

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

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

TABLE OF CONTENTS

Page

Table of Contents	i and ii
List of Principal Officials	iii

FINANCIAL SECTION

Independent Auditor's Report	1 – 3
------------------------------------	-------

Basic Financial Statements:

Government-wide Financial Statements:

Statement of Net Position	4
Statement of Activities	5 and 6

Fund Financial Statements:

Balance Sheet – Governmental Funds	7 and 8
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	9 and 10
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	11
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP) Basis and Actual – General Fund	12 and 13
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP) Basis and Actual – Special Services District Fund	14 and 15
Statement of Net Position – Proprietary Funds	16
Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds	17
Statement of Cash Flows – Proprietary Funds	18 and 19
Statement of Fiduciary Net Position – Fiduciary Funds	20
Statement of Changes in Fiduciary Net Position – Fiduciary Funds	21
Notes to Financial Statements	22 – 57

Required Supplementary Information:

Defined Benefit Retirement Plan:

Schedule of Changes in the County's Net Pension Liability and Related Ratios	58 and 59
Schedule of County Contributions	60 – 62
Schedule of Investment Returns	63

Other Post-Employment Benefit Plan:

Schedule of Changes in the County's Total OPEB Liability and Related Ratios	64
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DOUGHERTY COUNTY, GEORGIA
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

TABLE OF CONTENTS (CONTINUED)

Page

FINANCIAL SECTION (CONTINUED)

Combining and Individual Fund Statements and Schedules:

Combining Balance Sheet – Nonmajor Governmental Funds	65 and 66
Combining Statement of Revenues, Expenditures and Changes in Fund	
Balances – Nonmajor Governmental Funds	67 and 68
Combining Statement of Net Position – Internal Service Funds	69
Combining Statement of Revenues, Expenses and Changes in Fund	
Net Position – Internal Service Funds	70
Combining Statement of Cash Flows – Internal Service Funds	71
Schedule of Expenditures of Special Purpose Local Option Sales Tax	
Proceeds	72 – 76
Schedule of Expenditures of Transportation Special Purpose Local Option Sales Tax	
Proceeds	77
Combining Statement of Fiduciary Net Position – Custodial Funds.....	78 and 79
Combining Statement of Changes in Fiduciary Net Position – Custodial Funds	80 and 81

COMPLIANCE SECTION

Independent Auditors' Report on Internal Control Over

Financial Reporting and on Compliance and Other Matters

Based on an Audit of Financial Statements Performed In

Accordance With <i>Government Auditing Standards</i>	82 and 83
---	------------------

Independent Auditor's Report on Compliance For Each Major

Federal Program; Report on Internal Control Over

Compliance; And Report on Schedule Of Expenditures

of Federal Awards Required By The Uniform Guidance	84 – 86
---	----------------

Schedule Of Expenditures Of Federal Awards.....	87 and 88
--	------------------

Notes To Schedule Of Expenditures Of Federal Awards	89
--	-----------

Schedule Of Findings And Questioned Costs.....	90 – 95
---	----------------

Schedule Of Prior Year Findings	96 and 97
--	------------------

Management's Corrective Action Plan.....	98 and 99
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DOUGHERTY COUNTY BOARD OF COMMISSIONERS

Christopher Cohilas, Chairman

Victor Edwards, Vice Chairman

Ed Newsome

Clinton Johnson

Russell Gray

Gloria Gaines

Anthony Jones

COUNTY ADMINISTRATOR

Michael McCoy

FINANCE DIRECTOR

Martha B. Hendley

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

**Board of Commissioners
of Dougherty County, Georgia
Albany, Georgia**

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, based on our audit and the report of 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 discretely presented component unit, each major fund, and the aggregate remaining fund information of the County as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparisons for the General Fund and Special Services District Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 16, the County implemented Governmental Accounting Standards Board ("GASB") Statement No. 84, *Fiduciary Activities*, as of July 1, 2020. This standard significantly changed the accounting for the County's activities previously reported as agency funds. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Schedule of Changes in the County's Net Pension Liability and Related Ratios (on pages 58 and 59), the Schedule of County Contributions and the Schedule of Investment Returns (on pages 60 – 63), and the Other Post-Employment Benefit Plan Schedule of Changes in the County's Total OPEB Liability and Related Ratios (on page 64), be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of American requires to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who consider it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 31, 2022, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Dougherty County, Georgia's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Macon, Georgia
August 31, 2022

BASIC FINANCIAL STATEMENTS

DOUGHERTY COUNTY, GEORGIA

STATEMENT OF NET POSITION FOR THE FISCAL YEAR ENDED JUNE 30, 2021

ASSETS	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Board of Health
Cash and cash equivalents	\$ 18,603,296	\$ 296,877	\$ 18,900,173	\$ 3,808,615
Investments	55,551,282	19,917,702	75,468,984	-
Taxes receivable	1,631,327	-	1,631,327	-
Accounts receivable	1,718,538	646,167	2,364,705	303,958
Internal balances	(3,070,366)	3,070,366	-	-
Due from other governments	3,474,221	-	3,474,221	1,711,366
Prepaid expenses	6,745	-	6,745	-
Inventories	260,550	39,535	300,085	-
Fair value of interest rate swap agreement	116,679	-	116,679	-
Capital assets, non-depreciable	44,802,070	2,111,073	46,913,143	-
Capital assets, depreciable, net of accumulated depreciation	112,756,114	10,851,676	123,607,790	138,969
Total assets	235,850,456	36,933,396	272,783,852	5,962,908
DEFERRED OUTFLOWS OF RESOURCES				
Pension related items	2,181,613	58,204	2,239,817	1,461,396
OPEB related items	1,031,979	-	1,031,979	658,376
Total deferred outflows of resources	3,213,592	58,204	3,271,796	2,119,772
LIABILITIES				
Accounts payable	1,814,408	26,613	1,841,021	100,560
Retainage payable	6,000	-	6,000	-
Accrued liabilities	4,296,819	-	4,296,819	100,312
Due to other governments	2,144,409	-	2,144,409	116,481
Unearned revenues	8,542,211	-	8,542,211	-
Net OPEB liability	10,754,880	-	10,754,880	1,458,756
Compensated absences due within one year	825,274	19,152	844,426	105,996
Compensated absences due in more than one year	1,936,765	39,171	1,975,936	423,984
Closure and post-closure care costs	-	8,904,717	8,904,717	-
Certificates of participation due in more than one year	474,000	-	474,000	-
Net pension liability	1,469,202	39,198	1,508,400	8,960,240
Total liabilities	32,263,968	9,028,851	41,292,819	11,266,329
DEFERRED INFLOWS OF RESOURCES				
Pension related items	6,969,488	185,943	7,155,431	215,843
OPEB related items	2,692,667	-	2,692,667	2,331,572
Accumulated increase in fair value of hedging activities	116,679	-	116,679	-
Total deferred inflows of resources	9,778,834	185,943	9,964,777	2,547,415
NET POSITION				
Investment in capital assets	157,558,184	12,962,749	170,520,933	138,969
Restricted for:				
Drug treatment education	239,428	-	239,428	-
Juvenile court	89,211	-	89,211	-
Judicial	304,495	-	304,495	-
Public safety	7,750,500	-	7,750,500	-
Capital outlay	30,656,814	-	30,656,814	-
Special use	-	-	-	2,551,478
Unrestricted	422,614	14,814,057	15,236,671	(8,421,511)
Total net position (deficit)	\$ 197,021,246	\$ 27,776,806	\$ 224,798,052	\$ (5,731,064)

DOUGHERTY COUNTY, GEORGIA

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

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 24,718,079	\$ 4,712,774	\$ 62,162	\$ 235
Judicial	11,321,264	194,122	164,089	472
Public safety	31,755,876	6,152,636	340,692	4,218
Public works	4,445,784	781,107	-	12,358
Health and welfare	2,853,570	-	99,958	159
Culture and recreation	5,644,218	42,896	296,878	5,541
Housing and development	849,563	5,276	-	1,410
Interest on long-term debt	12,074	-	-	-
Total governmental activities	<u>81,600,428</u>	<u>11,888,811</u>	<u>963,779</u>	<u>24,393</u>
Business-type activities:				
Solid waste	3,472,402	4,062,536	-	-
Total business-type activities	<u>3,472,402</u>	<u>4,062,536</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 85,072,830</u>	<u>\$ 15,951,347</u>	<u>\$ 963,779</u>	<u>\$ 24,393</u>
Component unit:				
Board of Health	\$ 17,203,843	\$ 4,021,101	\$ 15,359,707	\$ -
Total component unit	<u>\$ 17,203,843</u>	<u>\$ 4,021,101</u>	<u>\$ 15,359,707</u>	<u>\$ -</u>
General revenues:				
Property taxes				
Sales taxes				
Insurance premium taxes				
Other taxes				
Unrestricted investment earnings				
Transfers				
Gain on the sale of assets				
Total general revenues				
Change in net position				
Net position, beginning of year				
Net position, end of year				

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

Net (Expense) Revenue and Changes in Net Position			
Governmental Activities	Business-type Activities	Total	Component Unit Board of Health
\$ (19,942,908)	\$ -	\$ (19,942,908)	\$ -
(10,962,581)	-	(10,962,581)	-
(25,258,330)	-	(25,258,330)	-
(3,652,319)	-	(3,652,319)	-
(2,753,453)	-	(2,753,453)	-
(5,298,903)	-	(5,298,903)	-
(842,877)	-	(842,877)	-
(12,074)	-	(12,074)	-
(68,723,445)	-	(68,723,445)	-
-	590,134	590,134	-
-	590,134	590,134	-
(68,723,445)	590,134	(68,133,311)	-
-	-	-	2,176,965
-	-	-	2,176,965
38,973,710	-	38,973,710	-
30,635,315	-	30,635,315	-
1,257,556	-	1,257,556	-
5,348,368	-	5,348,368	-
53,478	24,801	78,279	-
1,090,465	(1,090,465)	-	-
180,265	173,951	354,216	-
77,539,157	(891,713)	76,647,444	-
8,815,712	(301,579)	8,514,133	2,176,965
188,205,534	28,078,385	216,283,919	(7,908,029)
\$ 197,021,246	\$ 27,776,806	\$ 224,798,052	\$ (5,731,064)

DOUGHERTY COUNTY, GEORGIA

BALANCE SHEET GOVERNMENTAL FUNDS JUNE 30, 2021

ASSETS	2016				
	General	Special Services District	ARPA	One Percent Sales Tax	TSPLOST
Cash and cash equivalents	\$ 2,783,961	\$ 2,929,818	\$ 8,542,211	\$ -	\$ -
Investments	8,443,205	3,829,411	-	14,632,155	9,794,519
Taxes receivable	1,488,489	142,838	-	-	-
Accounts receivable	1,465,216	27,595	-	-	-
Due from other funds	5,955,964	124,709	-	-	-
Due from other governments	863,032	-	-	1,587,338	481,441
Inventory	260,550	-	-	-	-
Total assets	<u>\$ 21,260,417</u>	<u>\$ 7,054,371</u>	<u>\$ 8,542,211</u>	<u>\$ 16,219,493</u>	<u>\$ 10,275,960</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 1,309,106	\$ 41,277	\$ -	\$ 120,743	88,066
Accrued expenses	883,183	-	-	-	-
Due to other funds	395,272	-	-	3,249,926	777,870
Due to other governments	116,333	-	-	2,026,271	-
Retainage payable	-	-	-	-	-
Unearned revenue	-	-	8,542,211	-	-
Total liabilities	<u>2,703,894</u>	<u>41,277</u>	<u>8,542,211</u>	<u>5,396,940</u>	<u>865,936</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - EMS fees	875,353	-	-	-	-
Unavailable revenue - grants	-	-	-	-	-
Unavailable revenue - property taxes	1,058,468	100,893	-	-	-
Total deferred inflows of resources	<u>1,933,821</u>	<u>100,893</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable:					
Inventory	260,550	-	-	-	-
Restricted for:					
Drug treatment education	239,428	-	-	-	-
Juvenile court	89,211	-	-	-	-
Judicial	-	-	-	-	-
Public safety	-	6,912,201	-	-	-
Public works	-	-	-	-	-
Capital outlay	-	-	-	10,822,553	9,410,024
Committed for:					
Development authority	67,329	-	-	-	-
Building maintenance	-	-	-	-	-
Parking deck maintenance	-	-	-	-	-
Capital outlay	-	-	-	-	-
Assigned					
Budgetary stabilization	2,850,247	-	-	-	-
Unassigned (deficit)	13,115,937	-	-	-	-
Total fund balances	<u>16,622,702</u>	<u>6,912,201</u>	<u>-</u>	<u>10,822,553</u>	<u>9,410,024</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 21,260,417</u>	<u>\$ 7,054,371</u>	<u>\$ 8,542,211</u>	<u>\$ 16,219,493</u>	<u>\$ 10,275,960</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 period expenditures and, therefore, are not reported in the governmental funds.
- Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.
- Internal service funds are used by management to charge the costs of risk management to individual funds. The assets and liabilities of the internal service funds are included in governmental activities.
- The net pension liability is not due and payable in the current period and, therefore, is not reported in governmental funds.
- The net OPEB obligation is not due and payable in the current period and, therefore, is not reported in governmental funds.
- Deferred inflows of resources related to the net difference between expected and actual experience of economic/demographic (gains)/losses 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.

Nonmajor Governmental Funds		Total
\$	1,075,751	\$ 15,331,741
	15,299,520	51,998,810
	-	1,631,327
	4,320	1,497,131
	-	6,080,673
	542,410	3,474,221
	-	260,550
<u>\$</u>	<u>16,922,001</u>	<u>\$ 80,274,453</u>

\$	145,426	\$ 1,704,618
	-	883,183
	1,474,430	5,897,498
	1,805	2,144,409
	6,000	6,000
	-	8,542,211
<u></u>	<u>1,627,661</u>	<u>19,177,919</u>

	-	875,353
	331,090	331,090
	-	1,159,361
<u></u>	<u>331,090</u>	<u>2,365,804</u>

	-	260,550
	-	239,428
	-	89,211
	304,495	304,495
	838,299	7,750,500
	225,486	225,486
	10,424,237	30,656,814
	-	67,329
	2,201,064	2,201,064
	214,769	214,769
	1,004,110	1,004,110
	-	2,850,247
	(249,210)	12,866,727
<u></u>	<u>14,963,250</u>	<u>58,730,730</u>
<u>\$</u>	<u>16,922,001</u>	

157,471,593
2,365,804
3,213,592
(3,236,039)

361,803
(1,469,202)
(10,754,880)

(9,662,155)
\$ 197,021,246

DOUGHERTY COUNTY, GEORGIA

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

	General	Special Services District	ARPA	2016 One Percent Sales Tax	TSPLOST
Revenues:					
Property taxes	\$ 33,536,582	\$ 5,749,746	\$ -	\$ -	\$ -
Sales taxes	7,460,038	-	-	18,657,150	5,419,057
Other taxes	3,667,792	2,938,132	-	-	-
Licenses and permits	-	206,737	-	-	-
Intergovernmental	-	-	-	-	-
Charges for services	7,865,139	-	-	-	-
Fines and forfeitures	595,480	-	-	-	-
Interest	14,200	5,233	-	12,778	4,880
Other revenues	1,526,908	35,603	-	621,622	-
Total revenues	<u>54,666,139</u>	<u>8,935,451</u>	<u>-</u>	<u>19,291,550</u>	<u>5,423,937</u>
Expenditures:					
Current:					
General government	10,832,461	1,776	-	-	-
Judicial	7,291,455	-	-	-	-
Public safety	24,882,985	6,495,411	-	-	-
Public works	2,798,653	285,675	-	-	-
Health and welfare	2,481,315	-	-	-	-
Culture and recreation	2,513,348	97,155	-	-	-
Housing and development	300,000	411,430	-	-	-
Intergovernmental payments	-	-	-	11,950,586	-
Capital outlay	-	-	-	5,481,006	905,605
Debt service:					
Interest	-	-	-	-	-
Total expenditures	<u>51,100,217</u>	<u>7,291,447</u>	<u>-</u>	<u>17,431,592</u>	<u>905,605</u>
Excess of revenues over expenditures	<u>3,565,922</u>	<u>1,644,004</u>	<u>-</u>	<u>1,859,958</u>	<u>4,518,332</u>
Other financing sources:					
Proceeds from sale of assets	-	-	-	-	-
Transfers in	-	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	3,565,922	1,644,004	-	1,859,958	4,518,332
Fund balances, beginning of year	<u>13,056,780</u>	<u>5,268,197</u>	<u>-</u>	<u>8,962,595</u>	<u>4,891,692</u>
Fund balances, end of year	<u>\$ 16,622,702</u>	<u>\$ 6,912,201</u>	<u>\$ -</u>	<u>\$ 10,822,553</u>	<u>\$ 9,410,024</u>

