

**HARRIS COUNTY, GEORGIA
FINANCIAL STATEMENTS AND
OTHER FINANCIAL INFORMATION
FOR THE YEAR ENDED JUNE 30, 2023**

Harris County, Georgia
Annual Financial Report
For The Year Ended June 30, 2023

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Independent Auditor's Report

Harris County Board of Commissioners
Harris County, Georgia

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Harris County, Georgia (the "County"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Harris County Health Department, which represent 26 percent, 18 percent and 61 percent, respectively, of the assets, net position, and revenues of the discretely presented component units. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Harris County Health Department, is based solely on the report of the other auditors.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 – 16 and other required supplementary information on pages 62 – 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund financial statements and schedules and the Schedule of Expenditures of Federal Awards (page 120), as required by Title 2 U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules 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 20, 2024 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 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 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 the County's internal control over financial reporting and compliance.

Robinson, Grimes + Company, P.C.

Certified Public Accountants

August 20, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

Within this section of Harris County, Georgia's (the County) annual financial report, the County's management is pleased to provide this narrative discussion and analysis of the financial activities of the County for the fiscal year ended June 30, 2023. The County's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

Financial Highlights

- The County's assets exceeded its liabilities by \$114,016,763 (net position) for the fiscal year reported.
- Total net position are comprised of the following:
 - (1) Net investment in capital assets, of \$86,279,144 include property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets.
 - (2) Net position of \$5,493,869 is restricted by constraints imposed from outside the County such as debt covenants, grantors, laws, or regulations.
 - (3) Unrestricted net position of \$22,243,750 represent the portion available to maintain the County's continuing obligations to citizens and creditors.
- The County's governmental funds reported total ending fund balance of \$28,337,020 this year. This compares to the prior year ending fund balance of \$30,817,709 showing a decrease of \$2,480,689 during the current year. Unrestricted fund balance of \$23,110,832 at June 30, 2023 shows a \$624,828 increase from the prior year.
- At the end of the current fiscal year, unrestricted fund balance for the general fund was \$22,894,862 or 65.2% of total General Fund 2024 budgeted expenditures, as compared to 64.9% at June 30, 2022.
- Overall, the County continues to maintain a strong financial position amidst an unsteady economy.

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

Overview of the Financial Statements

This Management Discussion and Analysis document introduces the County's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The County also includes in this report additional information to supplement the basic financial statements. Comparative data is presented when available and feasible.

Government-wide Financial Statements

The County's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the County's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

The first of these government-wide statements is the *Statement of Net Position*. This is the government-wide statement of position presenting information that includes all of the County's assets and liabilities, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County as a whole is improving or deteriorating. Evaluation of the overall health of the County would extend to other nonfinancial factors such as diversification of the taxpayer base or the condition of County infrastructure, in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities*, which reports how the County's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the County's distinct activities or functions on revenues provided by the County's taxpayers.

Both government-wide financial statements distinguish governmental activities of the County that are principally supported by sales taxes and from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, judicial, public safety, public works, health and welfare, culture and recreation and housing and development. Business-type activities include water, solid waste and the airport.

The government-wide financial statements are presented on pages 17 & 18 of this report.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The County uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the County's most significant funds rather than the County as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for nonmajor funds is provided in the form of combining statements in a later section of this report.

The County has two kinds of funds:

Governmental funds are reported in the fund financial statements and encompass the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the County's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives. The budget to the actual presentation for the general fund is also presented as a basic financial statement.

The basic governmental fund financial statements are presented on pages 19 - 22 of this report.

Individual fund information for nonmajor governmental funds is found in a later section of this report.

The *Proprietary funds* are reported in the fund financial statements and generally report services for which the County charges customers a fee. The County's proprietary funds are classified as enterprise funds. The enterprise funds essentially encompasses the same functions reported as business-type activities in the government-wide statements. Services are provided to customers external to the County organization for water services, the landfill and solid waste pickup and the airport services.

The basic enterprise fund financial statements are presented on pages 23 – 25 of this report.

Notes to the Basic Financial Statements

The accompanying notes to the basic financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the basic financial statements begin on page 29 of this report.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information relating to funding progress for the County's pension plan.

Supplementary Information

Combining statements for nonmajor governmental funds and budgetary comparison schedules for the nonmajor special revenue and debt service funds can be found in the supplementary information.

Financial Analysis of the County as a Whole

The County's net position at fiscal year-end is \$114,016,763, as compared to \$107,707,119 at June 30, 2022. The following table provides a summary of the County's net position:

