:

<u>Fiscal Year Payable</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 217,709	\$ 192,356	\$ 25,353
2025	217,708	199,317	18,391
2026	190,306	179,043	11,263
2027	232,642	227,442	5,200
	<u>\$ 858,365</u>	<u>\$ 798,158</u>	<u>\$ 60,207</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

B. Business Activities Debt (Continued)

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, 2023:

Purpose	Original Amount	Interest Rate	Due Date	Balance at June 30, 2023
Landfill improvements	\$ 1,417,970	3.98%	2025	\$ 124,898
Landfill improvements	2,766,304	3.89%	2027	796,290
				921,188
		Less current maturities		(316,229)
				<u>\$ 604,959</u>

Notes payable debt service requirements to maturity are as follows as of June 30, 2023:

Fiscal Year Payable	Total	Principal	Interest
2024	\$ 346,878	\$ 316,229	\$ 30,649
2025	269,243	250,424	18,819
2026	243,718	234,070	9,648
2027	121,835	120,465	1,370
	<u>\$ 981,674</u>	<u>\$ 921,188</u>	<u>\$ 60,486</u>

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 ("USDA") 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

B. Business Activities Debt (Continued)

Revenue Bonds Payable. (Continued)

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

Fiscal Year Payable	Total	Principal	Interest
2024	\$ 88,068	\$ 52,619	\$ 35,449
2025	88,068	54,355	33,713
2026	88,068	56,148	31,920
2027	88,068	58,001	30,067
2028	88,068	59,914	28,154
2029 – 2032	440,340	330,554	109,786
2033 – 2037	440,340	388,794	51,546
2038 – 2040	176,137	114,315	61,822
	<u>\$ 1,497,157</u>	<u>\$ 1,114,700</u>	<u>\$ 382,457</u>

NOTE 8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of June 30, 2023 is as follows:

A. Due to/from other funds

Receivable Fund	Payable Fund	Amount
General Fund	Water System Fund	\$ 5,048
General Fund	Special Service District Fund	2,952
General Fund	E-911 Fund	1,571,103
General Fund	Nonmajor Governmental Funds	48,781
General Fund	TSPLOST Special Revenue Fund	6,234
Nonmajor Governmental Funds	General Fund	190
Nonmajor Governmental Funds	TSPLOST Special Revenue Fund	355,000
TSPLOST Special Revenue Fund	Nonmajor Governmental Funds	6,987
Nonmajor Governmental Funds	Nonmajor Governmental Funds	45,657
Water System Fund	General Fund	405
Landfill Fund	General Fund	3,313
		<u>\$ 2,045,670</u>

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.

NOTES TO FINANCIAL STATEMENTS

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

B. Interfund transfers

Transfers In	Transfers Out					Total
	General Fund	TSPLOST Special Revenue Fund	Nonmajor Governmental Funds	ARPA Fund	2017 Sales Tax Fund	
Nonmajor Governmental Funds	\$ 27,200	\$ 355,000	\$ 559,944	\$ -	\$ -	\$ 942,144
General Fund	2,780	-	-	683,580	-	686,360
E-911 Fund	534,305	-	-	64,801	-	599,106
Special Service District Fund	-	-	-	84,511	-	84,511
TSPLOST Special Revenue	-	-	-	8,743	-	8,743
Water System Fund	-	-	10,200	-	-	10,200
Landfill Fund	-	-	19,694	2,160	222,570	244,424
Total	<u>\$ 564,285</u>	<u>\$ 355,000</u>	<u>\$ 589,838</u>	<u>\$ 843,795</u>	<u>\$ 222,570</u>	<u>\$ 2,575,488</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, 2023. Actual costs may be higher due to changes in inflation, changes in technology, or changes in regulations.

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

NOTES TO FINANCIAL STATEMENTS

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

A summary of the liability recorded at June 30, 2023 for closure and post-closure care costs is as follows:

	Vertical Landfill	Subtitle D Landfill	Total
Estimated closure costs	\$ -	\$ 5,066,165	\$ 5,066,165
Estimated post-closure care costs	656,724	2,920,685	3,577,409
	656,724	7,986,850	<u>\$ 8,643,574</u>
Percentage of capacity filled, June 30, 2023	100%	30.09%	
Closure and post-closure care cost liability	<u>\$ 656,724</u>	<u>\$ 2,403,640</u>	<u>\$ 3,060,364</u>

NOTE 10. DEFINED BENEFIT PENSION PLANS

A. 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)

B. Plan Membership

As of January 1, 2022, the date of the most recent actuarial valuation date, pension plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	112
Inactive plan members entitled to but not receiving benefits	80
Active plan members	147
	<hr/>
	339
	<hr/>

C. 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, 2023, the County's contribution rate was 16.1% of annual payroll. County contributions to the Plan were \$1,505,618 for the year ended June 30, 2023.