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

Nonmajor Governmental Funds	Total
\$ -	\$ 39,286,328
-	31,536,245
-	6,605,924
-	206,737
1,458,865	1,458,865
-	7,865,139
337,573	933,053
40,780	77,871
615,021	2,799,154
<u>2,452,239</u>	<u>90,769,316</u>
248,883	11,083,120
1,356,013	8,647,468
263,525	31,641,921
111,133	3,195,461
50,557	2,531,872
354,886	2,965,389
18,577	730,007
-	11,950,586
2,128,226	8,514,837
<u>12,074</u>	<u>12,074</u>
<u>4,543,874</u>	<u>81,272,735</u>
<u>(2,091,635)</u>	<u>9,496,581</u>
232,792	232,792
1,090,465	1,090,465
<u>1,323,257</u>	<u>1,323,257</u>
(768,378)	10,819,838
<u>15,731,628</u>	<u>47,910,892</u>
<u>\$ 14,963,250</u>	<u>\$ 58,730,730</u>

DOUGHERTY COUNTY, GEORGIA

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

Net change in fund balances - total governmental funds	\$ 10,819,838
Amounts reported for governmental activities in the statement of activities are different because:	
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 difference between depreciation expense and capital outlay in the current period.	725,868
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.	(52,527)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. Deferred revenues increased during the year by this amount.	(1,623,906)
The internal service funds are used by management to charge the cost of workers' compensation insurance, general liability insurance, and health insurance to individual funds. The net revenue of the internal service funds are reported with governmental activities.	(2,243,253)
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>1,189,692</u>
Change in net position of governmental activities	<u>\$ 8,815,712</u>

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

DOUGHERTY COUNTY, GEORGIA

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

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues:				
Property taxes	\$ 31,001,751	\$ 31,001,751	\$ 33,536,582	\$ 2,534,831
Sales taxes	5,500,000	5,500,000	7,460,038	1,960,038
Other taxes	2,736,363	2,736,363	3,667,792	931,429
Charges for services	6,986,482	6,986,482	7,865,139	878,657
Fines and forfeitures	360,025	360,025	595,480	235,455
Interest income	50,000	50,000	14,200	(35,800)
Miscellaneous	321,043	1,798,508	1,526,908	(271,600)
Total revenues	46,955,664	48,433,129	54,666,139	6,233,010
Expenditures:				
Current:				
General government:				
Administrative and legislative	1,177,984	1,296,964	1,186,815	110,149
Finance	513,035	536,799	469,961	66,838
Computer information	1,018,846	1,018,846	973,014	45,832
Facilities management	2,420,600	2,642,564	2,517,628	124,936
Human resources	538,290	578,010	549,453	28,557
Legal services	640,700	640,700	457,140	183,560
Mail and security system	482,350	498,300	485,242	13,058
Purchasing	1,986,780	1,648,700	1,453,403	195,297
Registration and elections	438,620	918,032	746,121	171,911
Tax and tag collections	2,125,336	2,148,278	1,993,684	154,594
Total general government	11,342,541	11,927,193	10,832,461	1,094,732
Judicial:				
Clerk of courts	1,403,840	1,410,697	1,093,358	317,339
District attorney	2,038,896	2,083,846	2,041,288	42,558
Juvenile court	901,653	917,940	820,219	97,721
Magistrate court	957,390	972,907	955,110	17,797
Probate court	448,029	458,016	411,335	46,681
Public defender	871,495	874,752	863,538	11,214
State court	648,685	644,238	598,972	45,266
Superior court	568,110	571,485	507,635	63,850
Total judicial	7,838,098	7,933,881	7,291,455	642,426
Public safety:				
Coroner	210,750	260,689	299,832	(39,143)
Drug squad	1,006,680	1,017,806	847,724	170,082
S.W.A.T.	12,318	12,318	12,318	-
Emergency medical services	4,602,845	4,679,516	4,501,547	177,969
Emergency management	82,128	82,128	77,367	4,761
Environmental control	589,254	597,337	545,186	52,151
Jail	14,980,212	15,347,796	14,750,426	597,370
Sheriff's department	3,755,442	3,884,563	3,848,585	35,978
Total public safety	25,239,629	25,882,153	24,882,985	999,168

(Continued)

DOUGHERTY COUNTY, GEORGIA

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

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
ExpenditureS (Continued):				
Current (Continued):				
Public works:				
Engineering	\$ 359,753	\$ 366,071	\$ 377,744	\$ (11,673)
Public works	1,735,774	1,793,021	1,670,532	122,489
Vehicle maintenance	321,363	327,650	294,287	33,363
Park maintenance	469,175	490,967	456,090	34,877
Total public works	<u>2,886,065</u>	<u>2,977,709</u>	<u>2,798,653</u>	<u>179,056</u>
Health and welfare:				
Department of Family and Children Services	118,500	125,500	124,500	1,000
Health services	2,346,432	2,346,432	2,356,815	(10,383)
Total health and welfare	<u>2,464,932</u>	<u>2,471,932</u>	<u>2,481,315</u>	<u>(9,383)</u>
Culture and recreation:				
Library	2,871,016	2,898,264	2,513,348	384,916
Total culture and recreation	<u>2,871,016</u>	<u>2,898,264</u>	<u>2,513,348</u>	<u>384,916</u>
Housing and development:				
Community development	336,100	336,100	300,000	36,100
Total housing and development	<u>336,100</u>	<u>336,100</u>	<u>300,000</u>	<u>36,100</u>
Total expenditures	<u>52,978,381</u>	<u>54,427,232</u>	<u>51,100,217</u>	<u>3,327,015</u>
Excess (deficiency) of revenues over expenditures	<u>(6,022,717)</u>	<u>(5,994,103)</u>	<u>3,565,922</u>	<u>9,560,025</u>
Other financing sources:				
Appropriation of fund balance	6,022,717	5,994,103	-	(5,994,103)
Total other financing sources	<u>6,022,717</u>	<u>5,994,103</u>	<u>-</u>	<u>(5,994,103)</u>
Net change in fund balances	-	-	3,565,922	3,565,922
Fund balance, beginning of year	13,056,780	13,056,780	13,056,780	-
Appropriation of fund balance	<u>(6,022,717)</u>	<u>(5,994,103)</u>	<u>-</u>	<u>5,994,103</u>
Fund balance, end of year	<u>\$ 7,034,063</u>	<u>\$ 7,062,677</u>	<u>\$ 16,622,702</u>	<u>\$ 9,560,025</u>

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

DOUGHERTY COUNTY, GEORGIA

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

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues:				
Property taxes	\$ 4,383,282	\$ 4,383,282	\$ 5,749,746	\$ 1,366,464
Other taxes	2,413,785	2,413,785	2,938,132	524,347
Licenses and permits	72,400	72,400	206,737	134,337
Interest income	43,400	43,400	5,233	(38,167)
Miscellaneous	2,000	2,000	35,603	33,603
Total revenues	6,914,867	6,914,867	8,935,451	2,020,584
Expenditures:				
Current:				
General government:				
Administrative	50,000	22,606	1,776	20,830
Total general government	50,000	22,606	1,776	20,830
Public safety:				
County police	3,748,694	3,812,025	3,266,588	545,437
Fire protection	3,056,980	3,056,980	3,014,239	42,741
Animal control	146,558	147,653	142,669	4,984
Code enforcement	183,097	183,097	71,915	111,182
Total public safety	7,135,329	7,199,755	6,495,411	704,344
Public works:				
Street lighting and utilities	306,400	306,400	283,616	22,784
Stormwater	4,000	4,000	2,059	1,941
Total public works	310,400	310,400	285,675	24,725
Culture and recreation:				
Recreation	97,155	97,155	97,155	-
Total culture and recreation	97,155	97,155	97,155	-
Housing and development:				
Planning and development services	413,174	413,174	411,430	1,744
Total housing and development	413,174	413,174	411,430	1,744
Total expenditures	8,006,058	8,043,090	7,291,447	751,643
Excess (deficiency) of revenues over (under) expenditures	(1,091,191)	(1,128,223)	1,644,004	2,772,227

(Continued)

DOUGHERTY COUNTY, GEORGIA

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

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Other financing sources:				
Appropriation of fund balance	\$ 1,091,191	\$ 1,128,223	\$ -	\$ (1,128,223)
Total other financing sources	1,091,191	1,128,223	-	(1,128,223)
Net change in fund balances	-	-	1,644,004	1,644,004
Fund balance, beginning of year	5,268,197	5,268,197	5,268,197	-
Appropriation of fund balance	(1,091,191)	(1,128,223)	-	1,128,223
Fund balance, end of year	<u>\$ 4,177,006</u>	<u>\$ 4,139,974</u>	<u>\$ 6,912,201</u>	<u>\$ 2,772,227</u>

DOUGHERTY COUNTY, GEORGIA

STATEMENT OF NET POSITION PROPRIETARY FUNDS JUNE 30, 2021

	Major Enterprise Fund Solid Waste Fund	Governmental Activities - Internal Service Funds
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 296,877	\$ 3,271,555
Investments	19,917,702	3,552,472
Accounts receivable, net of allowances	646,167	221,407
Due from other funds	3,070,366	-
Inventory	39,535	-
Prepaid expenses	-	6,745
Total current assets	23,970,647	7,052,179
NONCURRENT ASSETS		
Capital assets:		
Nondepreciable	2,111,073	-
Depreciable, net of accumulated depreciation	10,851,676	86,591
Total noncurrent assets	12,962,749	86,591
Total assets	36,933,396	7,138,770
DEFERRED OUTFLOWS OF RESOURCES		
Differences between expected and actual experience of economic/demographic (gains)/losses	8,679	-
Assumption changes	49,525	-
Total deferred outflows of resources	58,204	-
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable	26,613	109,790
Accrued expenses	-	3,413,636
Due to other funds	-	3,253,541
Current portion - compensated absences	19,152	-
Total current liabilities	45,765	6,776,967
LONG-TERM LIABILITIES		
Compensated absences, net of current portion	39,171	-
Accrued landfill closure/post-closure care costs	8,904,717	-
Net pension liability	39,198	-
Total long-term liabilities	8,983,086	-
Total liabilities	9,028,851	6,776,967
DEFERRED INFLOWS OF RESOURCES		
Net difference between projected and actual earnings on pension plan investments	165,326	-
Assumption changes	6,619	-
Differences between expected and actual experience of economic/demographic (gains)/losses	13,998	-
Total deferred inflows of resources	185,943	-
NET POSITION		
Investment in capital assets	12,962,749	86,591
Unrestricted	14,814,057	275,212
Total net position	\$ 27,776,806	\$ 361,803

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

DOUGHERTY COUNTY, GEORGIA

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

	Major Enterprise Fund Solid Waste Fund	Governmental Activities - Internal Service Funds
OPERATING REVENUES		
Charges for services	\$ 3,572,865	\$ 8,731,315
Miscellaneous	489,671	2,140,961
Total operating revenues	<u>4,062,536</u>	<u>10,872,276</u>
OPERATING EXPENSES		
Salaries and benefits	922,267	-
Cost of sales and services	663,669	1,094,140
Supplies	511,800	-
Claims	-	9,324,375
Insurance	-	2,683,709
Closure/post-closure care costs	351,087	-
Depreciation	1,023,579	18,555
Total operating expenses	<u>3,472,402</u>	<u>13,120,779</u>
Operating income (loss)	<u>590,134</u>	<u>(2,248,503)</u>
NONOPERATING INCOME		
Interest income	24,801	5,250
Gain on sale of assets	173,951	-
Total nonoperating income	<u>198,752</u>	<u>5,250</u>
Income (loss) before transfers	<u>788,886</u>	<u>(2,243,253)</u>
TRANSFERS		
Transfers out	(1,090,465)	-
Total transfers	<u>(1,090,465)</u>	<u>-</u>
Change in net position	(301,579)	(2,243,253)
NET POSITION, beginning of year	<u>28,078,385</u>	<u>2,605,056</u>
NET POSITION, end of year	<u>\$ 27,776,806</u>	<u>\$ 361,803</u>

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

DOUGHERTY COUNTY, GEORGIA

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

	Major Enterprise Fund Solid Waste Fund	Governmental Activities - Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers and users	\$ 4,474,771	\$ 13,376,412
Payments to suppliers	(1,159,680)	(3,668,059)
Payments for insurance claims	-	(7,800,660)
Payments to employees	(968,645)	-
Net cash provided by operating activities	2,346,446	1,907,693
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfers to (from) other funds	(1,090,465)	-
Net cash used in noncapital financing activities	(1,090,465)	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and construction of capital assets	(1,153,751)	-
Proceeds from sale of capital assets	185,639	-
Net cash used in capital and related financing activities	(968,112)	-
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(16,093)	301,799
Sale of investments	-	701,404
Interest on investments	24,801	5,250
Net cash provided by investing activities	8,708	1,008,453
Net increase in cash and cash equivalents	296,577	2,916,146
Cash and cash equivalents:		
Beginning of year	300	355,409
End of year	\$ 296,877	\$ 3,271,555

(Continued)

DOUGHERTY COUNTY, GEORGIA

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

	Major Enterprise Fund Solid Waste Fund	Governmental Activities - Internal Service Funds
Reconciliation of operating income (loss) to net cash provided by operating activities		
Operating income (loss)	\$ 590,134	\$ (2,248,503)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities		
Depreciation expense	1,023,579	18,555
Landfill closure/post-closure care expense	351,087	-
Increase in accounts receivable	(98,272)	(221,407)
(Increase) decrease in due from other funds	510,507	(527,998)
Increase in prepaid expenses	-	(6,745)
Decrease in deferred outflows of resources	106,699	-
Increase in accounts payable	15,789	109,790
Increase in accrued expenses	-	1,530,460
Increase in due to other funds	-	3,253,541
Decrease in compensated absences	(8,751)	-
Decrease in net pension liability	(307,522)	-
Increase in deferred inflows of resources	163,196	-
Net cash provided by operating activities	\$ 2,346,446	\$ 1,907,693

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

DOUGHERTY COUNTY, GEORGIA

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

ASSETS	Custodial Funds	Employee Retirement Plan
Cash	\$ 4,111,509	\$ 2,286,855
Investments, at fair value:		
Pooled, common and collective funds	-	46,563,822
Mutual funds	-	25,566,431
Local government investment pool	3,160	-
Accrued dividends	-	147
Taxes receivable	4,443,563	-
	<hr/>	<hr/>
Total assets	8,558,232	74,417,255
	<hr/>	<hr/>
 LIABILITIES		
Due to others	1,585,963	-
Accrued liabilities	-	6,400
Uncollected taxes	4,443,562	-
	<hr/>	<hr/>
Total liabilities	6,029,525	6,400
	<hr/>	<hr/>
 NET POSITION		
Restricted for pension benefits	-	74,410,855
Restricted for individuals, organizations, and other governments	2,528,707	-
	<hr/>	<hr/>
Total net position	\$ 2,528,707	\$ 74,410,855
	<hr/>	<hr/>

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

DOUGHERTY COUNTY, GEORGIA

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

ADDITIONS	Custodial Funds	Employee Retirement Plan
Contributions:		
Employer	\$ -	\$ 2,221,595
Employee	-	624,916
Insurance proceeds	-	233,581
Total contributions	-	3,080,092
Investment earnings:		
Interest income	3	-
Dividend income	-	453,443
Net increase in fair value of investments	-	14,961,069
Less investment expenses	-	(245,213)
Net investment earnings	3	15,169,299
Taxes receivable	78,479,410	-
Fines and fees	6,074,997	-
Total additions	84,554,410	18,249,391
DEDUCTIONS		
Benefits	-	4,052,494
Administrative expenses	-	109,486
Taxes and fees paid to other governments	78,731,582	-
Payments to Board of Commissioners	5,787,676	-
Total deductions	84,519,258	4,161,980
Change in net position	35,152	14,087,411
NET POSITION, beginning of year, as restated	2,493,555	60,323,444
NET POSITION, end of year	\$ 2,528,707	\$ 74,410,855

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

DOUGHERTY COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Dougherty 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

Dougherty County was incorporated in 1853 under the laws of the State of Georgia. The County operates under a commission-administrator form of government, and provides the following services: public safety (police and fire), highways and streets, landfill, courts and sheriff's department, health and social services, public improvements, planning and zoning, 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 Dougherty County, Georgia (the primary government) and its component unit. The component unit discussed below is included in the County's reporting entity because of the significance of its operational or financial relationship with the County.