Summary of Net Position

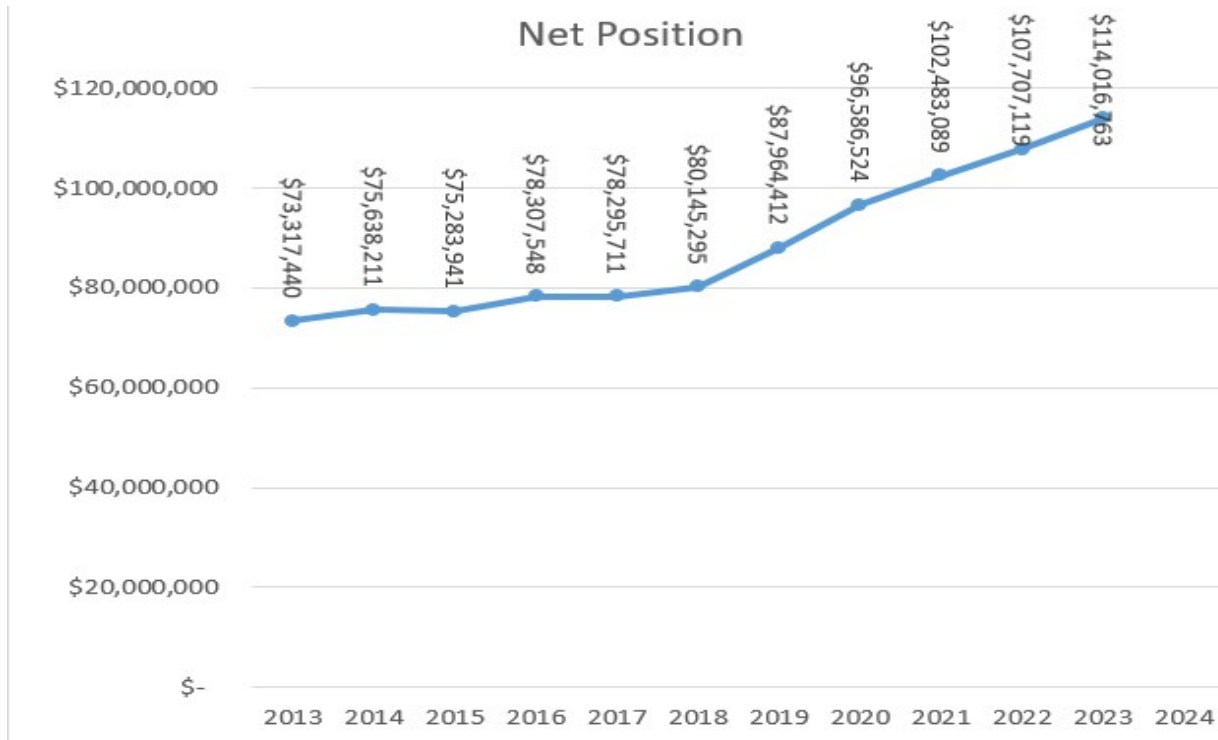
	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Assets:						
Current assets	\$ 35,769,408	\$ 38,939,836	\$ 7,357,781	\$ 9,766,282	\$ 43,127,189	\$ 48,706,118
Noncurrent assets	62,567,692	51,614,654	34,111,286	32,471,317	96,678,978	84,085,971
Total assets	98,337,100	90,554,490	41,469,067	42,237,599	139,806,167	132,792,089
Deferred outflows	5,092,255	2,247,508	783,916	379,900	5,876,171	2,627,408
Liabilities:						
Current liabilities	8,621,548	9,361,553	1,829,445	2,203,548	10,450,993	11,565,101
Long-term liabilities	12,567,103	6,728,823	6,877,211	6,629,966	19,444,314	13,358,789
Total liabilities	21,188,651	16,090,376	8,706,656	8,833,514	29,895,307	24,923,890
Deferred inflows	1,538,009	2,398,288	232,259	390,200	1,770,268	2,788,488
Net position:						
Net investment in capital assets	58,116,395	46,769,148	28,162,749	25,801,216	86,279,144	72,570,364
Restricted	5,182,188	7,645,394	311,681	322,230	5,493,869	7,967,624
Unrestricted	17,404,112	19,898,792	4,839,638	7,270,339	22,243,750	27,169,131
Total net position	\$ 80,702,695	\$ 74,313,334	\$ 33,314,068	\$ 33,393,785	\$ 114,016,763	\$ 107,707,119

The County continues to maintain a high current ratio. The current ratio, the higher the better, compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for governmental activities is 4.1 to 1 as compared to 4.2 to 1 at June 30, 2022. The current ratio for business-type activities is 4.0 to 1 as compared to 4.4 to 1 at June 30, 2022.

The County reported positive balances in net position for both governmental and business-type activities. Net position increased \$6,389,361 or 8.5% for governmental activities, and decreased \$79,717 or 0.2% for business-type activities. The County's overall financial position increased during fiscal year 2023 by \$6,309,644.

Note that approximately 72.0% of the governmental activities' net position is tied up in capital. The County uses these capital assets to provide services to its citizens. However, with business type activities, the County has spent approximately 84.5% of its net position on capital.

The following chart reports the total net position balances from June 30, 2013 – 2023.



Since 2013, the total net position has increased \$40,699,323 or 55.5%.

MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and For The Year Ended June 30, 2023

Harris County, Georgia

The following table provides a summary of the County's changes in net position:

	Summary of Changes in Net Position					
	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program:						
Charges for services & fines	\$ 6,368,405	\$ 5,932,863	\$ 9,791,268	\$ 8,531,639	\$ 16,159,673	\$ 14,464,502
Operating grants	753,623	1,229,356			753,623	1,229,356
Capital grants	4,327,042	1,197,466	70,274	461,759	4,397,316	1,659,225
General:						
Taxes	29,410,845	27,741,205			29,410,845	27,741,205
Other	850,664	102,072	270,197	20,773	1,120,861	122,845
Total revenues	<u>41,710,579</u>	<u>36,202,962</u>	<u>10,131,739</u>	<u>9,014,171</u>	<u>51,842,318</u>	<u>45,217,133</u>
Program Expenses:						
General government	7,686,421	4,178,269	-	-	7,686,421	4,178,269
Judicial	306,361	1,872,536	-	-	306,361	1,872,536
Public safety	17,019,480	16,453,953	-	-	17,019,480	16,453,953
Public works	6,670,176	5,270,654	-	-	6,670,176	5,270,654
Health and welfare	328,701	313,114	-	-	328,701	313,114
Culture and recreation	2,226,312	1,850,321	-	-	2,226,312	1,850,321
Housing and development	946,594	1,003,192	-	-	946,594	1,003,192
Interest	137,172	165,899	-	-	137,172	165,899
Water and sewer	-	-	6,667,829	5,883,727	6,667,829	5,883,727
Solid waste	-	-	2,521,301	2,200,383	2,521,301	2,200,383
Airport	-	-	1,022,326	801,055	1,022,326	801,055
Total expenses	<u>35,321,218</u>	<u>31,107,938</u>	<u>10,211,456</u>	<u>8,885,165</u>	<u>45,532,674</u>	<u>39,993,103</u>
Revenues over (under) expenses	6,389,361	5,095,024	(79,717)	129,006	6,309,644	5,224,030
Transfers in (out)	-	-	-	-	-	-
Net changes in net position	6,389,361	5,095,024	(79,717)	129,006	6,309,644	5,224,030
Beginning net position	74,313,334	69,218,310	33,393,785	33,264,779	107,707,119	102,483,089
Ending net position	<u>\$ 80,702,695</u>	<u>\$ 74,313,334</u>	<u>\$ 33,314,068</u>	<u>\$ 33,393,785</u>	<u>\$ 114,016,763</u>	<u>\$ 107,707,119</u>

GOVERNMENTAL REVENUES

The County is heavily reliant on property taxes and sales taxes to support governmental operations and capital. Property taxes, including vehicle tax, provided 63.4% of the County's total governmental revenues as compared to 69% in fiscal year 2022. Sales taxes make up 20.8% of the County's total governmental revenues as compared to 22.6% in fiscal year 2022.

Operating contribution type revenue was reported in fiscal year 2023 as follows:

General Government:

- ACCG Workers' Comp safety grant (\$5,712)
- ACCG Wellness program grant (\$7,209)

Public Safety:

- Emergency medical service trauma grant (\$5,347)

Culture and Recreation

- Community Center debt payment (\$735,355)

Capital grant and capital contribution type revenue was reported in fiscal year 2023 as follows:

General Government:

- TIA interest (\$49,680)

Public safety:

- ARP Act (\$2,830,792)

Public works:

- Georgia LMIG grant for roads (\$827,092)
- GSWCC Watershed Dam (\$3,000)

Culture and Recreation:

- ARP Act (\$616,478)

In total, charges for services and fines for the governmental user charges increased by \$435,542. The County realized increases in real property taxes and sales tax of \$1,056,901 and \$477,488, respectively.

The County's unrestricted interest earnings to support governmental activities increased by \$740,551 as interest rates continue to climb. Also, note that program revenues cover 32.4% of governmental operating expenses. This means that the government's taxpayers and the County's other general governmental revenues funded 68.6% of the governmental activities.

GOVERNMENTAL FUNCTIONAL EXPENSES

The general government and the public safety functions make up approximately 69.9% of the total governmental activities expenses as compared to 66.4% in fiscal year 2022. Public works totals 18.9% of the total governmental activities expenses as compared to 16.9% in fiscal year 2022.

This table presents the cost of each of the County's programs, including the net costs (i.e., total cost less revenues generated by the activities). The net costs illustrate the financial burden that was placed on the County's taxpayers by each of these functions.

Governmental Activities

	<u>Total Cost of Services</u>	<u>%</u>	<u>Net Cost of Services</u>	<u>%</u>
General government	\$ 7,686,421	21.76%	(6,647,460)	27.85%
Judicial	306,361	0.87%	(306,361)	1.28%
Public safety	17,019,480	48.18%	(9,915,576)	41.54%
Public works	6,670,176	18.88%	(5,496,169)	23.02%
Health and welfare	328,701	0.93%	(271,170)	1.14%
Culture and recreation	2,226,312	6.30%	(719,177)	3.01%
Housing and development	946,594	2.68%	(379,062)	1.59%
Interest	137,172	0.39%	(137,172)	0.57%
Total	<u>\$ 35,321,218</u>	<u>100.00%</u>	<u>\$ (23,872,148)</u>	<u>100.00%</u>

The public safety function totals 48.18% of the net cost of services and public works totals 18.9% of these costs.

Overall Analysis – For all enterprise funds, total operating revenues increased \$1,259,629 or 14.7%. Operating expenses increased \$1,339,486 or 15.3%. In total, the operating income decreased \$79,857 or 35.8%.