D. Net Pension Liability of the County

The County's net pension liability was measured as of December 31, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2022.

Actuarial Assumptions. The total pension liability in the January 1, 2022 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 2021.

NOTES TO FINANCIAL STATEMENTS

NOTE 10. DEFINED BENEFIT PENSION PLANS (CONTINUED)

D. Net Pension Liability of the County (Continued)

Actuarial Assumptions (Continued). The actuarial assumptions used in the January 1, 2021 valuation were based on the results of an actuarial experience study through December 31, 2020.

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, 2022 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
	<u>100 %</u>	

* 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 contributions 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)

D. 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, 2023 were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Beginning balance	\$ 31,174,818	\$ 26,891,955	\$ 4,282,863
Changes for the year:			
Service cost	449,358	-	449,358
Interest	2,136,689	-	2,136,689
Experience differences	356,985	-	356,985
Assumption changes	50,080	-	50,080
Contributions - employer	-	1,505,618	(1,505,618)
Net investment income	-	(3,743,881)	3,743,881
Benefit payments, including refunds of employee contributions	(1,301,377)	(1,301,377)	-
Administrative expense	-	(53,434)	53,434
Other charges	-	(140,264)	140,264
Net changes	<u>1,691,735</u>	<u>(3,733,338)</u>	<u>5,425,073</u>
Ending balance	<u>\$ 32,866,553</u>	<u>\$ 23,158,617</u>	<u>\$ 9,707,936</u>

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	\$ 13,765,850	\$ 9,707,936	\$ 6,312,358

NOTES TO FINANCIAL STATEMENTS

NOTE 10. DEFINED BENEFIT PENSION PLANS (CONTINUED)

D. Net Pension Liability of the County (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate (Continued). 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, 2022, and the current sharing pattern of costs between employer and employee.

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

For the year ended June 30, 2023, the County recognized pension expense of \$1,824,674. At June 30, 2023, 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	Total
Net difference between projected and actual earnings on pension plan investments	\$ 2,497,914	\$ -	\$ 2,497,914
Pension assumption changes	75,105	-	75,105
Differences between expected and actual experience of economic/demographic (gains)/losses	259,737	269,356	(9,619)
	<u>\$ 2,832,756</u>	<u>\$ 269,356</u>	<u>\$ 2,563,400</u>

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,

2024	\$ 58,110
2025	610,061
2026	822,961
2027	1,072,268
Total	<u>\$ 2,563,400</u>

NOTES TO FINANCIAL STATEMENTS

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.

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.

NOTES TO FINANCIAL STATEMENTS

NOTE 12. COMMITMENTS AND CONTINGENT LIABILITIES (CONTINUED)

C. Crisp Regional Health Services, Inc. Debt Guarantee

In the current fiscal year, Crisp Regional Health Services, Inc. issued Series 2021 Revenue Bonds in the original principal amount of \$41,385,000. Principal payments are due January 1 and July 1 each year through 2052 with interest rates varying from 3.00% to 5.00%. These bonds are collateralized by the Crisp Regional Health Services, Inc.'s (the "Corporation") gross revenues and are guaranteed by Crisp County and an insurance policy. The Corporation used these bonds to refund the Series 2013 and 2015 Revenue Bonds. As a result of this refunding, the Corporation recognized a loss on refunding of approximately \$778,000. The refunding reduced the Corporation's debt service requirements on those funds by approximately \$4,433,000. Crisp Regional Health Services, Inc.'s revenue bonds outstanding at June 30, 2023 total \$47,965,000, which are guaranteed by the County.

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, 2023, the County paid \$9,461 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:

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.

NOTES TO FINANCIAL STATEMENTS

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.