Discretely Presented Component Unit

The Dougherty County Board of Health (the "Board of Health") is governed by a seven-member board consisting of four members appointed by the County Commissioners. The County has the authority to modify and approve the Board of Health's budget and the ability to approve environmental health service fees. The Board of Health has a June 30th year-end.

The Board of Health's financial statements can be obtained by writing to the Dougherty County Board of Health, P.O. Box 3048, Albany, Georgia 31706.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, 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. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-wide and Fund Financial Statements (Continued)

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 customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions 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 Basis of Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and the fiduciary fund financial statements, although the agency funds have no measurement focus. 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.

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 expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes, franchise taxes, intergovernmental income, 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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 Services 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 for the district.

The **American Rescue Plan Act ("ARPA") Fund** is a special revenue fund used to account for the receipts from the American Rescue Plan Act.

The **2016 One Percent Sales Tax Fund** is a capital projects fund used to account for the County's receipt and expenditure of special purpose sales tax from the 2016 sales tax referendum.

The **Transportation Special Purpose Local Option Sales Tax ("TSPLOST") Fund** is a capital projects fund used to account for the County's receipt and expenditure of transportation special purpose sales tax from the transportation sales tax referendum.

The County reports the following major proprietary fund:

The **Solid Waste Fund** is used to account for the operation, maintenance, and development of the County landfill and disposal sites.

Additionally, the County reports the following fund types:

The **special revenue funds** account for specific revenues that are legally restricted to expenditure for particular purposes.

The **capital projects funds** account for specific revenues provided for acquisition, construction, or renovation of major capital facilities.

The **internal service funds** account for self-insured programs for health insurance and workers' compensation. These funds were created to accommodate the payment of claims and administrative expenses for the self-insured programs.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The **employee retirement plan trust fund** accounts for all activities of the County's defined benefit pension plan.

The **custodial funds** are used to account for the collection and disbursement of monies by the County on behalf of other governments and individuals, such as cash bonds, traffic fines, support payments and ad valorem, and property taxes.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the County's solid waste function and various other functions of the County. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *program revenues* include: 1) charges to customers or applicants for goods, services, or privileges 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 *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds 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 nonoperating revenues and expenses.

D. Deposits and Investments

The County's 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Deposits and Investments (Continued)

The local government investment pool, ("Georgia Fund 1"), created by the Official Code of Georgia Annotated ("O.C.G.A.") §36-83-8, is a stable asset value investment pool, which follows Standard and Poor's criteria for AAAf rated money market funds and is regulated by the Georgia Office of the State Treasurer. The pool is not registered with the SEC as an investment company. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal (\$1 per share value). The asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participants' shares sold and redeemed based on \$1 per share. The pool also adjusts the value of its investments to fair market value as of year-end and the County's investment in the Georgia Fund 1 is reported at fair value.

The County's nonparticipating interest-earning investment contracts are recorded at cost. The remaining investments are recorded at fair value. Increases or decreases in the fair value during the year are recognized as a component of interest income.

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 major fund balance sheets, these receivables and payables are classified as "due from other funds" and "due to other funds."

F. Inventories and Prepaid Items

Inventories consist of supplies. Inventories are valued at cost, which approximates market, using the first-in/first-out ("FIFO") method. The consumption method is used to account for inventories. Under the consumption method, inventory items are recognized as expenditures when used. 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, intangible assets, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. In accordance with GASB 34, infrastructure assets acquired prior to June 30, 1980 have been capitalized. Capital assets are defined by the County as assets with an initial, individual cost of \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend useful lives are expensed as incurred.

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

Capital assets are depreciated using the straight-line method over the following useful lives:

<u>Asset Category</u>	<u>Years</u>
Infrastructure	30
Buildings	50
Building improvements	20
Vehicles	2 – 15
Equipment	3 – 15

H. Compensated Absences

County employees are entitled to certain compensated absences based on their length of employment. It is the County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Only employees with 15 or more years of service may be paid for sick leave benefits. All compensated absences are accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations or retirements.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses in the year the debt is issued.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued and premiums on the issue 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.

J. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the balance sheet and statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of fund balance that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has two types of items, which arise only under a modified accrual basis of accounting that qualify for reporting in this category.

The governmental funds report *unavailable revenues* from property taxes, grants, and EMS charges and these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available. An *effective hedge* is reported in the government-wide statement of net position. The effective hedge results from the change in market value of a swap agreement related to the certificates of participation. The amount is deferred and will mature on June 1, 2028, at the same time as the certificates of participation.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Deferred Outflows/Inflows of Resources (Continued)

The County also has deferred inflows and outflows related to the recording of changes in its net pension liability and net OPEB liability. Certain changes in the net pension liability and net OPEB liability are recognized as pension/OPEB expense over time instead of all being recognized in the year of occurrence. Experience gains or losses result from periodic studies by the County's actuary which adjust the net pension liability and net OPEB 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 outflows of resources or deferred inflows of resources and are amortized into pension/OPEB expense over the expected remaining service lives of plan members. The difference between projected investment return on pension investments and actual return on those investments as well as assumption changes are also deferred and amortized against pension/OPEB expense over a five-year period.

K. 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:

- **Nonspendable** – Fund balances are reported as nonspendable when amounts cannot be spent because they are either: a) not in spendable form (i.e., items that are not expected to be converted to cash), or b) legally or contractually required to be maintained intact.
- **Restricted** – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- **Committed** – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the County Commission through the adoption of a resolution. Only the County Commission may modify or rescind the commitment.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Fund Equity (Continued)

- **Assigned** – Fund balances are reported as assigned when amounts are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the 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 and liabilities 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 position are available.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Use of Estimates

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

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 “deferred outflows of resources are not available to pay for current resources and, therefore, are not reported in the funds.” The details of this difference are as follows:

Pension experience differences	\$ 325,319
Assumption changes - OPEB	1,031,979
Assumption changes - pension	<u>1,856,294</u>
Net adjustment to increase <i>fund balance – total governmental funds</i> to arrive at <i>net position – governmental activities</i>	<u>\$ 3,213,592</u>

Another 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:

Certificates of participation	\$ (474,000)
Compensated absences	<u>(2,762,039)</u>
Net adjustment to reduce <i>fund balance – total governmental funds</i> to arrive at <i>net position – governmental activities</i>	<u>\$ (3,236,039)</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	\$ 6,502,300
Depreciation expense	<u>(5,776,432)</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ 725,868</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	\$ 191,612
Change in net pension and related deferred inflows and outflows of resources	1,127,918
Change in net OPEB and related deferred inflows and outflows of resources	<u>(129,838)</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ 1,189,692</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 3. BUDGETS AND BUDGETARY ACCOUNTING

Budget Policies

Formal budgetary accounting is employed as a management control device for all funds of the County. Annual operating budgets are adopted each fiscal year through passage of an annual budget ordinance and amended as required for all governmental funds. The GAAP basis of accounting is used in preparing the budgets of all budgeted funds. The GAAP basis of accounting is used to reflect actual revenues and expenditures/expenses recognized which is not consistent with accounting principles generally accepted in the United States of America. Budgets for Capital Project Funds are adopted on a project basis, spanning more than one fiscal year. Budgetary control is exercised at the departmental level or by projects.

Budget Process

The County distributes budget forms to all department managers for their preparation and the requests are submitted to the Finance Director. The department budgets are formed during the various work sessions that include the department managers, elected officials, the Finance Director, and the County Administrator. The budget is next presented to the Finance Committee of the County Commission and work sessions are held where a formal budget is prepared. The formal budget is presented to the County Commission and a public hearing is conducted. One week after the public hearing, the final budget is adopted by the County Commission. All annual budget appropriations, except project budgets, lapse at the end of the year.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed by Dougherty County. Encumbrances outstanding at year-end are reported as restricted, committed, or assigned fund balance, as appropriate, and do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

Deficit Fund Balance and Excess of Expenditures over Appropriations

At June 30, 2021, the Drug Abuse Treatment Fund and the Community Development Block Grant ("CDBG") Storm Recovery Fund report deficit fund balance of \$17,687 and \$231,523, respectively, which will be funded in future years through grant reimbursements.

NOTES TO FINANCIAL STATEMENTS

NOTE 3. BUDGETS AND BUDGETARY ACCOUNTING (CONTINUED)

Deficit Fund Balance and Excess of Expenditures over Appropriations (Continued)

For the fiscal year ended June 30, 2021, there were no expenditures which exceeded budget.

<u>Department</u>	<u>Excess</u>
General Fund:	
Coroner	\$ 39,143
Engineering	11,673
Health services	10,383

Excess expenditures were funded with budgetary savings in other departments and revenues in excess of appropriations.

NOTE 4. DEPOSITS AND INVESTMENTS

Credit risk. State statutes authorize the County to invest in U.S. government obligations; U.S. government agency (or other corporation of the U.S. government) obligations; obligations fully insured or guaranteed by the U.S. government or a U.S. government agency; obligations of the State of Georgia or other states; obligations of other counties, municipal corporations and political subdivisions of the State of Georgia; negotiable certificates of deposit issued by any bank or trust company organized under the laws of any state of the United States of America; prime bankers' acceptances; repurchase agreements; and pooled investment programs sponsored by the State of Georgia for the investment of local government funds.

Interest Rate Risk. The County's formal investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

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

<u>Investments</u>	<u>Maturities</u>	<u>Rating</u>	<u>Fair Value</u>
Georgia Fund 1	36 days weighted average	AAAf	\$ 74,744,659
Certificates of deposit	12-month weighted average	N/A	85,165
Guaranteed investment contract	7-year weighted average	AA-	642,320
			<u>\$ 75,472,144</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

Of the investments listed above, the certificates of deposit, guaranteed investment contract, and \$69,486,408 of Georgia Fund 1 are included as investments on the Statement of Net Position. Investments in Georgia Fund 1 of \$3,157 are included as investments of the Agency Funds in the Statement of Fiduciary Net Position.

Fair Value Measurements. The County categorizes its fair value measurements 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 the investment in the Georgia Fund 1 within the fair value hierarchy.

The guaranteed investment contract is a nonparticipating interest-earning investment contract and, accordingly, is recorded at cost.

The County has an interest rate swap agreement (fair market hedge derivative) of \$151,337 classified as an other asset and more fully described in Note 7. The fair value of the interest rate swap agreement classified as Level 2 of the fair value hierarchy is valued using an option-adjusted discounted cash flow model.

Custodial Credit Risk – Deposits. The County's formal policy requires that all securities pledged to the County for certificates of deposit or demand deposits shall be held by an independent depository and the safekeeping bank may not be within the same holding company as the bank from which the securities are pledged. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the County will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of June 30, 2021, the County had no uncollateralized deposits.

NOTES TO FINANCIAL STATEMENTS

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

Pension Plan

The Dougherty County Retirement Plan's ("DCRP") policy in regard to investments, including the allocation of invested assets, is established and may be amended by the Dougherty County Pension Committee by a majority vote of its members. The DCRP is authorized to invest in obligations of the United States Treasury or its agencies and instrumentalities, collateralized mortgage obligations, asset and mortgage-backed securities, taxable bonds that are obligations of any state and its agencies, instrumentalities, and political subdivisions, and in certificates of deposit of national or state banks that are fully insured or collateralized by United States obligations. Additionally, the DCRP is authorized to invest in common stocks, money market instruments, and corporate bonds and debentures, which are not in default as to principal and interest.

Fair Value Measurements. The Plan has the following recurring fair value measurements, broken into the fair value hierarchy, as of June 30, 2021:

Investment	Level 1	Level 2	Level 3	Fair Value
Wells Fargo Pooled, Common and Collective Funds	\$ -	\$ 46,563,822	\$ -	\$ 46,563,822
Mutual Funds	25,566,431	-	-	25,566,431
	<u>\$ 25,566,431</u>	<u>\$ 46,563,822</u>	<u>\$ -</u>	<u>\$ 72,130,253</u>

As of June 30, 2021, the DCRP had \$46,563,822 invested in pooled, common and collective funds and \$25,566,431 invested in mutual funds, none of which are classified by credit quality.

NOTES TO FINANCIAL STATEMENTS

NOTE 5. RECEIVABLES

Property taxes were levied on September 18, 2020. Bills are payable on or before December 20, 2020. The lien date for unpaid taxes was March 18, 2021. After that date, an interest penalty of 18% applies. The County bills and collects its own property taxes. Property taxes levied for 2020 are recorded as receivables, net of estimated uncollectibles. The net receivables collected during the year ended June 30, 2021, and collected by August 31, 2021, are recognized as revenues in the year ended June 30, 2021.

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

	General	Special Services District	2016 One Percent Sales Tax	TSPLOST	Nonmajor Governmental Funds	Solid Waste
Receivables:						
Taxes	\$ 2,221,625	\$ 213,191	\$ -	\$ -	\$ -	\$ -
Accounts	2,267,908	27,595	-	-	4,320	685,094
Intergovernmental	863,032	-	1,587,338	481,441	542,410	-
Gross receivables	5,352,565	240,786	1,587,338	481,441	546,730	685,094
Less allowance for uncollectibles	(1,535,828)	(70,353)	-	-	-	(38,927)
Net receivables	<u>\$ 3,816,737</u>	<u>\$ 170,433</u>	<u>\$ 1,587,338</u>	<u>\$ 481,441</u>	<u>\$ 546,730</u>	<u>\$ 646,167</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 6. CAPITAL ASSETS

Primary Government

Capital asset activity for the fiscal year ended June 30, 2021, was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities:					
Capital assets, not being depreciated:					
Land and improvements	\$ 36,536,327	\$ -	\$ -	\$ -	\$ 36,536,327
Intangible assets	5,573,000	-	-	-	5,573,000
Construction in progress	2,833,488	1,226,130	-	(1,366,875)	2,692,743
Total capital assets, not being depreciated	44,942,815	1,226,130	-	(1,366,875)	44,802,070
Capital assets, being depreciated:					
Buildings	106,757,139	294,201	-	854,162	107,905,502
Infrastructure	85,860,051	1,445,427	-	216,091	87,521,569
Vehicles	8,847,992	1,344,282	(1,359,639)	-	8,832,635
Equipment	16,727,636	2,192,260	(597,694)	296,622	18,618,824
Total capital assets, being depreciated	218,192,818	5,276,170	(1,957,333)	1,366,875	222,878,530
Less accumulated depreciation for:					
Buildings	(35,163,771)	(1,875,969)	-	-	(37,039,740)
Infrastructure	(57,150,711)	(1,219,694)	-	-	(58,370,405)
Vehicles	(5,830,111)	(1,232,022)	1,320,956	-	(5,741,177)
Equipment	(8,087,642)	(1,467,301)	583,849	-	(8,971,094)
Total accumulated depreciation	(106,232,235)	(5,794,986)	1,904,805	-	(110,122,416)
Total capital assets, being depreciated, net	111,960,583	(518,816)	(52,528)	1,366,875	112,756,114
Governmental activities capital assets, net	\$ 156,903,398	\$ 707,314	\$ (52,528)	\$ -	\$ 157,558,184

NOTES TO FINANCIAL STATEMENTS

NOTE 6. CAPITAL ASSETS (CONTINUED)

Primary Government (Continued)

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type Activities:					
Capital assets, not being depreciated:					
Land	\$ 2,064,045	\$ -	\$ -	\$ -	\$ 2,064,045
Intangibles	-	47,028	-	-	47,028
Total capital assets, not being depreciated	2,064,045	47,028	-	-	2,111,073
Capital assets, being depreciated:					
Building and improvements	17,057,669	2,150	-	-	17,059,819
Equipment and vehicles	6,399,829	1,104,573	(306,176)	-	7,198,226
Total	23,457,498	1,106,723	(306,176)	-	24,258,045
Less accumulated depreciation for:					
Building and improvements	(9,995,027)	(579,656)	-	(82,431)	(10,657,114)
Equipment and vehicles	(2,682,251)	(443,923)	294,488	82,431	(2,749,255)
Total	(12,677,278)	(1,023,579)	294,488	-	(13,406,369)
Total capital assets, being depreciated, net	10,780,220	83,144	(11,688)	-	10,851,676
Business-type activities capital assets, net	\$ 12,844,265	\$ 130,172	\$ (11,688)	\$ -	\$ 12,962,749

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

Governmental activities:	
General government	\$ 376,490
Judicial	76,978
Public safety	2,211,028
Public works	2,196,241
Health and welfare	321,698
Culture and recreation	497,458
Housing and development	115,093
Total depreciation expense - governmental activities	\$ 5,794,986
Business-type activities:	
Solid waste fund	\$ 1,023,579

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, 2021:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Certificates of participation	\$ 474,000	\$ -	\$ -	\$ 474,000	\$ -
Compensated absences	2,953,651	640,132	(831,744)	2,762,039	825,274
Net pension liability	12,516,933	7,113,184	(18,160,915)	1,469,202	-
Net OPEB obligation	9,723,406	1,390,540	(359,066)	10,754,880	-
Governmental activities long-term liabilities	<u>\$ 25,667,990</u>	<u>\$ 9,143,856</u>	<u>\$ (19,351,725)</u>	<u>\$ 15,460,121</u>	<u>\$ 825,274</u>
Business-type activities:					
Landfill closure/ post-closure costs	\$ 8,553,630	\$ 351,087	\$ -	\$ 8,904,717	\$ -
Compensated absences	67,074	17,721	(26,472)	58,323	19,152
Net pension liability	346,720	189,446	(496,968)	39,198	-
Business-type activities long-term liabilities	<u>\$ 8,967,424</u>	<u>\$ 558,254</u>	<u>\$ (523,440)</u>	<u>\$ 9,002,238</u>	<u>\$ 19,152</u>

For governmental funds, compensated absences are liquidated by the General Fund. For business-type activities, compensated absences are liquidated by the Solid Waste Fund.