The operating income (loss) for each utility was as follows:

	<u>Amount</u>
Water works	\$ 249,668
Solid waste	109,491
Airport	(661,862)

The following includes an analysis of the fiscal year 2023 financial activities for each enterprise.

Water Works - The operating income of \$249,668 in fiscal year 2023 compares to operating income of \$44,619 in fiscal year 2022. The fiscal year 2023 operating revenues of \$6,800,012 were \$1,002,346 or 17.2% over fiscal year 2022. Operating expenses increased \$797,297 or 13.8% due to an increase to costs related to water purchases from Columbus and inflated utilities, materials and supply costs related to the economy.

Solid Waste - The operating income of \$109,491 in fiscal year 2023 compares to operating income of \$167,693 in fiscal year 2022. The fiscal year 2023 operating revenues of \$2,630,792 were \$262,716 or 11.0% over fiscal year 2022. Operating expenses increased \$320,918 or 14.5% due mostly to increases to costs related to inflated utilities, materials and supply costs related to the economy.

Airport - The operating loss of \$661,862 in fiscal year 2023 compares to an operating loss of \$435,158 in fiscal year 2022. The fiscal year 2023 operating revenues of \$360,464 were \$5,433 or 1.4% below fiscal year 2022 relating to increased fuel sales and hangar rental fees. Operating expenses increased \$221,271 or 27.6% mostly due to engineering and taxiway renovation costs.

Financial Analysis of the County's Funds

Governmental Funds

As discussed, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$28,337,020 as compared to the 2022 fiscal year amount of \$30,817,709. Of this year-end total, \$23,110,832 is unrestricted indicating availability for continuing County service requirements. Fund balance includes \$4,701,774 restricted for capital projects, \$16,110 restricted for unclaimed property, and \$199,014 restricted for nonmajor special revenue fund purposes. Fund balance includes assets not available for current expenditure of \$259,970, which is tied up in inventory and prepaid assets.

The total ending fund balances of governmental funds show a decrease of \$2,480,689 or a decrease of 8.0% over the prior year.

Major Governmental Funds

General Fund - The General Fund is the County's primary operating fund and the largest source of day-to-day service delivery. The General Fund's fund balance increased \$222,836 in fiscal year 2023 or an increase of .1%. In fiscal year 2022, the fund balance increased \$2,285,594.

Total revenues increased \$2,216,731 or 7.8% from that of fiscal year 2022 due to increases in the property tax digest, LOST, insurance premium tax and intangibles.

Total expenditures increased \$4,121,250 or 16.2% above fiscal year 2022 total due mostly to an increase in total public safety salaries and benefits and capital outlays under recreation.

The general government function costs are up \$613,515 or 14.9% over the fiscal year 2022 amount. This amount is related to increased personnel costs and inflated utilities, materials and supply costs related to the economy.

In the judicial function, the total expenditure increased \$237,535 or 13.1% over the fiscal year amount. This amount also related to increased personnel costs and inflated utilities, materials and supply costs related to the economy.

The total public safety costs increased \$2,220,792 or 17.0% due to a combination increased personnel costs and EMS capital outlay.

Total public works costs increased \$209,880 or 6.1% due primarily to increased personnel costs.

The culture and recreation function costs are up \$813,415 or 42.8% above the prior year due to capital outlays for recreation and the Community Center.

In fiscal year 2023, the general fund's ending unrestricted fund balance increased by \$610,081 above the June 30, 2022 balance due mainly to the increase in the property tax digest, local option sales tax, insurance premium tax and intangibles tax. This unrestricted balance of \$22,894,862 is considered adequate. This unrestricted portion represents the equivalent of 65.2% of 2024 budgeted expenditures, as compared to 64.9% last year.

The Proprietary Funds

The proprietary funds statements share the same focus as the government-wide statements, reporting both short-term and long-term information about financial status. Therefore, additional analysis is not necessary.

Budgetary Highlights

The General Fund – During fiscal year 2023, the Board of Commissioners amended the general fund budget.

The total budgeted revenues and other financing sources were amended upward by \$497,315 or 1.4% due mainly to the expected use of reserves for capital projects. The County recognized \$4,317,143 more than anticipated total revenues and other financing sources, related to real property taxes, motor vehicle ad valorem taxes, local option sales taxes and ambulance fees.

The total budgeted expenditures were amended upward by \$507,957.

The total budgeted expenditures and other financing uses came in at \$4,479,189 under the final amended budget for the general fund.

Capital Assets and Debt Administration

Capital Assets

The County's investment in capital assets, net of accumulated depreciation, for governmental and business-type activities as of June 30, 2023, was \$62,567,692 and \$34,111,286 and for June 30, 2022, was \$51,614,654 and \$32,471,317, respectively. The increase in book value was \$10,953,038 or 21.2% for governmental activities and was an increase of \$1,639,969 or 5.0% for business-type activities. See Note 3-E for additional information about changes in capital assets during the fiscal year and outstanding at the end of the year.

The following table provides a summary of capital asset activity.