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,

	2023	2022	2021	2020
Total pension liability				
Service cost	\$ 449,358	\$ 474,489	\$ 454,235	\$ 418,959
Interest on total pension liability	2,136,689	2,078,850	1,979,231	1,719,735
Differences between expected and actual experience	356,985	(586,246)	22,556	1,493,844
Changes of assumptions	50,080	63,327	48,620	1,079,902
Service credit transfer	-	6,661	-	13,189
Benefit payments, including refunds of employee contributions	(1,301,377)	(1,113,583)	(1,056,106)	(967,768)
Net change in total pension liability	1,691,735	923,498	1,448,536	3,757,861
Total pension liability - beginning	31,174,818	30,251,320	28,802,784	25,044,923
Total pension liability - ending (a)	32,866,553	31,174,818	30,251,320	28,802,784
Plan fiduciary net position				
Contributions - employer	1,505,618	1,517,768	1,497,140	1,454,323
Net investment income	(3,743,881)	3,534,873	2,683,470	3,425,155
Benefit payments, including refunds of employee contributions	(1,301,377)	(1,113,583)	(1,056,106)	(967,768)
Service credit transfer	-	6,661	-	13,189
Administrative expenses	(53,434)	(52,033)	(50,502)	(50,344)
Other	(140,264)	(234,125)	(116,875)	(102,315)
Net change in Plan fiduciary net position	(3,733,338)	3,659,561	2,957,127	3,772,240
Plan fiduciary net position - beginning	26,891,955	23,232,394	20,275,267	16,503,027
Plan fiduciary net position - ending (b)	23,158,617	26,891,955	23,232,394	20,275,267
County's net pension liability - ending (a) - (b)	\$ 9,707,936	\$ 4,282,863	\$ 7,018,926	\$ 8,527,517
Plan fiduciary net position as a percentage of the total pension liability	70.5%	86.3%	76.8%	70.4%
Covered payroll	\$ 7,097,135	\$ 7,307,237	\$ 7,050,989	\$ 6,905,301
County's net pension liability as a percentage of covered payroll	136.8%	58.6%	99.5%	123.5%

Notes to the Schedule

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

2019	2018	2017	2016	2015
\$ 338,824	\$ 317,004	\$ 300,955	\$ 281,683	\$ 279,312
1,651,966	1,547,263	1,437,762	1,368,905	1,297,948
(637,634)	439,165	633,787	(246,743)	-
1,368,871	46,511	627,846	631,117	-
-	-	-	-	-
(925,667)	(885,892)	(771,991)	(730,879)	(631,169)
1,796,360	1,464,051	2,228,359	1,304,083	946,091
23,248,563	21,784,512	19,556,153	18,252,070	17,305,979
25,044,923	23,248,563	21,784,512	19,556,153	18,252,070
1,046,710	1,157,954	1,055,935	914,768	957,690
(784,375)	2,322,374	963,499	97,867	884,473
(925,667)	(885,892)	(771,991)	(704,462)	(608,356)
-	-	-	-	-
(35,127)	(30,744)	(34,721)	(31,198)	(28,961)
(86,276)	(118,355)	(126,873)	(76,070)	(90,130)
(784,735)	2,445,337	1,085,849	200,905	1,114,716
17,287,762	14,842,425	13,756,576	13,555,671	12,440,955
16,503,027	17,287,762	14,842,425	13,756,576	13,555,671
\$ 8,541,896	\$ 5,960,801	\$ 6,942,087	\$ 5,799,577	\$ 4,696,399
65.9%	74.4%	68.1%	70.3%	74.3%
\$ 6,222,195	\$ 5,763,308	\$ 5,837,978	\$ 5,620,286	\$ 5,546,941
137.3%	103.4%	118.9%	103.2%	84.7%

CRISP COUNTY, GEORGIA

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

	2023	2022	2021	2020
Actuarially determined contribution	\$ 1,505,618	\$ 1,517,768	\$ 1,497,140	\$ 1,454,323
Contributions in relation to the actuarially determined contribution	1,505,618	1,517,768	1,497,140	1,454,323
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 9,428,498	\$ 9,352,403	\$ 9,277,492	\$ 9,579,671
Contributions as a percentage of covered payroll	16.0%	16.2%	16.1%	15.2%