Certificates of participation. In June 1998, the County entered into a lease pool agreement with the Georgia Municipal Association (the "Association"). The funding of the lease pool was provided by the issuance of \$150,126,000 Certificates of Participation by the Association. The Association passed the net proceeds through to the participating municipalities with the County's participation totaling \$4,333,000. The lease pool agreement with the Association provides that the County owns their portion of the assets invested by the pool and is responsible for the payment of their portion of the principal and interest of the Certificates of Participation. In prior years, the County repaid \$3,589,000 of the principal amount due on these bonds. No principal payments were made during the fiscal year ended June 30, 2021. The principal balance is due in a lump sum payment on June 1, 2028. Interest is payable at a rate of 4.75% each year. The County draws from the investment to lease equipment from the Association. The lease pool agreement requires the County to make lease payments back into its investment account to fund the principal and interest requirements of the 1998 GMA Certificates of Participation.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

Certificates of Participation (Continued). As part of the issuance of the certificates of participation, the County entered into an interest rate swap agreement. Under the swap agreement, the County is required to pay: (i) a semi-annual (and beginning July 1, 2003, a monthly) floating rate of interest based on the Securities Industry and Financial Markets Association ("SIFMA") Municipal Swap Index (plus a 31 basis points spread) to, or on behalf of, the Swap Counterparty (the "Swap Payment"); and the Swap Counterparty will pay to, or on behalf of, the County a semi-annual payment based on a rate equal to the fixed rate on the certificates of participation (4.75%) times a notional amount specified in the swap agreement, but generally equal to the outstanding unpaid principal portion of such contract, less the amount originally deposited in the Reserve Fund relating to the contract, and (ii) a one-time swap premium to be paid on the effective date of the swap agreement. The semi-annual payments from the swap counterparty with respect to the County are structured, and expected, to be sufficient to make all interest payments due under the contract, and related distributions of interest on the certificates. Monthly interest payments between the County, the holders of the Certificates of Participation, and the swap counterparty can be made in net settlement form as part of this agreement. Under the swap agreement, the County's obligation to pay floating payments to the swap counterparty in any calendar year may not exceed an amount equal to the SIFMA Municipal Swap Index plus 5% to be determined on the first business day of December in the preceding year. This agreement matures on June 1, 2028, at the same time of the certificates of participation. This derivative qualifies as a fair market hedge.

In the unlikely event that the swap counterparty becomes insolvent, or fails to make payments as specified in the swap agreement, the County would be exposed to credit risk in the amount of the swap's fair value. To minimize this risk, the County executed this agreement with counterparties of appropriate credit strength, with the counterparty being rated Aa1 by Moody's. At June 30, 2021, the floating rate being paid by the County is .34% and the market value of the County's portion of this agreement is \$116,679, a decrease of \$34,658 from the market value at the end of the previous fiscal year. The market value of the hedge was determined using settlement prices at the end of the day on June 30, 2021 based on the derivative contract. This market value is reported as an asset in the statement of net position. As this derivative is an effective hedge, qualifying for hedge accounting, the inflow from the hedge (any change in fair value from inception until fiscal year-end) is deferred and reported as deferred revenue in the statement of net position.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

Annual debt service requirements for the certificates of participation are as follows:

Fiscal year ending June 30,	Principal	Interest	Total
2022	\$ -	\$ 41,278	\$ 41,278
2023	-	41,278	41,278
2024	-	41,278	41,278
2025	-	41,278	41,278
2026	-	41,278	41,278
2027 and 2028	474,000	82,556	556,556
	<u>\$ 474,000</u>	<u>\$ 288,946</u>	<u>\$ 762,946</u>

Landfill closure and post-closure care costs. State and federal laws and regulations require that the County place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for 30 years after closure. The amount of costs recognized in each period is based on the relative amount of waste received during the period, even though some of the closure and post-closure care costs will be paid after the landfill is closed. The \$8,904,717 reported as an estimated liability for closure and post-closure care costs represents the estimated cost for landfill closure and post-closure care based upon the capacity of the landfill used to date. The amount of the remaining estimated cost for landfill closure and post-closure care of \$19,905,266 will be recognized on a pro rata basis as the remaining estimated capacity of 6,963,152 cubic yards of useable space is filled. Approximately 45% of the landfill's capacity has been used to date, and the County expects the landfill to close the Municipal Solid Waste area in 2050 and the Construction and Demolition area in 2037.

All amounts recognized are based on what it would cost to perform all closure and post-closure care in 2021. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. It is anticipated that future inflation costs will be, in part, financed from earnings on investments. The remaining portion of anticipated future inflation costs (including inadequate earning on investments, if any) and additional costs that might arise from changes in post-closure requirements (due to changes in technology or more rigorous environmental regulations, for example), may need to be covered by charges to future landfill users, taxpayers, or both. The financial assurance requirements are being met through the proper maintenance of cash balances and financial ratios.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. INTERFUND RECEIVABLES AND PAYABLES

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

Due to/from other funds:

Receivable Fund	Payable Fund	Amount
Special Services District Fund	General Fund	\$ 124,709
General Fund	2016 One Percent Sales Tax Fund	3,249,926
General Fund	TSPLOST	777,870
Solid Waste Fund	Internal Service Fund - Self Insurance	1,325,373
General Fund	Internal Service Fund - Self Insurance	1,093,324
General Fund	Internal Service Fund - Workers' Compensation	2,911
General Fund	Internal Service Fund - Risk Management	831,933
Solid Waste Fund	Nonmajor Governmental Funds	1,474,430
Solid Waste Fund	General Fund	270,563
		<u>\$ 9,151,039</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.

NOTE 9. DEFINED BENEFIT PENSION PLAN

Primary Government

Plan Description

The Dougherty County Board of County Commissioners established and appointed the Dougherty County Pension Committee with responsibility to manage the Dougherty County Retirement Plan (the "DCRP"), a single employer defined benefit pension plan administered by Silverstone Group, Inc. The DCRP provides retirement, disability, and death benefits to plan members and beneficiaries.

Section 9.01 of the DCRP adopted by the Dougherty County Board of Commissioners gives the Board the right to amend the provisions of the plan.

The DCRP's obligations to funding are provided within the Georgia State Code. Separate publicly available financial statements are not issued for the DCRP.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. DEFINED BENEFIT PENSION PLAN

Primary Government (Continued)

Plan Description (Continued)

All employees who are employed on a basis to work 2,000 hours or more per year, excluding overtime hours, and who, as of the plan anniversary date have been employed for six months or longer, are eligible to participate in the plan. Participants' normal retirement date is the first day of the month coinciding with or following the later of attainment of age 65 or completion of five years of plan participation. Early retirement can be elected by participants on the first day of the month coinciding with or next following age 55 with 15 years of service. Special early retirement is available to participants on the first day of the month coinciding with or next following age 55 with 25 years of service. A participant who retires under the normal retirement criteria will receive a monthly annuity equal to $1/12$ of the participant's years of benefit accrual service multiplied by 1.5% of average compensation, plus .25% of average compensation for each year of service prior to January 1, 1985. A participant that elects to retire under the early retirement criteria will receive a monthly annuity equal to the accrued benefit reduced by $5/12$ of 1% per month for each of the first 120 months by which the early retirement date precedes the normal retirement date. Under the special early retirement criteria, the participant will receive a monthly annuity equal to the unreduced accrued benefit on the special early retirement date.

The financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. The County's contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. All plan investments are reported at fair market value. Securities traded on a national exchange are valued at the last reported sales price on the County's balance sheet date. Securities without an established market value are reported at estimated fair market value. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitation, if applicable.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Primary Government (Continued)

Plan Membership

At July 1, 2020, the date of the most recent actuarial valuation, there were 958 participants as follows:

Inactive plan members (or beneficiary) currently receiving benefits	271
Inactive plan members entitled to but not yet receiving benefits	109
Active plan members	578
Total	<u>958</u>

Benefits Provided

Retirement benefits for plan members are calculated as 1.5% of the member's final five-year average salary times the member's years of service plus .25% of average salary for each year of service prior to January 1, 1985. Plan members with five years of service are eligible to retire at age 65. Members are eligible for an unreduced retirement benefit after age 55 if they have 25 years of service. Plan members may retire early with a reduced benefit at age 55 with 15 years of service. Disability retirement benefits are determined in the same manner as retirement benefits and are payable immediately upon termination of employment due to permanent and total disability. The death benefit for death prior to retirement is the greater of the present value of the accrued benefit or 50 times the projected monthly benefit.

Contributions

The County makes annual contributions based on a recommendation by an independent actuary and in accordance with Georgia State Code. The 80-year average contribution rate for plan year beginning 2014 – 2021 is 10.37% of annual payroll. The contribution requirements are established and may be amended by the Dougherty County Board of Commissioners. Plan participants are required to contribute 3% of compensation, excluding overtime pay, to the plan.

Rate of Return

For the year ended June 30, 2021, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 25.56%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. The cash flows used as inputs in the calculation are determined on a monthly basis.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Primary Government (Continued)

Plan Disclosures

Effective July 1, 2014, the County implemented the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, as well as GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, which significantly changed the County's accounting for pension amounts. The information disclosed below is presented in accordance with this new standard. The DCRP does not issue separate financial statements.

Net Pension Liability

Actuarial assumptions. The total pension liability was determined by an actuarial valuation as of July 1, 2020. The following actuarial assumptions applied to all periods included in the measurement:

Measurement Date	June 30, 2021
Valuation Date	July 1, 2020
Reporting Date	June 30, 2021
Measurement Period	July 1, 2020 - June 30, 2021
Investment Rate of Return	7.25%
Discount Rate	7.25%
Inflation Rate	2.50%
Salary Scale	3.00%
Mortality Table	PubG-2010 with two years set forward for males only / MP 2020 improvement scale
Actuarial Cost Method	Entry Age Normal

Discount rate. The discount rate used to measure the total pension liability as of June 30, 2021, was 7.25%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at 14.10% (11.10% from the employer and 3.0% from the employees) of the covered payroll of the current plan members for each year in the future. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Primary Government (Continued)

Net Pension Liability (Continued)

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

	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at June 30, 2020	\$ 73,187,097	\$ 60,323,444	\$ 12,863,653
Changes for the year:			
Service cost	1,419,238	-	1,419,238
Interest	5,290,176	-	5,290,176
Differences between expected and actual experience	387,855	-	387,855
Assumption changes	(312,617)	-	(312,617)
Contributions - employer	-	2,213,099	(2,213,099)
Contributions - employee	-	633,412	(633,412)
Net investment income	-	15,252,735	(15,252,735)
Benefit payments, including refunds of employee contributions	(4,052,494)	(4,052,494)	-
Administrative expense	-	(192,924)	192,924
Other changes	-	233,583	(233,583)
Net changes	2,732,158	14,087,411	(11,355,253)
Balances at June 30, 2021	\$ 75,919,255	\$ 74,410,855	\$ 1,508,400

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.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Primary Government (Continued)

Net Pension Liability (Continued)

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 7.25%, 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 (6.25%) or 1-percentage point higher (8.25%) than the current rate:

	<u>1% Decrease (6.25%)</u>	<u>Current Discount Rate (7.25%)</u>	<u>1% Increase (8.25%)</u>
County's Net Pension Liability	\$ 9,368,347	\$ 1,508,400	\$ (5,135,859)

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

For the year ended June 30, 2021, the County recognized pension expense of \$1,281,137. At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual earnings on pension plan investments	\$ 333,998	\$ (538,653)
Assumption changes	1,905,819	(254,725)
Differences between expected and actual experience of economic/demographic (gains)/losses	-	(6,362,053)
Total	<u>\$ 2,239,817</u>	<u>\$ (7,155,431)</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Primary Government (Continued)

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions (Continued)

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

<u>Year ending June 30,</u>	
2022	\$ (719,957)
2023	(844,697)
2024	(1,215,814)
2025	(2,140,719)
2026	5,573
Total	<u>\$ (4,915,614)</u>

NOTE 10. DEFINED CONTRIBUTION PLAN

The County's defined contribution plans include the: 1) Nationwide Retirement Solutions, Inc. Plan, administered by Nationwide, and 2) the ACCG Deferred Compensation Program, administered by the Government Employee Benefits Corporation of Georgia. Both plans are 457 deferred compensation agreements. The plans were adopted by the Dougherty County Board of Commissioner's passing of resolutions. Amendments to the plans are also under the control of the Board of Commissioners. Employer contributions are established by the County Commissioners and the allowable employee contributions are established by the Internal Revenue Service limits. The County contributes 5% of the gross wages to a 457 plan for all managers hired prior to January 1, 2011. All employees may contribute amounts up to the annual ceiling established by the Internal Revenue Service. All contributions vest at the time they are made. All employees are eligible to participate in the plans. The fiscal year contributions made under the plans were as follows:

<u>457 Plan Name</u>	<u>Employer</u>	<u>Employee</u>
Nationwide Retirement Solutions	\$ 29,440	\$ 303,312
ACCG Deferred Compensation Program	4,326	130,297

NOTES TO FINANCIAL STATEMENTS

NOTE 11. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. The General Fund is used to account for the employee life, property and liability, unemployment and disability insurance programs of the County. The County retains the risk of loss for workers' compensation up to the reinsurance amount of \$325,000, and maintains an internal service fund (the Workers' Compensation Fund) to account for these activities.

There have been no significant reductions of insurance coverage from coverage in the prior year, and settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

The County records an estimated liability for indemnity workers' compensation claims against the County. Claim liabilities are based on estimates of the ultimate cost of reported claims (including future claim adjustment expenses). Claims liabilities include specific, incremental claim adjustment expenses and allocated loss adjustment expenses. Because all workers' compensation claims are expected to be settled within one year, the related unpaid claims liability is not discounted and the entire liability is classified as current.

Changes in the balances of claims liabilities during the last two fiscal years ended June 30 are as follows:

	<u>June 30, 2021</u>	<u>June 30, 2020</u>
Unpaid claims, beginning of year	\$ 501,299	\$ 501,299
Incurred claims and changes in estimates	53,270	191,582
Claim payments	(185,504)	(191,582)
Unpaid claims, end of year	<u>\$ 369,065</u>	<u>\$ 501,299</u>

The County maintains a self-insured medical benefit plan for their employees. The plan is accounted for as an internal service fund of the County, is funded according to plan experience, and serves to reduce overall healthcare costs of the County and their employees. The County purchases specific and aggregate stop loss insurance coverage to protect itself in unusual circumstances. Claims payable at June 30, 2021, were estimated based on the loss analysis report provided by a third-party administrator and pending specific stop loss reimbursements. Because all self-insurance claims are expected to be settled within one year, the unpaid claim liability is classified as current.