	Capital Assets					
	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Non-depreciable assets:						
Land	\$ 15,513,803	\$ 15,513,803	\$ 726,701	\$ 726,701	\$ 16,240,504	\$ 16,240,504
Construction in progress	290,115	2,717,531	314,867	295,539	604,982	3,013,070
Total non-depreciable assets:	15,803,918	18,231,334	1,041,568	1,022,240	16,845,486	19,253,574
Depreciable assets:						
Buildings and improvements	35,512,256	29,219,981	11,560,183	8,348,694	47,072,439	37,568,675
Machinery and equipment	28,319,474	26,481,046	10,133,200	10,013,698	38,452,674	36,494,744
Water system and water lines	-	-	36,629,897	36,629,897	36,629,897	36,629,897
Infrastructure	38,643,554	30,417,436	-	-	38,643,554	30,417,436
Total depreciable assets	102,475,284	86,118,463	58,323,280	54,992,289	160,798,564	141,110,752
Less accumulated depreciation	55,711,510	52,735,143	25,253,562	23,543,212	80,965,072	76,278,355
Book value - depreciable assets	46,763,774	33,383,320	33,069,718	31,449,077	79,833,492	64,832,397
Percentage depreciated	54%	61%	43%	43%	50%	54%
Book value - all assets	\$ 62,567,692	\$ 51,614,654	\$ 34,111,286	\$ 32,471,317	\$ 96,678,978	\$ 84,085,971

At June 30, 2023, the depreciable capital assets for governmental activities were 54% depreciated. This compares to 61% at the June 30, 2022 percentage. A higher percentage indicates an aging asset inventory, however it has improved from the 61% depreciated in the prior year which is a relatively high rate for a Georgia government.

With the County's business type activities, 43% of the asset values were depreciated at June 30, 2023, which compares to 43% at June 30, 2022.

In governmental activities, the primary additions included \$2.2 million related to construction at the Northwest Harris Business Park, \$3.4 million in courthouse renovations, \$2 million construction of EMS and Fire Training facilities, \$2.5 million expansion of Rails to Trails, \$1.3 million road improvements, and \$300,000 renovations to the community center. Other various additions included sheriff vehicles and EMS and public safety equipment.

In the business type activities, the primary Solid Waste department additions included a backhoe (\$120,000) and a new transfer station (\$1.25 million). Water Works completed the new Water Works main office building (\$1.8 million) and made various improvements to the water system.

Long-term Debt

At the end of this fiscal year, the County reported \$3,973,142 of outstanding revenue bonds relating to the community center. The water and sewer fund reported \$2,966,290 in revenue bonds relating to water and sewer system improvements.

During the year, the County retired \$645,000 related to the community center revenue bonds. The water and sewer fund retired \$540,000 of the water revenue bonds.

The following schedule reports long-term debt balances for both governmental activities on a comparative basis.

	Outstanding Borrowings						% Change
	Governmental Activities		Business-type Activities		Totals		
	2023	2022	2023	2022	2023	2022	
GEFA loans	\$ -	\$ -	\$ 2,982,247	\$ 3,151,065	\$ 2,982,247	\$ 3,151,065	-5%
Revenue bonds	3,973,142	4,618,142	2,966,290	3,519,035	6,939,432	8,137,177	-14.72%
Capital leases	87,152	170,684	-	-	87,152	170,684	-48.94%
Net pension liability	9,102,957	2,525,751	1,527,308	534,065	10,630,265	3,059,816	247.42%
Postclosure	-	-	126,750	142,790	126,750	142,790	-11%
Compensated absences	730,021	699,338	130,865	107,695	860,886	807,033	7%
Total	\$ 13,893,272	\$ 8,013,915	\$ 7,733,460	\$ 7,454,650	\$ 21,626,732	\$ 15,468,565	40%

See Note 3-H for additional information about the County's long-term debt.

Economic Conditions Affecting the County

Harris County in General

Harris County is located in the west-central portion of the State of Georgia 80 miles southwest of Atlanta, the state capital, 70 miles southwest of Atlanta's Hartsfield-Jackson International Airport, and 24 miles north of Columbus on the I-185 and I-85 interstate corridors. The county shares a western boundary with the state of Alabama. The county is primarily rural and has tourism and outdoor recreational offerings. The tourism offerings consist of Callaway Resort & Gardens, F.D. Roosevelt State Park, and Lake Harding. Callaway Resort & Gardens is a private 2,500 acre resort with a lodge and spa, conference centers, cottages, villas, golf courses, and garden type amenities such as walking trails, biking trails, lakes, and many paid events throughout the year. The 9,049 acre F. D. Roosevelt State Park has amenities including lakes, walking trails, cottages, campsites, and horse stables. Lake Harding, a recreational lake, is also located in the county and has a private park owned by Georgia Power. The outdoor recreational offerings include the 23 mile unpaved Pine Mountain Trail and the 10.5 mile paved Man O' War Railroad Recreation Trail. The county has five incorporated municipalities consisting of Pine Mountain, Waverly Hall, Shiloh, a portion of West Point, and Hamilton, the county seat.

According to the U.S. Census Bureau Quick Facts, the county's current population is 36,276 as of July 2022 resulting in a population increase of 4.6% from 2020. The county's land area is 464 square miles with a population density of 78 residents per square mile. Approximately 94% of the population resides in the unincorporated area of the county. The county's per capita income is currently \$39,851 as compared to the state at \$37,836. The county's median household income is currently \$85,936 as compared to the state at \$71,355. The county's poverty rate is currently 9.0% as compared to the state at 12.7%.