Notes to the Schedule

Valuation Date	January 1, 2022
Cost Method	Entry Age Normal
Actuarial Asset Valuation Method	Smoothed market value with a five-year smoothing period
Assumed Rate of Return on Investments:	
Projected Salary Increases	3.5% - 5.5% (including 3% for inflation)
Amortization Period	Closed level dollar for unfunded liability
Remaining Amortization Period	None remaining

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

2019	2018	2017	2016	2015
\$ 1,046,710	\$ 1,157,954	\$ 1,055,935	\$ 914,768	\$ 957,690
1,046,710	1,157,954	1,055,935	914,768	957,690
\$ -	\$ -	\$ -	\$ -	\$ -
\$ 7,548,070	\$ 5,992,752	\$ 5,800,643	\$ 5,729,132	\$ 5,583,614
13.9%	19.3%	18.2%	16.0%	17.2%

SUPPLEMENTARY INFORMATION

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.

Drug Abuse Resistance Education ("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.

Opioid Fund is used to account for all Opioid Settlement Payment Funds received by the County through the National Distributor Settlement and the Janssen/J&J Settlement.

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

Community Development Block Grant ("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.

TSPLOST 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, 2023**

ASSETS	Special Revenue Funds						
	Law Library Fund	Asset Forfeiture Fund	DARE Fund	Jail Fund	Opioid Fund	Hotel/Motel Tax Fund	CDBG Revolving Loan Fund
Cash and cash equivalents	\$ 102,886	\$ 624,862	\$ 233,270	\$ 20,045	\$ 37,384	\$ 10,807	\$ 710,729
Investments	-	243,354	-	-	-	-	-
Taxes receivable	-	-	-	-	-	3,582	-
Accounts receivable	-	-	-	-	-	-	908
Notes receivable	-	-	-	-	-	-	792,257
Due from other funds	-	-	-	190	-	-	-
Due from other governments	-	-	473	1,678	-	-	-
Prepaid items	-	1,000	-	18,438	-	-	-
Total assets	<u>\$ 102,886</u>	<u>\$ 869,216</u>	<u>\$ 233,743</u>	<u>\$ 40,351</u>	<u>\$ 37,384</u>	<u>\$ 14,389</u>	<u>\$ 1,503,894</u>
LIABILITIES AND FUND BALANCES (DEFICIT)							
LIABILITIES							
Accounts payable	\$ -	\$ 221,274	\$ -	\$ 15,379	\$ -	\$ 6,481	\$ 150
Due to other funds	-	-	15,000	25,733	30	7,908	-
Total liabilities	<u>-</u>	<u>221,274</u>	<u>15,000</u>	<u>41,112</u>	<u>30</u>	<u>14,389</u>	<u>150</u>
FUND BALANCES (DEFICIT)							
Nonspendable:							
Prepaid items	-	1,000	-	18,438	-	-	-
Restricted for:							
Judicial	102,886	-	-	-	37,354	-	-
Public safety	-	646,942	218,743	-	-	-	-
Housing and development	-	-	-	-	-	-	1,503,744
Capital outlay	-	-	-	-	-	-	-
Unassigned	-	-	-	(19,199)	-	-	-
Total fund balances (deficit)	<u>102,886</u>	<u>647,942</u>	<u>218,743</u>	<u>(761)</u>	<u>37,354</u>	<u>-</u>	<u>1,503,744</u>
Total liabilities and fund balances (deficit)	<u>\$ 102,886</u>	<u>\$ 869,216</u>	<u>\$ 233,743</u>	<u>\$ 40,351</u>	<u>\$ 37,384</u>	<u>\$ 14,389</u>	<u>\$ 1,503,894</u>

Capital Project Funds				
CDBG Meadow Park Street Drainage Project Fund	CDBG MIT Fund	2011 Sales Tax Fund	TSPLOST Capital Projects Fund	Totals
\$ -	\$ 110	\$ 21,237	\$ 2,211,067	\$ 3,972,397
-	-	-	-	243,354
-	-	-	-	3,582
-	-	-	-	908
-	-	-	-	792,257
45,657	-	-	355,000	400,847
67,781	-	-	-	69,932
-	-	-	102,500	121,938
<u>\$ 113,438</u>	<u>\$ 110</u>	<u>\$ 21,237</u>	<u>\$ 2,668,567</u>	<u>\$ 5,605,215</u>
\$ 113,438	\$ -	\$ -	\$ 76,100	\$ 432,822
-	110	-	52,644	101,425
<u>113,438</u>	<u>110</u>	<u>-</u>	<u>128,744</u>	<u>534,247</u>
-	-	-	102,500	121,938
-	-	-	-	140,240
-	-	-	-	865,685
-	-	-	-	1,503,744
-	-	21,237	2,437,323	2,458,560
-	-	-	-	(19,199)
-	-	21,237	2,539,823	5,070,968
<u>\$ 113,438</u>	<u>\$ 110</u>	<u>\$ 21,237</u>	<u>\$ 2,668,567</u>	<u>\$ 5,605,215</u>