NOTES TO FINANCIAL STATEMENTS

NOTE 11. RISK MANAGEMENT (CONTINUED)

Changes in medical claims payable for the two fiscal years ended June 30 are as follows:

	<u>June 30, 2021</u>	<u>June 30, 2020</u>
Unpaid claims, beginning of year	\$ 490,000	\$ 270,000
Incurred claims and changes in estimates	6,726,167	5,714,898
Claim payments	(6,886,167)	(5,494,898)
Unpaid claims, end of year	<u>\$ 330,000</u>	<u>\$ 490,000</u>

The County established the Risk Management Fund during the fiscal year ended June 30, 2021, which services general liability and property and casualty claims and payments of premiums. This fund allocates the cost of providing claim servicing and claim payments by charging a “premium” to each fund. Claims payable at June 30, 2021, were estimated based on the loss analysis report provided by a third-party administrator. Because all property claims are expected to be settled within one year, the unpaid claim liability is classified as current.

Changes in property and casualty claims payable for the two fiscal years ended June 30 are as follows:

	<u>June 30, 2021</u>	<u>June 30, 2020</u>
Unpaid claims, beginning of year	\$ 891,877	\$ 861,667
Incurred claims and changes in estimates	2,544,938	400,320
Claim payments	(722,244)	(370,110)
Unpaid claims, end of year	<u>\$ 2,714,571</u>	<u>\$ 891,877</u>

NOTE 12. COMMITMENTS AND CONTINGENCIES

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.

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, County management believes such disallowances, if any, will not be significant.

NOTES TO FINANCIAL STATEMENTS

NOTE 13. JOINT VENTURES

Under Georgia law, the County, in conjunction with other cities and counties in the Southwest Georgia area, is a member of the Southwest Georgia Regional Commission ("RC") and is required to pay annual dues thereto. During the year ended June 30, 2021, the County paid \$53,213 in such dues. Membership in the RC is required by O.C.G.A. §50-8-34 which provides for the organizational structure of regional development commissions in Georgia.

The RC 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 Southwest Georgia Regional Commission, 30 West Broad Street, Camilla, Georgia 31730.

NOTE 14. OTHER POST-EMPLOYMENT BENEFITS

Plan Administration

The County, as authorized by the County Commission, administers a single-employer defined benefit Other Post-employment Benefits Plan (the "OPEB Plan") providing medical, dental and life insurance benefits to retired employees and their dependents under certain conditions. The County provides the OPEB Plan to classified, classified part-time and unclassified employee groups. The County does not issue a separate report that includes financial statements and required supplementary information for the OPEB Plan. The County's Board of Commissioners established and may amend the benefit provisions. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Benefits Provided

Individuals who are employed by the County and are eligible to participate in the group medical, dental, and life insurance plans are eligible to continue healthcare benefits upon retirement after attaining at least age 55 with at least 15 years of service or age 65 with at least five years of service. Coverage during retirement continues in the group medical plan up to age 65 but in the group dental and life insurance plans for life. Retirees covered by the plans make contributions toward the plan premiums.

Plan Membership

As of July 1, 2019, Plan membership consisted of the following:

Active participants	569
Retirees and beneficiaries currently receiving benefits	156
Total	<u>725</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 14. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Contributions

The County has elected to fund the OPEB Plan on a “pay as you go” basis. Plan members, once retired, make contributions towards the plan premiums. The County contributes the current year benefit costs of the plan which are not paid by the retiree. For the year ended June 30, 2021, the County contributed \$359,066 for the pay as you go benefits for the OPEB Plan.

Total OPEB Liability of the County

Effective July 1, 2017, the County implemented the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Post-employment Benefits Other Than Pensions*, which significantly changed the County’s accounting for OPEB amounts. The information disclosed below is presented in accordance with this new standard.

The County’s total OPEB liability was measured as of June 30, 2021, and was determined by an actuarial valuation as of July 1, 2019, with the actuary using standard techniques to roll forward the liability to the measurement date.

Actuarial assumptions. The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Discount Rate:	3.50%
Healthcare Cost Trend Rate:	7.00% - 5.00%, Ultimate Trend in 2022
Inflation Rate:	3.00%
Salary increase:	3.00%
Participation rate:	Health insurance – 25%; Dental insurance – 50%; Life insurance – 100%

Mortality rates were based on the PubG-2010 mortality table with males set forward two years and MP 2020 generational projection of future mortality improvement.

Discount Rate

The discount rate used to measure the total OPEB liability was 3.50%. This rate was determined using an index rate of 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher – which was 3.50% as determined by the Bond Buyer 20-Bond GO Index Rate as of June 30, 2021.

NOTES TO FINANCIAL STATEMENTS

NOTE 14. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Changes in the Total OPEB Liability of the County

The changes in the total OPEB liability of the County for the year ended June 30, 2021, were as follows:

	Total OPEB Liability
Balance at June 30, 2020	\$ 9,723,406
Changes for the year	
Service cost	498,304
Interest	369,763
Assumption changes	522,473
Benefit payments	(359,066)
Net Changes	<u>1,031,474</u>
Balance at June 30, 2021	<u><u>\$ 10,754,880</u></u>

The required schedule of changes in the County's total OPEB liability and related ratios immediately following the notes to the financial statements presents multi-year trend information about the total OPEB liability.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.50%) or 1-percentage-point higher (4.50%) than the current discount rate:

	1% Decrease (2.50%)	Discount Rate (3.50%)	1% Increase (4.50%)
Total OPEB Liability	\$ 12,262,909	\$ 10,754,880	\$ 9,544,933

NOTES TO FINANCIAL STATEMENTS

NOTE 14. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (5% decreasing to 4%) or 1-percentage-point higher (7% decreasing to 6%) than the current healthcare cost trend rates:

	1% Decrease (5% decreasing to 4%)	Current Healthcare Cost Trend Rate	1% Decrease (7% decreasing to 6%)
Total OPEB Liability	\$ 10,099,423	\$ 10,754,880	\$ 11,546,001

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 revisions 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 June 30, 2021, and the current sharing pattern of costs between employer and inactive employees.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2021, the County recognized OPEB expense of \$488,904. At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (2,376,526)
Changes in assumptions	1,031,979	(316,141)
	<u>\$ 1,031,979</u>	<u>\$ (2,692,667)</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 14. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year ending June 30,</u>	
2022	\$ (379,163)
2023	(379,163)
2024	(379,163)
2025	(309,047)
2026	(238,932)
Thereafter	24,780
Total	<u>\$ (1,660,688)</u>

NOTE 15. TAX ABATEMENT PROGRAMS

For the year ended June 30, 2021, the County's tax revenues were reduced by \$2,067,120 under agreements entered into by the Albany-Dougherty Payroll Development Authority. Under these agreements, taxes on both real and personal property are reduced based on investments made by the corporations to whom the incentives were offered. In order to qualify, certain eligibility requirements must be met and are based on the economic development goals of each project. Generally, a project will create employment opportunities, promote trade and commerce in the County, and increase the tax base.

NOTES TO FINANCIAL STATEMENTS

NOTE 16. CHANGE IN ACCOUNTING PRINCIPLE

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

	Custodial Funds
Net position, as previously reported	<u>\$ -</u>
Adjustment needed to record beginning net position of the agency funds now reported as custodial funds in accordance with GASB Statement No. 84	<u>2,493,555</u>
Net position, as restated	<u><u>\$ 2,493,555</u></u>

REQUIRED SUPPLEMENTARY INFORMATION

DOUGHERTY 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,

	2014	2015	2016
Total Pension Liability - Beginning of Year	\$ 52,666,565	\$ 54,942,537	\$ 56,868,704
Service Cost	985,660	987,469	1,031,369
Interest on the Total Pension Liability	4,158,047	4,224,303	4,419,776
Difference between Expected and Actual Experience	(374,170)	(439,121)	(271,898)
Changes of Assumptions	-	-	599,096
Benefit Payments	(2,493,565)	(2,846,484)	(2,866,033)
Net Change in Total Pension Liability	2,275,972	1,926,167	2,912,310
Total Pension Liability - End of Year (a)	54,942,537	56,868,704	59,781,014
Plan Fiduciary Net Position - Beginning of Year	43,560,231	50,387,870	50,538,905
Contributions - Employer	2,191,969	2,122,826	2,136,438
Contributions - Employee	579,204	510,167	528,308
Other receipts	3,559	-	-
Net Investment Income	6,644,893	682,912	457,587
Benefit Payments	(2,497,124)	(2,846,484)	(2,866,033)
Administrative Expenses	(94,862)	(318,386)	(136,544)
Net Change in Plan Fiduciary Net Position	6,827,639	151,035	119,756
Plan Fiduciary Net Position - End of Year (b)	50,387,870	50,538,905	50,658,661
County's Net Pension Liability (a) - (b)	\$ 4,554,667	\$ 6,329,799	\$ 9,122,353
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	91.71%	88.87%	84.74%
Covered-Employee Payroll	\$ 21,297,585	\$ 19,321,375	\$ 19,194,059
Net Pension Liability as a Percentage of the Covered-Employee Payroll	21.39%	32.76%	47.53%

*Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

2017	2018	2019	2020	2021
\$ 59,781,014	\$ 64,107,024	\$ 66,616,240	\$ 69,558,795	\$ 73,187,097
1,084,073	1,096,974	1,127,356	1,206,203	1,419,238
4,593,789	4,764,587	4,846,941	5,139,019	5,290,176
317,463	-	(1,214,676)	(86,834)	387,855
1,511,462	-	1,988,992	1,685,747	(312,617)
(3,180,777)	(3,352,345)	(3,806,058)	(4,315,833)	(4,052,494)
4,326,010	2,509,216	2,942,555	3,628,302	2,732,158
64,107,024	66,616,240	69,558,795	73,187,097	75,919,255
50,658,661	55,353,218	58,683,864	60,762,813	60,323,444
2,342,787	2,038,911	2,049,537	2,088,910	2,213,099
526,181	547,941	672,506	662,042	633,412
233,581	267,155	69,047	-	233,583
5,115,662	3,916,834	3,272,672	1,279,071	15,252,735
(3,180,777)	(3,399,278)	(3,806,058)	(4,315,833)	(4,052,494)
(109,296)	(40,917)	(178,755)	(153,559)	(192,924)
4,928,138	3,330,646	2,078,949	(439,369)	14,087,411
55,586,799	58,683,864	60,762,813	60,323,444	74,410,855
\$ 8,520,225	\$ 7,932,376	\$ 8,795,982	\$ 12,863,653	\$ 1,508,400
86.71%	88.09%	87.35%	82.42%	98.01%
\$ 20,111,297	\$ 20,830,160	\$ 20,681,370	\$ 21,311,307	\$ 23,565,202
42.37%	38.08%	42.53%	60.36%	6.40%

DOUGHERTY COUNTY, GEORGIA

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

	2014	2015	2016
Actuarially Determined Contribution	\$ 2,191,381	\$ 2,119,353	\$ 2,135,397
Actual Contributions During the Year	2,191,969	2,122,826	2,136,438
Contribution Deficiency/(Excess)	<u>\$ (588)</u>	<u>\$ (3,473)</u>	<u>\$ (1,041)</u>
Covered-Employee Payroll	\$ 21,297,585	\$ 19,321,375	\$ 19,194,059
Contributions as a Percentage of Covered-Employee Payroll	10.29%	10.99%	11.13%

2017	2018	2019	2020	2021
\$ 2,240,532	\$ 1,998,913	\$ 1,872,063	\$ 1,915,982	\$ 2,211,951
2,342,787	2,038,911	2,049,537	2,088,910	2,213,099
<u>\$ (102,255)</u>	<u>\$ (39,998)</u>	<u>\$ (177,474)</u>	<u>\$ (172,928)</u>	<u>\$ (1,148)</u>
\$ 20,111,297	\$ 20,830,160	\$ 20,681,370	\$ 21,311,307	\$ 23,565,202
11.65%	9.79%	9.91%	9.80%	9.39%

DOUGHERTY COUNTY, GEORGIA

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

Valuation Date	July 01, 2020
Actuarial Cost Method	Entry Age Normal
Actuarial Asset Valuation Method	Actuarial value as used for funding valuation
Amortization Method	Level Dollar Amount (Closed)
Remaining Amortization Period	15-year closed period, or other closed period in accordance with Georgia State Code
Projected Salary Increases	3.00%
Investment Rate of Return	7.25%
Mortality Table	PubG-2010 with two year set-forward for males or improvement scale

DOUGHERTY COUNTY, GEORGIA

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

<u>Year</u>	<u>Rate of Return</u>
2014	15.81%
2015	1.35%
2016	0.90%
2017	10.12%
2018	7.32%
2019	5.63%
2020	2.13%
2021	25.56%

**Schedules above are intended to show information for 10 years. Additional years will be displayed as they become available.*

DOUGHERTY COUNTY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION OTHER POST-EMPLOYMENT BENEFIT PLAN SCHEDULE OF CHANGES IN THE COUNTY'S TOTAL OPEB LIABILITY AND RELATED RATIOS FOR THE FISCAL YEAR ENDED JUNE 30,

	2018	2019	2020	2021
Total OPEB liability				
Service cost	\$ 521,033	\$ 536,665	\$ 487,529	\$ 498,304
Interest on total OPEB liability	381,689	402,978	334,721	369,763
Difference between expected and actual experience	(2,299,028)	-	(1,805,048)	-
Changes of assumptions and other inputs	1,247,296	-	(437,735)	522,473
Benefit payments	(315,627)	(331,804)	(349,495)	(359,066)
Net change in total OPEB liability	(464,637)	607,839	(1,770,028)	1,031,474
Total OPEB liability - beginning	11,350,232	10,885,595	11,493,434	9,723,406
Total OPEB liability - ending	\$ 10,885,595	\$ 11,493,434	\$ 9,723,406	\$ 10,754,880
 Covered-employee payroll	 \$ 20,843,519	 \$ 21,468,825	 \$ 21,311,307	 \$ 21,950,646
 Total OPEB liability as a percentage of covered-employee payroll	 52.2%	 53.5%	 45.6%	 49.0%

Notes to the Schedule:

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

The County is not accumulating assets in a trust fund that meets the criteria in paragraph 4 of GASB Statement No. 75 for payment of future OPEB benefits.

The assumptions used in preparation of the above schedule are disclosed in Note 14 to the financial statements.

**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Alternate Dispute Resolution (“ADR”) Fund is used to account for fines assessed in the courts to support an alternative to keep certain cases from going to trial.

Confiscated Assets Fund is used to account for confiscated assets awarded to the County that are restricted for law enforcement expenditures at the discretion of the Sheriff.

Grant Fund is used to account for grant revenues and expenditures related to various short-term projects.

Lease Commercial Property Fund is used to account for receipt of rent revenues from the East and West parking decks and five tenant retail spaces. Revenues are committed for the upkeep and maintenance of both parking decks and tenant retail spaces as needed.

Law Library Fund is used to account for revenues generated through special filing charges in the County court system which are restricted for acquisition and maintenance of library materials.

Drug Abuse Treatment Fund is used to account for fines and expenditures related to the County’s drug abuse and education programs.

Disaster Recovery Fund is used to account for the County’s receipt and expenditure of disaster funds received from FEMA that are restricted for expenditures for recovery.

CAPITAL PROJECT FUNDS

Community Development Block Grant (“CDBG”) Storm Recovery Fund is used to account for the receipt and expenditure of grant funds from the CDBG Disaster Recovery Homeowner Rehabilitation and Reconstruction Program.

DHR Building Lease Fund is used to account for the receipt of rental funds from the Georgia Department of Human Services (“DHS”) that are used to provide for operations and capital improvements to the building.

1995 One Percent Sales Tax Fund is used to account for the County’s receipt and expenditure of special purpose sales tax from the 1995 sales tax referendum.

Capital Improvement Fund is used to account for the receipt of property taxes and other funds committed for capital projects of the County.

2000 One Percent Sales Tax Fund is used to account for the County’s receipt and expenditure of special purpose sales tax from the 2000 sales tax referendum.