Other county facts according to the U.S. Census Bureau Quick Facts include the county has 14,961 housing units with a median home value of \$273,200. The states' median home value is \$245,900. In addition, 93.4% of the county's residents over 25 years of age have a high school diploma as compared to the state at 88.2% and 32.4% of the county's residents over 25 years of age have a Bachelor's degree as compared to the state at 33.0%.

Harris County is a rural community but provides a full complement of public services including the following:

- Animal control and shelter
- Voter registration and county and city elections
- Judicial and court services
- Parks & recreation services
- Community development services including zoning, building permits, building inspections, and code enforcement.
- 911 and emergency management services
- Emergency medical services
- Law enforcement, jail, and prison services
- Road, bridge, and right-of-way maintenance
- Tax assessments and collections
- Airport services
- Solid waste collection, transportation, and disposal
- Water treatment and distribution
- Sewer collection (treatment by others)
- Public transportation system

In addition, the county provides financial assistance to numerous agencies that perform public services for the county including but not limited to:

- Fire protection services through volunteer fire departments
- Public, environment, and mental health services
- Family and children services
- Senior citizens services
- Library services
- Economic development services

Harris County Local Financial Condition

The overall Harris County economy continues to be relatively stable and experiencing improvements in the areas of single-family home building permits, solid waste collection amounts, unemployment rate, tax digest value, millage rate, and sales tax collections as compared to previous years even during the COVID-19 global pandemic.

The County's single-family home building permits and their values have been increasing over the previous several years but are beginning to slow down.

Solid waste tonnage collections have been increasing over the previous several years. The County is now collecting about 20,000 tons of solid waste per year as compared to 19,718 tons during the previous fiscal year, an increase of 1.4%.

The County's local unemployment rate is 3.0% as compared to the state rate of 3.1% and the national rate of 3.5%.

The County's total tax digest values generally declined from 2009 to 2015 when it bottomed out in 2015 at \$1,205,667,300. Since that time, tax digest values have been increasing. The tax digest increased from \$1,205,667,300 to \$1,751,262,564, an increase of 45.2%. The 2024 tax digest value is projected to increase further based on recent property sales.

The County's property tax millage rate of 6.14 remained unchanged since 2008. The millage rate increased to 8.64 mills in 2017, decreased to 8.63 in 2018, increased again to 9.38 in 2019, and decreased to 9.13 in 2022.

Local Option Sales Tax (LOST) collections are also increasing each year. During FY 2016-17, LOST collections were \$1,800,207, \$1,855,939 during FY 2017-18 (3.1% increase), \$1,925,483 during FY 2018-19 (3.7% increase), \$2,136,577 during FY 2019-20 (10.9% increase), \$2,643,321 during FY 2020-21 (23.7% increase), \$2,893,251 during FY 2021-22 (9.5% increase), and \$2,998,931 during FY 2022-23 (3.6% increase).

Special Purpose Local Option Sales Tax (SPLOST) collections are also increasing each year. County voters approved a SPLOST renewal during May 2018 to continue the one cent sales tax for an additional six years to raise \$15.3M. The new SPLOST went into effect on April 1, 2019 and will continue until March 31, 2025. The voter approved projects include public safety vehicles and equipment, community center debt payments, renovations to the historic courthouse, old library, and community development building, economic development and broadband, public works facility, road and bridge improvements, rails to trails project, and many city projects. During FY 2019-20, the county's portion of the SPLOST collections was \$2,929,086, \$3,628,252 during FY 2020-21 (23.9% increase), \$3,976,895 during FY 2021-22 (9.6% increase), and \$4,281,432 during FY 2022-23 (7.6% increase).

The transportation SPLOST (TSPLOST) collections are also increasing each year but is beginning to show decline. During FY 2016-17, TSPLOST collections were \$924,617, \$964,357 during FY 2017-18 (4.3% increase), \$1,033,316 during FY 2018-19 (7.1% increase), \$1,085,686 during FY 2019-20 (5.1% increase), \$1,343,096 during FY 2020-21 (23.7% increase), \$1,332,926 during FY 2021-22 (-0.76%), and \$1,400,197 during FY 2022-23 (5%). The initial TSPLOST collection period ended December 31, 2022 and voters were asked to renew this 16-county regional sales tax for an additional ten years. That referendum was held on May 2022 and was successful. Therefore, the 1% TSPLOST will continue until December 31, 2032. All of these sales tax collection amounts are indicative of a rural economy with minimal commercial and retail establishments.

In prior years, approximately \$7 million in funds were disbursed due to the American Rescue Plan Act. These funds are recognized as revenue when spent on eligible projects related to COVID-19 mitigation measures, HVAC improvements, premium pay for essential workers, water improvements, and broadband. Approximately \$2.8 million was spent in 2023 related to various improvements.

The Harris County Development Authority continues to recruit new businesses and industrial prospects by showcasing the county's accessible location along the I-85 and I-185 interstate corridors, moderate climate, skilled workforce, availability of developed land and utilities in the Northwest Harris Business Park (NWHBP) and Hamilton Business Park, and offering business incentives. The Development Authority is currently developing a site within the NWHBP to have a site ready for future industrial prospects.