CRISP COUNTY, GEORGIA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Special Revenue Funds						
	Law Library Fund	Asset Forfeiture Fund	DARE Fund	Jail Fund	Opioid Fund	Hotel/Motel Tax Fund	CDBG Revolving Loan Fund
Revenues							
Other taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 57,457	\$ -
Intergovernmental	-	-	-	-	37,399	-	-
Charges for services	39,973	-	-	181,285	-	-	-
Fines and forfeitures	-	128,530	28,724	-	-	-	-
Interest revenue	-	8,926	-	-	-	-	15,131
Other revenues	-	-	-	-	-	-	495,360
Total revenues	<u>39,973</u>	<u>137,456</u>	<u>28,724</u>	<u>181,285</u>	<u>37,399</u>	<u>57,457</u>	<u>510,491</u>
Expenditures							
Current:							
Judicial	33,828	-	-	-	-	-	-
Public safety	-	183,980	6,129	207,442	45	-	-
Public works	-	-	-	-	-	-	-
Housing and development	-	-	-	-	-	42,563	425
Capital outlay	-	-	-	-	-	-	-
Total expenditures	<u>33,828</u>	<u>183,980</u>	<u>6,129</u>	<u>207,442</u>	<u>45</u>	<u>42,563</u>	<u>425</u>
Excess (deficiency) of revenues over (under) expenditures	<u>6,145</u>	<u>(46,524)</u>	<u>22,595</u>	<u>(26,157)</u>	<u>37,354</u>	<u>14,894</u>	<u>510,066</u>
Other financing sources (uses)							
Proceeds from the sale of capital assets	-	8,764	-	-	-	-	-
Transfers in	-	-	-	26,157	-	-	-
Transfers out	-	-	(15,000)	-	-	(14,894)	(500,000)
Total other financing sources (uses)	<u>-</u>	<u>8,764</u>	<u>(15,000)</u>	<u>26,157</u>	<u>-</u>	<u>(14,894)</u>	<u>(500,000)</u>
Net change in fund balances	6,145	(37,760)	7,595	-	37,354	-	10,066
Fund balances (deficit), beginning of year	<u>96,741</u>	<u>685,702</u>	<u>211,148</u>	<u>(761)</u>	<u>-</u>	<u>-</u>	<u>1,493,678</u>
Fund balances (deficit), end of year	<u>\$ 102,886</u>	<u>\$ 647,942</u>	<u>\$ 218,743</u>	<u>\$ (761)</u>	<u>\$ 37,354</u>	<u>\$ -</u>	<u>\$ 1,503,744</u>

Capital Project Funds				
CDBG Meadow Park Street Drainage Project Fund	CDBG MIT Fund	2011 Sales Tax Fund	TSPLOST Capital Projects Fund	Totals
\$ -	\$ -	\$ -	\$ -	\$ 57,457
425,911	-	-	630,424	1,093,734
-	-	13,447	-	234,705
-	-	-	-	157,254
-	-	80	-	24,137
-	-	-	915,000	1,410,360
425,911	-	13,527	1,545,424	2,977,647
-	-	-	-	33,828
-	1,043	-	-	398,639
485,855	-	-	-	485,855
-	-	-	-	42,988
-	-	143,603	1,436,812	1,580,415
485,855	1,043	143,603	1,436,812	2,541,725
(59,944)	(1,043)	(130,076)	108,612	435,922
-	-	-	-	8,764
59,944	1,043	-	855,000	942,144
-	-	-	(59,944)	(589,838)
59,944	1,043	-	795,056	361,070
-	-	(130,076)	903,668	796,992
-	-	151,313	1,636,155	4,273,976
\$ -	\$ -	\$ 21,237	\$ 2,539,823	\$ 5,070,968