NONMAJOR GOVERNMENTAL FUNDS

CAPITAL PROJECT FUNDS (CONTINUED)

2005 One Percent Sales Tax Fund is used to account for the County's receipt and expenditure of special purpose sales tax from the 2005 sales tax referendum.

2010 One Percent Sales Tax Fund is used to account for the County's receipt and expenditure of special purpose sales tax from the 2010 sales tax referendum.

DOUGHERTY COUNTY, GEORGIA

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS JUNE 30, 2021

Special Revenue Funds							
ASSETS	ADR	Confiscated Assets	Grant	Lease Commercial Property	Law Library	Drug Abuse Treatment	Disaster Recovery Fund
Cash and cash equivalents	\$ 33,040	\$ 20,504	\$ 61,003	\$ 16,110	\$ 231,340	\$ -	\$ 146,152
Investments	-	775,462	-	203,443	67,641	-	86,683
Accounts receivable	-	-	-	-	4,320	-	-
Due from other governments	9,810	6,076	212,564	-	-	-	150,542
Total assets	\$ 42,850	\$ 802,042	\$ 273,567	\$ 219,553	\$ 303,301	\$ -	\$ 383,377
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
LIABILITIES							
Accounts payable	\$ 5,000	\$ 2,283	\$ 53,175	\$ 1,261	\$ 1,302	\$ 504	\$ 7,349
Retainage payable	-	-	-	-	-	-	-
Due to other funds	-	4,061	160,661	3,523	35,354	17,183	-
Due to other governments	-	-	-	-	-	-	-
Total liabilities	5,000	6,344	213,836	4,784	36,656	17,687	7,349
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue - grants	-	-	17,130	-	-	-	150,542
FUND BALANCES							
Restricted for:							
Judicial	37,850	-	-	-	266,645	-	-
Public safety	-	795,698	42,601	-	-	-	-
Public works	-	-	-	-	-	-	225,486
Capital outlay	-	-	-	-	-	-	-
Committed for:							
Building maintenance	-	-	-	-	-	-	-
Parking deck maintenance	-	-	-	214,769	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	(17,687)	-
Total fund balances	37,850	795,698	42,601	214,769	266,645	(17,687)	225,486
Total liabilities, deferred inflows of resources and fund balances	\$ 42,850	\$ 802,042	\$ 273,567	\$ 219,553	\$ 303,301	\$ -	\$ 383,377

Capital Projects Funds

CDBG Storm Recovery	DHR Building Lease	1995 One Percent Sales Tax	Capital Improvement	2000 One Percent Sales Tax	2005 One Percent Sales Tax	2010 One Percent Sales Tax	Total
\$ -	\$ 443,736	\$ -	\$ 123,866	\$ -	\$ -	\$ -	\$ 1,075,751
-	1,761,463	347,669	1,531,964	337,928	5,015,050	5,172,217	15,299,520
-	-	-	-	-	-	-	4,320
163,418	-	-	-	-	-	-	542,410
<u>\$ 163,418</u>	<u>\$ 2,205,199</u>	<u>\$ 347,669</u>	<u>\$ 1,655,830</u>	<u>\$ 337,928</u>	<u>\$ 5,015,050</u>	<u>\$ 5,172,217</u>	<u>\$ 16,922,001</u>

\$ 631	\$ 2,019	\$ -	\$ 676	\$ -	\$ 5,939	\$ 65,287	\$ 145,426
-	-	-	-	-	6,000	-	6,000
229,087	2,116	11,463	20,989	-	375,863	614,130	1,474,430
1,805	-	-	-	-	-	-	1,805
<u>231,523</u>	<u>4,135</u>	<u>11,463</u>	<u>21,665</u>	<u>-</u>	<u>387,802</u>	<u>679,417</u>	<u>1,627,661</u>
<u>163,418</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>331,090</u>

-	-	-	-	-	-	-	304,495
-	-	-	-	-	-	-	838,299
-	-	-	-	-	-	-	225,486
-	-	336,206	630,055	337,928	4,627,248	4,492,800	10,424,237
-	2,201,064	-	-	-	-	-	2,201,064
-	-	-	-	-	-	-	214,769
-	-	-	1,004,110	-	-	-	1,004,110
(231,523)	-	-	-	-	-	-	(249,210)
<u>(231,523)</u>	<u>2,201,064</u>	<u>336,206</u>	<u>1,634,165</u>	<u>337,928</u>	<u>4,627,248</u>	<u>4,492,800</u>	<u>14,963,250</u>
<u>\$ 163,418</u>	<u>\$ 2,205,199</u>	<u>\$ 347,669</u>	<u>\$ 1,655,830</u>	<u>\$ 337,928</u>	<u>\$ 5,015,050</u>	<u>\$ 5,172,217</u>	<u>\$ 16,922,001</u>

DOUGHERTY COUNTY, GEORGIA

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

	Special Revenue Funds						
	ADR	Confiscated Assets	Grant	Lease Commercial Property	Law Library	Drug Abuse Treatment	Disaster Recovery Fund
Revenues:							
Intergovernmental	\$ -	\$ -	\$ 1,458,865	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	47,890	157,123	48,473	-	84,087	-	-
Interest income	-	1,033	-	252	209	-	-
Other revenues	-	-	291	36,584	13,672	-	30,591
Total revenues	<u>47,890</u>	<u>158,156</u>	<u>1,507,629</u>	<u>36,836</u>	<u>97,968</u>	<u>-</u>	<u>30,591</u>
Expenditures:							
Current:							
General government	-	-	-	-	-	-	-
Judicial	10,040	-	1,209,233	-	136,740	-	-
Public safety	-	234,749	28,776	-	-	-	-
Public works	-	-	-	-	-	-	111,133
Health and welfare	-	-	32,870	-	-	17,687	-
Culture and recreation	-	-	354,886	-	-	-	-
Housing and development	-	-	-	18,577	-	-	-
Capital outlay	-	-	-	-	-	-	-
Debt service:							
Interest	-	-	-	-	-	-	-
Total expenditures	<u>10,040</u>	<u>234,749</u>	<u>1,625,765</u>	<u>18,577</u>	<u>136,740</u>	<u>17,687</u>	<u>111,133</u>
Excess (deficiency) of revenues over (under) expenditures	<u>37,850</u>	<u>(76,593)</u>	<u>(118,136)</u>	<u>18,259</u>	<u>(38,772)</u>	<u>(17,687)</u>	<u>(80,542)</u>
Other financing sources:							
Proceeds from sale of assets	-	51,072	-	-	-	-	-
Transfers in	-	-	-	-	-	-	1,090,465
Total other financing sources	<u>-</u>	<u>51,072</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,090,465</u>
Net change in fund balances	37,850	(25,521)	(118,136)	18,259	(38,772)	(17,687)	1,009,923
Fund balances (deficits), beginning of year	<u>-</u>	<u>821,219</u>	<u>160,737</u>	<u>196,510</u>	<u>305,417</u>	<u>-</u>	<u>(784,437)</u>
Fund balances (deficits), end of year	<u>\$ 37,850</u>	<u>\$ 795,698</u>	<u>\$ 42,601</u>	<u>\$ 214,769</u>	<u>\$ 266,645</u>	<u>\$ (17,687)</u>	<u>\$ 225,486</u>

Capital Projects Funds

CDBG Storm Recovery	DHR Building Lease	1995 One Percent Sales Tax	Capital Improvement	2000 One Percent Sales Tax	2005 One Percent Sales Tax	2010 One Percent Sales Tax	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,458,865
-	-	-	-	-	-	-	337,573
-	2,188	281	25,483	273	4,133	6,928	40,780
-	533,883	-	-	-	-	-	615,021
-	536,071	281	25,483	273	4,133	6,928	2,452,239
163,418	85,465	-	-	-	-	-	248,883
-	-	-	-	-	-	-	1,356,013
-	-	-	-	-	-	-	263,525
-	-	-	-	-	-	-	111,133
-	-	-	-	-	-	-	50,557
-	-	-	-	-	-	-	354,886
-	-	-	-	-	-	-	18,577
-	-	11,463	149,661	-	525,271	1,441,831	2,128,226
-	-	-	12,074	-	-	-	12,074
163,418	85,465	11,463	161,735	-	525,271	1,441,831	4,543,874
(163,418)	450,606	(11,182)	(136,252)	273	(521,138)	(1,434,903)	(2,091,635)
-	-	-	181,720	-	-	-	232,792
-	-	-	-	-	-	-	1,090,465
-	-	-	181,720	-	-	-	1,323,257
(163,418)	450,606	(11,182)	45,468	273	(521,138)	(1,434,903)	(768,378)
(68,105)	1,750,458	347,388	1,588,697	337,655	5,148,386	5,927,703	15,731,628
\$ (231,523)	\$ 2,201,064	\$ 336,206	\$ 1,634,165	\$ 337,928	\$ 4,627,248	\$ 4,492,800	\$ 14,963,250

INTERNAL SERVICE FUNDS

Workers' Compensation Fund is used to account for the accumulation of resources for future workers' compensation claims.

Self-Insurance Fund is used to account for the funding of self-insurance and payment of claims and judgments against the County.

Risk Management Fund is used to account for the funding of property insurance and payment of claims and judgments against the County.

DOUGHERTY COUNTY, GEORGIA

COMBINING STATEMENT OF NET POSITION INTERNAL SERVICE FUNDS JUNE 30, 2021

	Workers' Compensation Fund	Self- Insurance Fund	Risk Management Fund	Total
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	\$ 655,254	\$ -	\$ 2,616,301	\$ 3,271,555
Investments	1,688,035	507,140	1,357,297	3,552,472
Accounts receivable, net of allowances	-	11,804	209,603	221,407
Prepaid expenses	-	-	6,745	6,745
Total current assets	<u>2,343,289</u>	<u>518,944</u>	<u>4,189,946</u>	<u>7,052,179</u>
NON-CURRENT ASSETS				
Capital assets:				
Depreciable, net of accumulated depreciation	-	86,591	-	86,591
Total non-current assets	<u>-</u>	<u>86,591</u>	<u>-</u>	<u>86,591</u>
Total assets	<u>2,343,289</u>	<u>605,535</u>	<u>4,189,946</u>	<u>7,138,770</u>
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable	-	107,170	2,620	109,790
Accrued expenses	369,065	330,000	2,714,571	3,413,636
Due to other funds	2,911	2,418,697	831,933	3,253,541
Total current liabilities	<u>371,976</u>	<u>2,855,867</u>	<u>3,549,124</u>	<u>6,776,967</u>
Total liabilities	<u>371,976</u>	<u>2,855,867</u>	<u>3,549,124</u>	<u>6,776,967</u>
NET POSITION				
Investment in capital assets	-	86,591	-	86,591
Unrestricted	1,971,313	(2,336,923)	640,822	275,212
Total net position	<u>\$ 1,971,313</u>	<u>\$ (2,250,332)</u>	<u>\$ 640,822</u>	<u>\$ 361,803</u>

DOUGHERTY COUNTY, GEORGIA

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

	Workers' Compensation Fund	Self- Insurance Fund	Risk Management Fund	Total
OPERATING REVENUES				
Charges for services	\$ 709,824	\$ 6,171,063	\$ 1,850,428	\$ 8,731,315
Miscellaneous	-	797,544	1,343,417	2,140,961
Total operating revenues	<u>709,824</u>	<u>6,968,607</u>	<u>3,193,845</u>	<u>10,872,276</u>
OPERATING EXPENSES				
Cost of sales and services	148,282	817,853	128,005	1,094,140
Claims	53,270	6,726,167	2,544,938	9,324,375
Insurance	61,407	1,800,508	821,794	2,683,709
Depreciation	-	18,555	-	18,555
Total operating expenses	<u>262,959</u>	<u>9,363,083</u>	<u>3,494,737</u>	<u>13,120,779</u>
Operating income (loss)	<u>446,865</u>	<u>(2,394,476)</u>	<u>(300,892)</u>	<u>(2,248,503)</u>
NON-OPERATING INCOME				
Interest income	2,242	1,043	1,965	5,250
Total non-operating income	<u>2,242</u>	<u>1,043</u>	<u>1,965</u>	<u>5,250</u>
Change in net position	449,107	(2,393,433)	(298,927)	(2,243,253)
NET POSITION, beginning of year	<u>1,522,206</u>	<u>143,101</u>	<u>939,749</u>	<u>2,605,056</u>
NET POSITION, end of year	<u>\$ 1,971,313</u>	<u>\$ (2,250,332)</u>	<u>\$ 640,822</u>	<u>\$ 361,803</u>

DOUGHERTY COUNTY, GEORGIA

COMBINING STATEMENT OF CASH FLOWS INTERNAL SERVICE FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Workers' Compensation Fund	Self- Insurance Fund	Risk Management Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ 712,735	\$ 8,855,822	\$ 3,807,855	\$ 13,376,412
Payments to suppliers	(209,689)	(2,511,191)	(947,179)	(3,668,059)
Payments for insurance claims	(185,504)	(6,886,167)	(728,989)	(7,800,660)
Net cash provided by (used in) operating activities	317,542	(541,536)	2,131,687	1,907,693
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of investments	-	-	301,799	301,799
Sale of investments	160,911	540,493	-	701,404
Interest on investments	2,242	1,043	1,965	5,250
Net cash provided by investing activities	163,153	541,536	303,764	1,008,453
Net increase in cash and cash equivalents	480,695	-	2,435,451	2,916,146
Cash and cash equivalents:				
Beginning of year	174,559	-	180,850	355,409
End of year	\$ 655,254	\$ -	\$ 2,616,301	\$ 3,271,555
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities				
Operating income (loss)	\$ 446,865	\$ (2,394,476)	\$ (300,892)	\$ (2,248,503)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation expense	-	18,555	-	18,555
Increase in accounts receivable	-	(11,804)	(209,603)	(221,407)
Increase in due from other funds	-	(519,678)	(8,320)	(527,998)
Increase in accounts payable	-	107,170	2,620	109,790
Increase in prepaid expenses	-	-	(6,745)	(6,745)
Increase (decrease) in accrued expenses	(132,234)	(160,000)	1,822,694	1,530,460
Increase in due to other funds	2,911	2,418,697	831,933	3,253,541
Net cash provided by (used in) operating activities	\$ 317,542	\$ (541,536)	\$ 2,131,687	\$ 1,907,693

DOUGHERTY COUNTY, GEORGIA

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

Project Description	Original Costs	Estimated Costs	Expenditures		
			Prior Years	Current Year	Total
<u>1995 REFERENDUM</u>					
City Street and Road Projects	\$ 10,000,000	\$ 10,075,000	\$ 10,074,999	\$ -	\$ 10,074,999
County Street and Road Projects	5,000,000	5,652,343	5,652,343	-	5,652,343
Water and Sewer Extensions	8,000,000	10,698,078	10,763,934	-	10,763,934
Storm Drainage Improvements	15,200,000	15,123,948	15,019,085	-	15,019,085
Recycling Program	1,500,000	500,000	444,846	-	444,846
Geographic Information System	1,000,000	1,063,717	1,063,717	-	1,063,717
City Fire Stations and Equipment	2,500,000	2,500,000	2,499,876	-	2,499,876
County Fire Stations and Equipment	1,000,000	1,070,574	1,071,538	-	1,071,538
West EMS Station	1,000,000	980,439	980,439	4,463	984,902
Community Policing Centers	1,500,000	1,543,054	1,539,140	-	1,539,140
Courtroom Addition	3,500,000	4,101,338	4,101,339	-	4,101,339
Emergency Operations Center	3,000,000	2,956,946	2,956,947	-	2,956,947
Downtown Improvements	2,500,000	8,213,104	8,839,618	7,000	8,846,618
Recreation Improvements	10,500,000	10,500,000	9,888,277	-	9,888,277
Agricultural Service Center	2,000,000	2,064,056	2,193,387	-	2,193,387
Industrial Speculative Building	750,000	750,000	350,313	-	350,313
Thronateeska Heritage Center	750,000	900,000	900,000	-	900,000
Third Floor Renovation	-	-	21,137	-	21,137
Mt. Zion Civil Rights Museum	750,000	793,839	793,839	-	793,839
Government Center Debt	3,500,000	4,088,662	4,088,662	-	4,088,662
Administration/Disparity Study	500,000	1,084,298	1,084,298	-	1,084,298
Contingency	-	2,333	-	-	-
Totals	\$ 74,450,000	\$ 84,661,729	\$ 84,327,734	\$ 11,463	\$ 84,339,197