During the audit period of July 1, 2022 to June 30, 2023, the county began or continued many public projects including historic courthouse renovations, development of Ellerslie Park, conversion of the old library into a modern medical clinic operated by a third party, road and bridge improvements, airport improvements, water improvements, technology enhancements, replaced county rolling stock, completed Phase IV and V of the Man O' War Railroad Recreation Trail funded mostly by grant funds and TSPLOST funds, and updated the county's building codes into one unified development code. In addition, impact fees were studied as an additional revenue source but were ultimately determined not to be feasible.

Contacting the County's Financial Management

This financial report is designed to provide a general overview of the County's finances, comply with finance-related laws and regulations, and demonstrate the County's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the County's Finance Officer at 706-628-4958 or stop by the County Courthouse Annex in Hamilton, Georgia, 31811.

Harris County, Georgia
Statement of Net Position
June 30, 2023

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Assets				
Current Assets				
Cash and cash equivalents (Note 3A)	\$ 5,564,659	\$ 1,109,857	\$ 6,674,516	\$ 1,566,494
Restricted cash	6,826,207	785,104	7,611,311	-
Investments	16,421,996	9,704,119	26,126,115	-
Receivables:				
Accounts	136,012	578,899	714,911	281,546
Interest	-	314	314	-
Property taxes	32,968	-	32,968	-
TAVT	250,293	-	250,293	-
Sales taxes	1,014,347	-	1,014,347	-
Intergovernmental	145,317	13,620	158,937	-
Interfund	5,117,639	(5,117,639)	-	-
Inventory	180,674	273,720	454,394	-
Prepaid items	79,296	9,787	89,083	-
Total Current Assets	35,769,408	7,357,781	43,127,189	1,848,040
Non-current Assets				
Capital assets (Note 3E)				
Nondepreciable	15,803,919	1,041,568	16,845,487	83,021
Depreciable, net	46,763,773	33,069,718	79,833,491	5,296,225
Net OPEB asset	-	-	-	47,386
Total Non-current Assets	62,567,692	34,111,286	96,678,978	5,426,632
Total Assets	98,337,100	41,469,067	139,806,167	7,274,672
Deferred Outflows of Resources (Note 3-F)	5,092,255	783,916	5,876,171	234,468
Total Assets and Deferred Outflows of Resources	103,429,355	42,252,983	145,682,338	7,509,140
Liabilities				
Current Liabilities				
Accounts payable	2,650,806	432,312	3,083,118	4,492
Retainage payable	391,003	-	391,003	-
Accrued expenses payable	509,242	61,243	570,485	-
Accrued interest payable	38,480	6,218	44,698	280,726
Unearned revenue	3,703,340	-	3,703,340	-
Customer deposits payable	2,508	473,423	475,931	-
Compensated absences payable	584,017	104,692	688,709	-
Closure and postclosure care liability	-	25,630	25,630	-
GEFA loan payable	-	170,927	170,927	-
Revenue bonds payable	655,000	555,000	1,210,000	-
Capital lease payable	87,152	-	87,152	-
Total Current Liabilities	8,621,548	1,829,445	10,450,993	285,218
Long-Term Liabilities (Note 3H) (net of current portion)				
Compensated absences payable	146,004	26,173	172,177	-
Closure and postclosure care liability	-	101,120	101,120	-
Net OPEB liability	-	-	-	36,561
Net pension liability	9,102,957	1,527,308	10,630,265	614,285
GEFA loan payable	-	2,811,320	2,811,320	-
Revenue bonds payable	3,318,142	2,411,290	5,729,432	-
Total Long-Term Liabilities	12,567,103	6,877,211	19,444,314	650,846
Total Liabilities	21,188,651	8,706,656	29,895,307	936,064
Deferred Inflows of Resources (Note 3-F)	1,538,009	232,259	1,770,268	88,714
Total Liabilities and Deferred Inflows of Resources	22,726,660	8,938,915	31,665,575	1,024,778
Net Position				
Net investment in capital assets (Note 3J)	58,116,395	28,162,749	86,279,144	5,379,246
Restricted for:				
Capital projects	4,726,434	-	4,726,434	-
Debt service	-	311,681	311,681	-
Tax Commissioner	16,110	-	16,110	127,692
Public safety	356,489	-	356,489	-
Law library	83,155	-	83,155	-
Unrestricted	17,404,112	4,839,638	22,243,750	977,424
Total Net Position	\$ 80,702,695	\$ 33,314,068	\$ 114,016,763	\$ 6,484,362