CRISP COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Project Description	Current Estimated Costs	Expenditures		
		Prior Years	Current Year	Total
<u>2011 REFERENDUM</u>				
Airport Project	\$ 90,000	\$ 256,201	\$ 41,224	\$ 297,425
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	597,443	-	597,443
Fire Department Project	1,152,683	975,340	-	975,340
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	2,740,957	102,379	2,843,336
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	\$ 25,275,000	\$ 23,696,835	\$ 143,603	\$ 23,840,438

CRISP COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Project Description	Original and Current Estimated Costs	Expenditures		
		Prior Years	Current Year	Total
<u>2017 REFERENDUM</u>				
Airport Project	\$ 90,000	\$ 1,397,502	\$ 5,536	\$ 1,403,038
County Buildings Project	380,000	38,957	-	38,957
Detention Center Project	2,100,000	150,454	265,710	416,164
E-911 Project	572,300	368,230	-	368,230
Public Safety Project	90,000	43,340	5,674	49,014
EMS Project	9,000,000	35,781	214,191	249,972
Fire Department Project	456,029	267,794	69,400	337,194
Finance Project	711,000	122,803	-	122,803
Recreation Project	1,152,683	432,133	151,045	583,178
Roads Project	2,275,210	413,527	117,418	530,945
Public Works Project	1,000,000	298,140	70,844	368,984
Sheriff's Department Project	1,011,500	823,541	69,372	892,913
Solid Waste Project	697,000	-	-	-
Water/Stormwater Project	607,000	98,710	-	98,710
City of Cordele Project	5,168,955	5,249,312	2,660,140	7,909,452
City of Arabi Project	249,000	253,224	139,831	393,055
Totals	\$ 25,560,677	\$ 9,993,448	\$ 3,769,161	\$ 13,762,609

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.	\$ 3,769,161
Payment of principal and interest for expenditures previously included.	<u>45,390</u>
Total expenditures, per the Statement of Revenues, Expenditures and Changes in Fund Balance.	<u>\$ 3,814,551</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 CUSTODIAL FUNDS JUNE 30, 2023

	Clerk of Superior Court	Probate Court	Sheriff's Office
ASSETS			
Cash and cash equivalents	\$ 423,921	\$ 113,707	\$ 454,075
Taxes receivable	-	-	-
Total assets	<u>\$ 423,921</u>	<u>\$ 113,707</u>	<u>\$ 454,075</u>
LIABILITIES			
Due to others	\$ 22,889	\$ 33,455	\$ 47,589
Uncollected taxes	-	-	-
Total liabilities	<u>\$ 22,889</u>	<u>\$ 33,455</u>	<u>\$ 47,589</u>
NET POSITION			
Restricted for individuals, organizations and other governments	<u>\$ 401,032</u>	<u>\$ 80,252</u>	<u>\$ 406,486</u>

Jail Inmate	Tax Commissioner	Magistrate Court	Total
\$ 71,058	\$ 666,962	\$ 46,074	\$ 1,775,797
-	1,477,170	-	1,477,170
<u>\$ 71,058</u>	<u>\$ 2,144,132</u>	<u>\$ 46,074</u>	<u>\$ 3,252,967</u>
\$ 49,637	\$ 298,350	\$ 17,873	\$ 469,793
-	1,477,170	-	1,477,170
<u>\$ 49,637</u>	<u>\$ 1,775,520</u>	<u>\$ 17,873</u>	<u>\$ 1,946,963</u>
<u>\$ 21,421</u>	<u>\$ 368,612</u>	<u>\$ 28,201</u>	<u>\$ 1,306,004</u>

CRISP COUNTY, GEORGIA

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION CUSTODIAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Clerk of Superior Court	Probate Court	Sheriff's Office
ADDITIONS			
Taxes collected	\$ -	\$ -	\$ -
Fines and fees collected	1,076,676	3,332,833	1,285,699
Total additions	1,076,676	3,332,833	1,285,699
DEDUCTIONS			
Taxes disbursed	-	-	-
Fines and fees disbursed	1,164,414	3,340,751	1,302,111
Total deductions	1,164,414	3,340,751	1,302,111
Change in net position	(87,738)	(7,918)	(16,412)
Net position, beginning of year	488,770	88,170	422,898
Net position, end of year	\$ 401,032	\$ 80,252	\$ 406,486