*** Estimated costs are not budgeted by project or in total. Projects are approved according to need at least annually.

(Continued)

DOUGHERTY COUNTY, GEORGIA

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

Project Description	Original Costs	Estimated Costs	Expenditures		
			Prior Years	Current Year	Total
<u>2000 REFERENDUM</u>					
Administrative	\$ 1,175,227	\$ 8,612,153	\$ 8,234,991	\$ -	\$ 8,234,991
Albany River Walk	6,000,000	6,405,000	6,532,479	-	6,532,479
Chehaw Park Improvements	700,000	700,000	680,611	-	680,611
City Debt Retirement	8,611,094	7,023,979	7,023,979	-	7,023,979
City Street Improvements	6,500,000	6,525,000	6,509,309	-	6,509,309
City Traffic Safety	725,000	725,000	724,999	-	724,999
County Water Extensions	600,000	655,548	655,548	-	655,548
County EMS Station	500,000	514,811	514,811	-	514,811
Hugh Mills Stadium	1,170,000	1,204,434	1,204,434	-	1,204,434
Thronateeska Heritage	500,000	500,000	500,000	-	500,000
Central Square	15,300,000	15,306,177	15,306,178	-	15,306,178
Economic Development	8,013,679	6,463,679	6,444,466	-	6,444,466
County Animal Shelter	700,000	780,000	835,298	-	835,298
City Law Enforcement Center	14,500,000	14,500,000	14,339,208	-	14,339,208
Storm Drainage Improvements	11,000,000	4,187,173	4,258,310	-	4,258,310
County Road Improvements	2,000,000	4,800,000	4,735,750	-	4,735,750
Public Safety GSP Building	500,000	536,179	536,179	-	536,179
City Fire Station	2,000,000	2,000,000	2,000,422	-	2,000,422
County Fire Equipment	500,000	500,000	529,728	-	529,728
Recreation Improvements	9,130,000	3,285,000	3,287,663	-	3,287,663
Albany First Tee Program	875,000	988,540	988,471	-	988,471
County Debt Retirement	30,000,000	30,000,000	30,131,767	-	30,131,767
Contingency	-	31,544	(31,766)	-	(31,766)
Totals	\$ 121,000,000	\$ 116,244,217	\$ 115,942,835	\$ -	\$ 115,942,835

(Continued)

DOUGHERTY COUNTY, GEORGIA

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

Project Description	Original Costs	Estimated Costs	Expenditures		
			Prior Years	Current Year	Total
<u>2005 REFERENDUM</u>					
Government Center Improvements	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ -	\$ 1,000,000
Judicial Building Improvements	2,000,000	2,185,000	2,196,456	9,979	2,206,435
Mental Health Building Improvements	1,400,000	1,115,000	1,645,252	-	1,645,252
Public Health Building Improvements	700,000	800,000	269,748	-	269,748
DOCO Jail Facility Improvements	3,825,000	3,825,000	3,824,100	-	3,824,100
EMS Headquarter Improvements	2,000,000	2,086,553	2,086,553	-	2,086,553
New Library and Library Improvements	6,000,000	6,400,000	6,726,489	-	6,726,489
County Police Building Improvements	140,000	140,000	136,437	-	136,437
County Fire Station Improvements	100,000	100,000	186,000	-	186,000
S.R. 133 Road Widening Project	400,000	-	-	-	-
County Roads, Streets and Bridges	1,186,800	2,294,872	4,471,477	188,079	4,659,556
County Sewer Extensions	1,000,000	1,150,000	331,840	-	331,840
New Public Works Facility	700,000	1,000,000	998,675	-	998,675
Election Equipment	100,000	160,000	161,326	-	161,326
Radium Springs Improvements	2,500,000	2,500,000	1,806,614	305,802	2,112,416
Tennis Court Facility	2,700,000	2,700,000	-	9,773	9,773
Gillionville Road Widening	1,800,000	500,000	213,644	-	213,644
Criminal Justice Information System	4,000,000	4,000,000	3,053,703	-	3,053,703
I.T. Equipment and Software	2,440,000	2,440,000	2,418,800	11,638	2,430,438
Greenspace Acquisition	535,000	535,000	519,475	-	519,475
Mule Barn Presentation	500,000	500,000	206,785	-	206,785
Museum of Art Relocation	3,000,000	9,773	9,773	-	9,773
Flint Rivercenter	1,000,000	1,030,312	1,030,312	-	1,030,312
Albany-Dougherty Payroll Development	3,000,000	3,000,000	2,485,745	-	2,485,745
Riverfront Projects	100,000	100,000	100,000	-	100,000
Administrative	300,000	300,000	175,637	-	175,637
City of Albany Projects	65,873,200	63,259,242	63,259,242	-	63,259,242
Totals	\$ 108,300,000	\$ 103,130,752	\$ 99,314,083	\$ 525,271	\$ 99,839,354

(Continued)

DOUGHERTY COUNTY, GEORGIA

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

Project Description	Original Costs	Estimated Costs	Expenditures		
			Prior Years	Current Year	Total
<u>2010 REFERENDUM</u>					
Government Center Improvements	\$ 535,000	\$ 535,000	\$ 388,606	\$ -	\$ 388,606
Judicial Building Improvements	960,000	960,000	996,192	-	996,192
Central Square Complex Improvements	860,000	860,000	795,269	-	795,269
Mental Health Building Improvements	300,000	300,000	314,944	-	314,944
Public Health Building Improvements	450,000	450,000	425,212	-	425,212
DOCO Jail Facility Improvements	2,225,000	2,225,000	2,094,314	6,248	2,100,562
Library Buildings Improvements	5,785,000	5,785,000	5,277,028	65,494	5,342,522
EMS Stations Improvements	1,760,000	1,760,000	1,719,949	40,050	1,759,999
County Police Building Improvements	1,555,000	1,555,000	1,534,239	12,050	1,546,289
County Fire Stations Improvements	795,000	795,000	789,865	-	789,865
County Parks Improvements	810,000	810,000	1,091,480	44,542	1,136,022
Storm Drainage Improvements	4,300,000	4,300,000	2,353,735	827,201	3,180,936
County Road Improvements	6,000,000	6,000,000	5,542,552	99,136	5,641,688
Public Works Maintenance Shop Improvement:	1,650,000	1,650,000	1,648,477	-	1,648,477
Landfill Improvements	1,000,000	1,000,000	629,000	-	629,000
Facilities Warehouse Improvements	240,000	240,000	488,717	122,283	611,000
Information Technology Equipment	985,000	985,000	429,737	224,827	654,564
Economic Development Improvements	2,350,000	2,350,000	-	-	-
Flint RiverQuarium Improvements	505,000	505,000	505,001	-	505,001
Hugh Mills Stadium Improvements	1,175,000	1,175,000	1,281,157	-	1,281,157
Thronateeska Heritage Center Improvements	640,000	640,000	642,990	-	642,990
Greenspace Acquisitions	400,000	400,000	188,934	-	188,934
City of Albany Projects	62,720,000	62,720,000	61,346,525	-	61,346,525
Totals	\$ 98,000,000	\$ 98,000,000	\$ 90,483,923	\$ 1,441,831	\$ 91,925,754

(Continued)

DOUGHERTY COUNTY, GEORGIA

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

Project Description	Original Costs	Estimated Costs	Expenditures		
			Prior Years	Current Year	Total
2016 REFERENDUM					
County Fire Trucks and Equipment	\$ 1,240,000	\$ 1,240,000	\$ -	\$ 1,196,857	\$ 1,196,857
County Fire Station Improvements/Equipment	500,000	500,000	676,660	36,894	713,554
EMS Ambulance and Equipment	2,125,000	2,125,000	213,346	716,017	929,363
EMS Station Improvements/Equipment	500,000	500,000	4,700	103,448	108,148
Sheriff's Department Vehicles/Equipment	925,000	925,000	297,233	309,302	606,535
County Police Vehicles/Equipment	1,360,000	1,360,000	1,024,329	536,629	1,560,958
County Police Building Impr/Equipment	550,000	550,000	-	28,601	28,601
Jail Improvements/Equipment	1,600,000	1,600,000	242,121	190,192	432,313
Upgrade 911 Communications System	1,408,000	1,408,000	299,302	299,302	598,604
Animal Control Shelter Impr/Equipment	100,000	100,000	166,621	-	166,621
County Department Vehicles	520,000	520,000	308,440	100,049	408,489
Roads, Streets, and Bridges/Equipment	5,000,000	5,000,000	1,568,175	228,373	1,796,548
Storm Drainage Improvements/Equipment	4,000,000	4,000,000	354,887	531,917	886,804
Government Center Impr/Equipment	2,200,000	2,200,000	339,334	134,795	474,129
Judicial Building Impr/Equipment	1,850,000	1,850,000	854,276	617,924	1,472,200
Central Square Complex Impr/Equipment	1,110,000	1,110,000	879,570	9,790	889,360
Riverfront Resource Center Improvements	800,000	800,000	206,744	-	206,744
Public Works Facilities Impr/Equipment	320,000	320,000	53,714	109,254	162,968
Facilities Mgmt Building Impr/Equipment	200,000	200,000	-	48,138	48,138
County Morgue	414,000	414,000	-	6,782	6,782
Water Extensions/Fire Protection Equipment	400,000	400,000	-	-	-
Elections Equipment	60,000	60,000	-	-	-
Aerial Mapping System	98,000	98,000	-	-	-
Information Technology Upgrades/Equipment	380,000	380,000	206,451	-	206,451
Library Improvements/Equipment	400,000	400,000	2,085,164	169,408	2,254,572
RiverQuarium Improvements	450,000	450,000	467,294	-	467,294
Thronateeska Improvements	300,000	300,000	-	43,648	43,648
Chehaw Park Improvements	135,000	135,000	23,850	111,150	135,000
Mental Health Facility Improvements	700,000	700,000	248,476	10,748	259,224
Public Health Facility Improvements	1,430,000	1,430,000	10,010	10,524	20,534
County Parks Improvements/Equipment	1,145,000	1,145,000	62,775	983,545	1,046,320
Hugh Mills Stadium Improvements/Equipment	330,000	330,000	76,737	-	76,737
Greenw ay Trails	750,000	750,000	106,725	726,781	833,506
City of Albany Projects	59,200,000	59,200,000	32,848,893	10,171,524	43,020,417
Totals	\$ 92,500,000	\$ 92,500,000	\$ 43,625,827	\$ 17,431,592	\$ 61,057,419

DOUGHERTY COUNTY, GEORGIA

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

Project Description	Original Costs	Estimated Costs	Expenditures		
			Prior Years	Current Year	Total
Roadway Improvements	\$ 10,000,000	\$ 10,000,000	\$ 28,128	\$ 28,128	\$ 56,256
Alley Paving	3,500,000	3,500,000	50,350	860,527	910,877
Sidewalk Installation	1,400,000	1,400,000	-	-	-
Road Striping	1,000,000	1,000,000	-	16,950	16,950
Multi-Purpose Trails	7,000,000	7,000,000	-	-	-
Signage	500,000	500,000	-	-	-
Intersection Improvements	3,000,000	3,000,000	-	-	-
Totals	<u>\$ 26,400,000</u>	<u>\$ 26,400,000</u>	<u>\$ 78,478</u>	<u>\$ 905,605</u>	<u>\$ 984,083</u>

CUSTODIAL FUNDS

Tax Commissioner – Tax and Tag Department – This fund is used to account for all personal property and real property taxes collected and forwarded to the County and other government units.

The following agency funds are used to account for fines, fees and other monies collected by the courts and remitted to other parties in accordance with court orders and state law:

Clerk of Courts
Probate Court
Magistrate Court
Juvenile Court

Sheriff – This fund is used to account for collection of fees, proceeds from judicial sales, and cash bonds, which are disbursed to other agencies, the County, and individuals.

Drug Squad Fund – This fund is used to account for funds received from drug related arrests, which are disbursed to the County.

Escrow Fund – This fund is used to account for funds received on open cases. These funds will be disbursed as the cases are settled.

DOUGHERTY COUNTY, GEORGIA

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

ASSETS	Tax and Tag Department	Clerk of Courts	Probate Court	Magistrate Court
Cash	\$ 1,606,480	\$ 1,455,817	\$ 162,872	\$ 84,378
Investments	-	-	-	-
Taxes receivable	4,443,563	-	-	-
Total assets	<u>6,050,043</u>	<u>1,455,817</u>	<u>162,872</u>	<u>84,378</u>
LIABILITIES				
Due to others	1,340,380	155,665	3,531	74,778
Uncollected taxes	4,443,562	-	-	-
Total liabilities	<u>5,783,942</u>	<u>155,665</u>	<u>3,531</u>	<u>74,778</u>
NET POSITION				
Restricted for individuals, organizations, and other governments	<u>\$ 266,101</u>	<u>\$ 1,300,152</u>	<u>\$ 159,341</u>	<u>\$ 9,600</u>

Juvenile Court	Sheriff	Drug Squad	Escrow	Total
\$ 3,739	\$ 661,751	\$ 136,472	\$ -	\$ 4,111,509
-	-	-	3,160	3,160
-	-	-	-	4,443,563
3,739	661,751	136,472	3,160	8,558,232
-	8,452	-	3,157	1,585,963
-	-	-	-	4,443,562
-	8,452	-	3,157	6,029,525
<u>\$ 3,739</u>	<u>\$ 653,299</u>	<u>\$ 136,472</u>	<u>\$ 3</u>	<u>\$ 2,528,707</u>

DOUGHERTY COUNTY, GEORGIA

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

ADDITIONS	Tax and Tag Department	Clerk of Courts	Probate Court	Magistrate Court
Investment earnings				
Interest income	\$ -	\$ -	\$ -	\$ -
Taxes collected	78,479,410	-	-	-
Fines and fees collected	-	2,841,697	362,187	876,720
	<u>78,479,410</u>	<u>2,841,697</u>	<u>362,187</u>	<u>876,720</u>
Total additions	<u>78,479,410</u>	<u>2,841,697</u>	<u>362,187</u>	<u>876,720</u>
DEDUCTIONS				
Taxes disbursed	78,731,582	-	-	-
Fines and fees disbursed	-	2,778,275	334,377	887,215
	<u>78,731,582</u>	<u>2,778,275</u>	<u>334,377</u>	<u>887,215</u>
Total deductions	<u>78,731,582</u>	<u>2,778,275</u>	<u>334,377</u>	<u>887,215</u>
Change in net position	(252,172)	63,422	27,810	(10,495)
Net position, beginning of year, as restated	<u>518,273</u>	<u>1,236,730</u>	<u>131,531</u>	<u>20,095</u>
Net position, end of year	<u>\$ 266,101</u>	<u>\$ 1,300,152</u>	<u>\$ 159,341</u>	<u>\$ 9,600</u>

<u>Juvenile Court</u>	<u>Sheriff</u>	<u>Drug Squad</u>	<u>Escrow</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ 3	\$ 3
-	-	-	-	78,479,410
9,442	1,827,379	157,572	-	6,074,997
9,442	1,827,379	157,572	3	84,554,410
-	-	-	-	78,731,582
9,590	1,661,932	116,287	-	5,787,676
9,590	1,661,932	116,287	-	84,519,258
(148)	165,447	41,285	3	35,152
3,887	487,852	95,187	-	2,493,555
<u>\$ 3,739</u>	<u>\$ 653,299</u>	<u>\$ 136,472</u>	<u>\$ 3</u>	<u>\$ 2,528,707</u>

COMPLIANCE SECTION



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

**To the Board of Commissioners of
Dougherty County, Georgia
Albany, Georgia**

We have audited, in accordance with the 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*"), the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Dougherty County, Georgia (the "County") as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated August 31, 2022. Our report includes a reference to other auditors who audited the financial statements of the Dougherty County Board of Health, as described in our report on the County's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered 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.

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2021-002 through 2021-005 to be material weaknesses.

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. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2021-001 to be a significant deficiency.

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*.

Dougherty County, Georgia's Responses to the Findings

The County's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The County's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

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





**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE;
AND REPORT ON SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

**To the Board of Commissioners of
Dougherty County, Georgia
Albany, Georgia**

Report on Compliance for Each Major Federal Program

We have audited Dougherty County, Georgia's (the "County's") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2021. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America ("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"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of Dougherty County, Georgia as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated August 31, 2022, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is 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 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.

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.