Jail Inmate	Tax Commissioner	Magistrate Court	Total
\$ -	\$ 14,980,292	\$ -	\$ 14,980,292
789,685	-	143,800	6,628,693
789,685	14,980,292	143,800	21,608,985
-	14,765,837	-	14,765,837
786,897	-	143,894	6,738,067
786,897	14,765,837	143,894	21,503,904
2,788	214,455	(94)	105,081
18,633	154,157	28,295	1,200,923
\$ 21,421	\$ 368,612	\$ 28,201	\$ 1,306,004

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 ("*Government Auditing Standards*"), 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, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated December 28, 2023. 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.

Report on 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 were not identified. We identified a certain deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2023-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

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

Crisp County, Georgia's Response to the Finding

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the finding identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. The County's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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.

Mauldin & Jenkins, LLC

Macon, Georgia
December 28, 2023

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

Opinion on the Major Federal Program

We have audited **Crisp County, Georgia's** ("the County") compliance with the types of compliance requirements identified as subject to audit 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, 2023. 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.

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, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America ("GAAS"); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States ("*Government Auditing Standards*"); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the County's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

The 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 Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Mauldin & Jenkins, LLC

Macon, Georgia
December 28, 2023

CRISP COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Federal Grantor/Pass-through Grantor/Program Title	Federal AL Number	Agency or Pass-through Number	Federal Expenditures
U.S. Department of Justice			
Direct Award			
Bulletproof Vest Partnership Program	16.607	2022BUBX22033445	\$ 3,035
Bulletproof Vest Partnership Program	16.607	2021BUBX21029115	2,407
Total Bulletproof Vest Partnership Program			<u>5,442</u>
Passed through Drug Court Discretionary Grant Program			
Crisp County Adult Felony Drug Court	16.585	J23-8-016	68,782
			<u>68,782</u>
Passed through Criminal Justice Coordinating Council			
Crime Victims Assistance Program-VOCA Prosecution	16.575	C21-8-001	98,734
Crime Victims Assistance Program-VOCA Prosecution	16.575	C22-8-076	151,371
Crime Victims Assistance Program-VOCA Prosecution	16.575	C21-8-007	85,625
Total Crime Victims Assistance Program-VOCA Prosecution			<u>335,730</u>
Violence Against Women Act (VAWA Prosecution)	16.588	W22-8-016	18,559
Violence Against Women Act (VAWA Prosecution)	16.588	W21-8-023	27,571
Total Violence Against Women Act (VAWA Prosecution)			<u>46,130</u>
COVID-19 Emergency Supplemental Funding Program	16.034	B50-8-008	14,646
Total Justice Assistance Grant (JAG) MSNTF			<u>14,646</u>
Public Safety Partnerships and Community Policing Grant	16.710	C21-8-007	85,625
Public Safety Partnerships and Community Policing Grant	16.710	2020UMWX0227	61,610
Public Safety Partnerships and Community Policing Grant	16.710	C-20-8-008	20,071
Public Safety Partnerships and Community Policing Grant	16.710	K76-8-011	967
Public Safety Partnerships and Community Policing Grant	16.710	K77-8-018	13,677
Total Public Safety Partnership and Community Policing Grants			<u>181,950</u>
Total U.S. Department Justice			<u>652,680</u>
U.S. Department of Transportation			
Passed through Georgia Department of Transportation			
COVID-19 Formula Grants for Rural Areas - Section 5311			
Operating	20.509	T007221	191,834
COVID-19 Formula Grants for Rural Areas - Section 5311			
Operating	20.509	T008559-TTFP	49,039
			<u>240,873</u>
Airport Improvement Program	20.106	AP023-8052-39(081)	43,212
Total Airport Improvement Program			<u>43,212</u>
State and Community Highway Safety Program	20.600	GA-22-402-142	3,676
Total Highway Cluster			<u>3,676</u>
Total U.S. Department of Transportation			<u>287,761</u>

(Continued)

CRISP COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Federal Grantor/Pass-through Grantor/Program Title	Federal AL Number	Agency or Pass-through Number	Federal Expenditures
U.S. Department of Homeland Security			
Passed through Georgia Emergency Management Agency			
Georgia Emergency Management Agency	97.042	OEM21-052	47,390
Hazard Safety Assistance	97.042	HSGP-0052	41,428
Hazard Mitigation Assistance	97.042	HMGP-4338-0035	28,719
Hazard Mitigation Assistance	97.042	HMGP-4284-0030	20,400
Office of Planning and Budgeting	97.036	N/A	12,333
Total Georgia Emergency Management			<u>150,270</u>
Total U.S. Department of Homeland Security			<u>150,270</u>
U.S. Department of Housing and Urban Development			
Passed through Georgia Department of Community Affairs			
Community Development Block Grant	14.228	20p-y-040-1-6123	485,856
Community Development Block Grant	14.228	N/A	1,043
Total U.S. Department of Housing and Urban Development			<u>486,899</u>
U.S. Department of the Treasury			
Direct Award			
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	843,795
			<u>843,795</u>
Passed through State of Georgia's Governor Office			
COVID-19 Coronavirus Relief Fund	21.019	N/A	121,645
			<u>121,645</u>
Total U.S. Department of the Treasury			<u>965,440</u>
Total Expenditures of Federal Awards			<u><u>\$ 2,543,050</u></u>

CRISP COUNTY, GEORGIA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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.

NOTE 2. DE MINIMIS INDIRECT COST RATE

The County chose not to use the 10% de minimus cost rate for the fiscal year ended June 30, 2023.

NOTE 3. NON-CASH AWARDS

The County did not receive non-cash federal awards during the year June 30, 2023.

NOTE 4. SUBRECIPIENTS

The County did not pass through any funds to subrecipients during the year ended June 30, 2023.

CRISP COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE FISCAL YEAR ENDED JUNE 30, 2023

SECTION I SUMMARY OF AUDITOR'S RESULTS

Financial Statements

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

Unmodified

Internal control over financial reporting:
Material weaknesses identified?

☒ Yes ☐ No

Significant deficiencies identified not considered
to be material weaknesses?

☐ Yes ☒ None Reported

Noncompliance material to financial statements noted?

☐ Yes ☒ No

Federal Awards

Internal control over major programs:
Material weaknesses identified?

☐ Yes ☒ No

Significant deficiencies identified not considered
to be material weaknesses?

☐ Yes ☒ 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 2 CFR 200.516(a)?

☐ Yes ☒ No

Identification of major program:

AL Number

21.027

Name of Federal Program or Cluster

U.S. Department of the Treasury –
COVID-19 Coronavirus State and Local Fiscal
Recovery Funds

14.228

U.S. Department of Housing and Urban
Development –
Community Development Block Grant

Dollar threshold used to distinguish between
Type A and Type B programs:

\$750,000

Auditee qualified as low-risk auditee?

☐ Yes ☒ No

CRISP COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE FISCAL YEAR ENDED JUNE 30, 2023

SECTION II FINANCIAL STATEMENTS FINDINGS AND RESPONSES

2023-001. 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 the 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, 2023

SECTION II FINANCIAL STATEMENTS FINDINGS AND RESPONSES (CONTINUED)

2023-001. Segregation of Duties (Continued)

Condition (Continued):

Custodial Funds (Continued):

- ◆ Sheriff's Office – One individual 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 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 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 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, 2023**

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

None reported.

CRISP COUNTY, GEORGIA

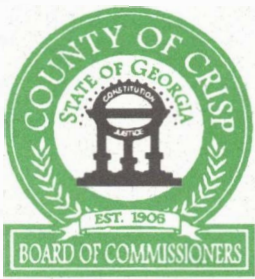
SCHEDULE OF PRIOR YEAR FINDINGS FOR THE FISCAL YEAR ENDED JUNE 30, 2023

2022-001. 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, 2022, 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 2023-001.



THE BOARD OF COMMISSIONERS OF CRISP COUNTY

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COUNTY
FINANCE DIRECTOR

SHERRIE LEVERETT

MANAGEMENT'S CORRECTIVE ACTION PLAN FOR THE FISCAL YEAR ENDED JUNE 30, 2023

2023 – 001. Segregation of Duties

Name of the Contact Person Responsible for the Corrective Action Plan:

Sherrie Leverett, Finance Director

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

Anticipated Completion Date: Future fiscal years.