A handwritten signature in black ink that reads "Mauldin & Jenkins, LLC". The script is cursive and fluid, with the letters "M", "J", and "L" being particularly large and stylized.

Macon, Georgia
August 31, 2022

DOUGHERTY COUNTY, GEORGIA

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

Federal Agency/ Pass-through Entity/Program Title	Federal CFDA Number	Agency or Pass-through Grantor's Number	Federal Expenditures
U.S. Department of Justice			
Direct Award			
Bulletproof Vest Partnership Program	16.607	N/A	\$ 11,458
Coronavirus Relief Project	16.034	2020-VD-BX-1383	58,008
Passed-Through Georgia Criminal Justice Coordinating Council Victims of Crime Assistance Program ("VOCA")	16.582	C-18-8-264	49,010
	16.582	C-18-8-263	10,853
	16.582	C-19-8-102	29,215
	16.582	C-19-8-103	128,453
			217,531
Juvenile Justice Assistance Grant	16.575	Y21-8-013	217,977
Violence Against Women Formula Grant	16.588	W21-8-035	45,435
Edward Byrne Memorial Justice Assistance Grant			
GBI Multijurisdictional Drug Task Force	16.738	B20-8-007	46,493
GBI Multijurisdictional Drug Task Force	16.738	B19-8-014	44,858
JAG - Police	16.738	B19-8-006	175,130
JAG - Sheriff	16.738	2020	6,294
			272,775
Total U.S. Department of Justice			823,184
U.S. Department of Housing and Urban Development			
Passed-Through Georgia Department of Community Affairs			
CDBG Disaster Recovery Homeowner Rehab and Reconstruction Program	14.288	B-18-DP-13-0001	163,418
Total U.S. Department of Housing and Urban Development			163,418

(Continued)

DOUGHERTY COUNTY, GEORGIA

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

U.S. Department of Health and Human Services

Passed-Through Georgia Department of Human Services

Child Support Enforcement	93.563	4270-401-00000093704	\$	<u>43,349</u>
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Total U.S. Department of Health and Human Services				<u>43,349</u>
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U.S. Department of Treasury

Passed-Through Georgia Office of Planning and Budget

COVID-19 - Coronavirus Relief Fund	21.019	COVID-19 Phase 1		<u>831,454</u>
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Total U.S. Department of Treasury				<u>831,454</u>
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Total Expenditures of Federal Awards				<u><u>\$ 1,861,405</u></u>
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DOUGHERTY COUNTY, GEORGIA

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

NOTE 1. BASIS OF PRESENTATION

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

NOTE 2. DE MINIMIS INDIRECT COST RATE

The County did not utilize the 10% de minimis indirect cost rate for the year ended June 30, 2021 as permitted by the Uniform Guidance.

NOTE 3. NON-CASH AWARDS

The County did not receive non-cash federal awards during the year ended June 30, 2021.

NOTE 4. DE MINIMIS INDIRECT COST RATE

The County did not pass through federal funds to any subrecipients during the year ended June 30, 2021.

DOUGHERTY COUNTY, GEORGIA

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

SECTION I SUMMARY OF AUDITOR'S RESULTS

Financial Statements

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

Unmodified

Internal control over financial reporting:
Material weakness(es) identified?

☒ Yes ☐ No

Significant deficiency(ies) identified?

☒ Yes ☐ None Reported

Noncompliance material to financial statements noted?

☐ Yes ☒ No

Federal Awards

Internal control over major federal programs:
Material weakness(es) identified?

☐ Yes ☒ No

Significant deficiency(ies) identified?

☐ Yes ☒ None Reported

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

Unmodified

Any audit findings disclosed that are required to be
reported in accordance with 2 CFR 200.516(a)?

☐ Yes ☒ No

Identification of major federal programs:

CFDA Number
21.019

Name of Federal Program or Cluster
Department of Treasury
COVID-19-Coronavirus Relief Fund

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

Auditee qualified as low-risk auditee?

☐ Yes ☒ No

DOUGHERTY COUNTY, GEORGIA

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

SECTION II FINANCIAL STATEMENT FINDINGS AND QUESTIONED COSTS

2021-001 Segregation of Duties

Criteria: Internal controls should be in place which 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, 2021, we noted a lack of proper segregation of duties within several areas of Dougherty County, Georgia's operations, including the Clerk of Court, Probate Court, Sheriff's Office, and the County Finance Department. Examples of segregation of duties issues include:

- Cash receipts are handled by the same individual(s) who also opens the incoming mail, makes bank deposits, reconciles the bank accounts, and posts activity to the general ledger.
- Authorized check signers are not independent of voucher preparation and approval.
- NSF and similar cash items are investigated by employees that also maintain the chart of accounts, post journal entries, monitor suspense or clearing accounts, prepare deposits, and post receipts.
- Custody of checks after signature and before mailing is handled by an employee that is not independent of all payable, disbursing and receiving of cash, and other general ledger functions.
- Reconciliations are not made by someone who is independent of the cash receipt and disbursement functions.
- The billing department is not completely separate from the accounts receivable and collection functions.
- There is not a clear separation of duties between all receivable ledger clerks and the cash/cashier function.
- Recording and approval of credit adjustments and refunds is performed by individuals not independent of the cash handling, and other accounts receivable bookkeeping functions.
- The payroll is not subject to final approval before payment by someone who is independent of the payroll preparation function.
- Unclaimed paychecks are not returned to an employee that is not associated with the payroll function.
- Personnel in the payable function are not independent of the general ledger function.

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

Effect: Failure to properly segregate duties between recording, distribution, and reconciliation of accounts can lead to misappropriation of funds that is not detected during the normal course of business.

Recommendation: The duties of recording, distribution, and reconciliation of accounts should be segregated among employees.

DOUGHERTY COUNTY, GEORGIA

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

SECTION II FINANCIAL STATEMENT FINDINGS AND QUESTIONED COSTS (CONTINUED)

2021-001 Segregation of Duties (Continued)

Auditee's Response: We concur. We will work with staff to segregate duties and apply compensating controls to the extent possible.

2021-002 Accounts Receivable and Revenue Recognition

Criteria: Generally accepted accounting principles require revenues to be recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. As part of these processes, the County should review all revenue transactions to determine reporting in the proper period.

Condition: During our audit, we noted several instances in which revenues and receivables were not properly reflected at June 30, 2021. Several adjustments were determined and required to be recorded during the audit process as follows:

- Adjustments in the General Fund to increase receivables by \$2,288,965, increase deferred revenue by \$1,143,197, increase allowance for doubtful accounts by \$780,481, and increase revenues by \$365,287.
- Adjustments in the Special Tax District Fund to increase receivables by \$23,356, increase deferred revenue by \$9,626, increase allowance for doubtful accounts by \$7,707, and increase revenues by \$25,274.
- An adjustment in the 2016 One Percent Sales Tax Fund to increase unearned revenue by \$758,678 and increase the intergovernmental payment expenditures by the same amount.
- An adjustment in the Grant Fund to decrease receivables by \$101,190 and increase expenditures by the same amount.

Context: We addressed the matter with the County to determine the appropriate steps to be taken so as to properly record revenue and receivable transactions for the year ended June 30, 2021.

Effect: The ultimate effect of the above condition is the potential for revenue and receivable balances to be understated at June 30, 2021.

Recommendation: We recommend the County establish procedures to review all revenue transactions after year-end to determine the appropriate accounting treatment.

Auditee's Response: We concur with the finding. We will continue to review and improve policies and procedures with respect to the revenues and receivables during the year-end closeout.

Criteria: Generally accepted accounting principles require timely reporting of all current liabilities when goods have been received or services have been performed, regardless of the timing of related cash flows.

DOUGHERTY COUNTY, GEORGIA

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

SECTION II FINANCIAL STATEMENT FINDINGS AND QUESTIONED COSTS (CONTINUED)

2021-003 Accounts Payable and Expenditure Recognition

Condition: During our audit of accounts payable, we noted that the County did not properly adjust accounts payable for services performed or goods received in the fiscal year ended June 30, 2021, but not invoiced or paid until fiscal year 2022.

Context: We addressed the matter with the County to determine the appropriate adjustments to be made so as to properly record accounts payable and expenditures at June 30, 2021.

Effect: Several adjustments were determined and required to be recorded during the audit process as follows:

- An adjustment in the 2016 One Percent Sales Tax Fund to increase the intergovernmental payable and the intergovernmental payment expenditures by \$1,010,374.
- An adjustment in the Solid Waste Fund to increase the amount due from the General Fund and increase revenues by \$411,496.

Recommendation: We recommend all accounts payable and accrued expenses/expenditures be reconciled in a timely manner to ensure all transactions are recorded in the proper period.

Auditee's Response: We concur with the finding. The County will reconcile accounts payable in a timely manner to ensure all expenses/expenditures are reported in the proper period.

2021-004 Recording of Depreciation Expense – Solid Waste Fund

Criteria: Enterprise funds are reported using the economic resources measurement focus and the accrual basis of accounting. Therefore, capital assets and the related accumulated depreciation are included on the Statement of Net Position and the capital assets are depreciated using the straight-line method over the estimated useful life of the asset.

Condition: For the fiscal year ended June 30, 2021, the County did not properly record depreciation expense in the Solid Waste Fund.

Context: We addressed this matter with County officials who determined the appropriate entry to record depreciation expense for the Solid Waste Fund for the fiscal year ended June 30, 2021.

Effect: An adjustment of \$439,961 was made to increase depreciation expense and increase fund balance.

DOUGHERTY COUNTY, GEORGIA

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

SECTION II FINANCIAL STATEMENT FINDINGS AND QUESTIONED COSTS (CONTINUED)

2020-004 Recording of Depreciation Expense – Solid Waste Fund (Continued)

Recommendation: We recommend the County establish procedures to ensure capital assets of the Solid Waste Fund are depreciated each year and the entry is properly recorded in the general ledger.

Auditee's Response: We concur with the finding and will ensure in the future that depreciation expense is properly recorded in the Solid Waste Fund.

2021-005 Excess or Unidentified Funds in Constitutional Officer Accounts

Criteria: Internal controls should be in place to ensure the fiduciary agents of the County are properly identifying all receipts to ensure collections are appropriately held for or disbursed to other agencies, including the County, as required by respective State regulations.

Condition: Internal controls were not sufficient to provide a detail of who funds held in the County's elected official's offices were owed to. Many of the offices are not performing monthly reconciliations of the cash balances to the subsidiary ledger listings of the pending liabilities and are building excess in these offices as these reconciliations have not been performed in prior years.

Context: During our testing of the County's various agency or fiduciary offices, we noted several instances where the office was able to provide the balance of the cash and other assets held by the office, but were unable to provide subsidiary ledgers to show who some of the funds are owed to or being held for. These included:

- The Clerk of Court's Office – Probation Account - \$109,549 of unidentified funds
- The Probate Court Office – Main Account - \$152,545 of unidentified funds
- The Sheriff's Office – Jail Inmate Account - \$61,467 of unidentified funds
- The Tax Commissioner's Office – Main Account - \$266,101 of unidentified funds

Effect: A total of \$589,662 of assets held by the various County agency offices in a fiduciary capacity are unidentified and the party to whom the funds are owed is unknown.

Recommendation: We recommend the County begin immediately performing monthly reconciliations of the assets to subsidiary ledgers as part of the month-end reconciliation process. The offices should also go back through the past collections to identify and create subsidiary listings to support all known liabilities as of June 30, 2021. Any additional funds will need to be discussed with the County attorney as to possible resolution, including potentially turning funds over to the County's General Fund.

Auditee's Response: The County agrees with the recommendation and will work with each constitutional officer to ensure the unidentified balances are resolved. Management will discuss the resolution of unidentified funds with the County Attorney.

DOUGHERTY COUNTY, GEORGIA

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

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

None reported.

DOUGHERTY COUNTY, GEORGIA

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

2020-001 Segregation of Duties

Condition and Criteria: For the fiscal year ended June 30, 2020, we noted a lack of proper segregation of duties within several areas of Dougherty County, Georgia's operations, including the Clerk of Court, Probate Court, Sheriff's Office and the County Finance Department. 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.

Status: Unresolved - See 2021-001.

2020-002 Accounts Receivable and Revenue Recognition

Criteria: Generally accepted accounting principles require revenues to be recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. As part of these processes, the County should review all revenue transactions to determine reporting in the proper period.

Condition: During our audit, we noted several instances in which revenues and receivables were not properly reflected at June 30, 2020.

Status: Unresolved - See 2021-002.

2020-003 Accounts Payable and Expenditure Recognition

Criteria: Generally accepted accounting principles require timely reporting of all current liabilities when goods have been received or services have been performed, regardless of the timing of related cash flows.

Condition: During our audit of accounts payable and testing of subsequent disbursements, we noted that the County did not properly adjust accounts payable for goods received and services performed in the fiscal year ended June 30, 2020, but not invoiced or paid until fiscal year 2021

Status: Unresolved - See 2021-003.

2020-004 Recording of Depreciation Expense – Solid Waste Fund

Criteria: Enterprise funds are reported using the economic resources measurement focus and the accrual basis of accounting. Therefore, capital assets and the related accumulated depreciation are included on the Statement of Net Position and the capital assets are depreciated using the straight-line method over the estimated useful life of the asset.

Condition: For the fiscal year ended June 30, 2020, the County did not properly record depreciation expense in the Solid Waste Fund.

Status: Unresolved - See 2021-004.

DOUGHERTY COUNTY, GEORGIA

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

2020-005 Excess or Unidentified Funds in Constitutional Officer Accounts

Criteria: Internal controls should be in place to ensure the fiduciary agents of the County are properly identifying all receipts to ensure collections are appropriately held for or disbursed to other agencies, including the County, as required by respective State regulations.

Condition: Internal controls were not sufficient to provide a detail of who funds held in the County's elected official's offices were owed to. Many of the offices are not performing monthly reconciliations of the cash balances to the subsidiary ledger listings of the pending liabilities and are building excess in these offices as these reconciliations have not been performed in prior years.

Status: Unresolved - See 2021-005.



Christopher Cohilas, *Chairman*
Ed Newsome, *District 1*
Victor Edwards, *Vice Chairman, District 2*
Clinton Johnson, *District 3*
Russell Gray, *District 4*
Gloria Gaines, *District 5*
Anthony Jones, *District 6*

**DOUGHERTY COUNTY BOARD OF COMMISSIONERS
ADMINISTRATION**

Michael McCoy, *County Administrator*
W. Spencer Lee, IV, *County Attorney*

**MANAGEMENT'S CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED
JUNE 30, 2021**

2021-001 Segregation of Duties

Name of the Contact Person Responsible for the Corrective Action Plan: Martha Hendley,
Finance Director.

Corrective Action Plan: The offices will continuously monitor and review 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. We will incorporate periodic reviews by County management officials to reinforce compliance. However, due to the limited number of County personnel available to perform these duties, complete segregation of duties will be difficult.

Anticipated Completion Date: *Unknown*

2021-002 Accounts Receivable and Revenue Recognition

Name of the Contact Person Responsible for the Corrective Action Plan: Martha Hendley,
Finance Director.

Corrective Action Plan: We concur with the finding. We will continue to review and improve policies and procedures with respect to the revenues and receivables during the year-end closeout.

Anticipated Completion Date: *June 30, 2022*



**MANAGEMENT'S CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED
JUNE 30, 2021**

2021-003 Accounts Payable and Expenditure Recognition

Name of the Contact Person Responsible for the Corrective Action Plan: Martha Hendley,
Finance Director.

Corrective Action Plan: We concur with the finding. The County will reconcile accounts payable in a timely manner to ensure all expenses/expenditures are reported in the proper period.

Anticipated Completion Date: June 30, 2022

2021-004 Recording of Depreciation Expense – Solid Waste Fund

Name of the Contact Person Responsible for the Corrective Action Plan: Martha Hendley,
Finance Director.

Corrective Action Plan: We concur with the finding and will ensure in the future that depreciation expense is properly recorded in the Solid Waste Fund.

Anticipated Completion Date: June 30, 2022

2021-005 Excess of Unidentified Funds in Constitutional Officer Accounts

Name of the Contact Person Responsible for the Corrective Action Plan: Martha Hendley,
Finance Director.

Corrective Action Plan: The County agrees with the recommendation and will work with each constitutional officer to ensure the unidentified balances are resolved. Management will discuss the resolution of unidentified funds with the County Attorney.

Anticipated Completion Date: June 30, 2022