See accompanying notes to the basic financial statements

Harris County, Georgia
Statement of Activities
For the Year Ended June 30, 2023

Function/Program	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Units
		Charges for Services and Fines	Operating Grants, Contributions and Interest	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-type Activities	Total	
Primary Government								
Governmental Activities								
General government	\$ 7,686,421	\$ 976,360	\$ 12,921	\$ 49,680	\$ (6,647,460)	\$ -	\$ (6,647,460)	\$ -
Judicial	306,361	-	-	-	(306,361)	-	(306,361)	-
Public safety	17,019,480	4,267,765	5,347	2,830,792	(9,915,576)	-	(9,915,576)	-
Public works	6,670,176	343,915	-	830,092	(5,496,169)	-	(5,496,169)	-
Health and welfare	328,701	57,531	-	-	(271,170)	-	(271,170)	-
Culture and recreation	2,226,312	155,302	735,355	616,478	(719,177)	-	(719,177)	-
Housing and development	946,594	567,532	-	-	(379,062)	-	(379,062)	-
Interest	137,172	-	-	-	(137,172)	-	(137,172)	-
Total Governmental Activities	35,321,218	6,368,405	753,623	4,327,042	(23,872,148)	-	(23,872,148)	-
Business-type Activities								
Water works	6,667,829	6,800,012	-	-	-	132,183	132,183	-
Solid waste	2,521,301	2,630,792	-	-	-	109,491	109,491	-
Airport	1,022,326	360,464	-	70,274	-	(591,588)	(591,588)	-
Total Business-type Activities	10,211,456	9,791,268	-	70,274	-	(349,914)	(349,914)	-
Total Primary Government	\$ 45,532,674	\$ 16,159,673	\$ 753,623	\$ 4,397,316	(23,872,148)	(349,914)	(24,222,062)	-
Component Units								
Department of Public Health	883,936	286,749	498,522	-	-	-	-	(98,665)
Development Authority	651,252	-	500,000	-	-	-	-	(151,252)
Total - Component Units	\$ 1,535,188	\$ 286,749	\$ 998,522	\$ -	-	-	-	(249,917)
General Revenues								
Property taxes levied for general government purposes					17,856,217	-	17,856,217	-
Sales taxes					8,680,560	-	8,680,560	-
Insurance premium tax					2,329,219	-	2,329,219	-
Other taxes					544,849	-	544,849	-
Unrestricted investment earnings					779,709	270,197	1,049,906	-
Miscellaneous					70,955	-	70,955	-
Total General Revenues					30,261,509	270,197	30,531,706	-
Change in Net Position					6,389,361	(79,717)	6,309,644	(249,917)
Net Position Beginning of Year					74,313,334	33,393,785	107,707,119	6,734,279
Net Position End of Year					\$ 80,702,695	\$ 33,314,068	\$ 114,016,763	\$ 6,484,362

See accompanying notes to the basic financial statements

Harris County, Georgia
Balance Sheet
Governmental Funds
June 30, 2023
(With Comparative Totals at June 30, 2022)

	2023					2022		
	General	2019 SPLOST	ARP Act Grant Fund	Capital Projects	T SPLOST	Other Governmental Funds	Total Governmental Funds	Total Governmental Funds
Assets								
Cash and cash equivalents	\$ 4,751,525	\$ -	\$ -	\$ -	\$ -	\$ 813,134	\$ 5,564,659	\$ 4,146,705
Investments	13,174,006	3,247,990	-	-	-	-	16,421,996	18,735,449
Restricted cash	-	388,283	4,156,125	2,927	2,079,677	199,195	6,826,207	10,646,200
Receivables:								
Accounts	14,591	-	-	-	-	121,420	136,011	267,681
Property taxes	32,968	-	-	-	-	-	32,968	213,170
TAVT	250,293	-	-	-	-	-	250,293	217,242
Sales taxes	248,606	645,971	-	-	119,770	-	1,014,347	765,508
Interest	-	-	-	-	-	-	-	-
Intergovernmental	125,137	-	-	-	-	20,180	145,317	96,658
Notes	-	-	-	-	-	-	-	-
Interfund	5,720,210	-	-	1,144,573	-	257,426	7,122,209	4,324,549
Inventory	180,674	-	-	-	-	-	180,674	179,734
Prepaid items	79,296	-	-	-	-	-	79,296	506,577
Total Assets	<u>\$ 24,577,306</u>	<u>\$ 4,282,244</u>	<u>\$ 4,156,125</u>	<u>\$ 1,147,500</u>	<u>\$ 2,199,447</u>	<u>\$ 1,411,355</u>	<u>\$ 37,773,977</u>	<u>\$ 40,099,473</u>
Liabilities, Deferred Inflows of Resources and Fund Balances								
Liabilities								
Accounts payable	\$ 348,118	\$ 675,188	\$ 368,090	\$ 1,172,160	\$ -	\$ 87,248	\$ 2,650,804	\$ 812,052
Accrued expenditures payable	484,777	-	-	-	-	24,465	509,242	866,199
Retainage payable	215,472	-	175,531	-	-	-	391,003	56,680
Deposit payable	2,508	-	-	-	-	-	2,508	2,508
Interfund payable	-	-	-	-	1,144,573	859,998	2,004,571	1,159,638
Unearned revenue	180,000	-	3,523,340	-	-	-	3,703,340	6,295,485
Total Liabilities	1,230,875	675,188	4,066,961	1,172,160	1,144,573	971,711	9,261,468	9,192,562
Deferred Inflows of Resources	175,489	-	-	-	-	-	175,489	89,202
Total Liabilities and Deferred Inflows of Resources	1,406,364	675,188	4,066,961	1,172,160	1,144,573	971,711	9,436,957	9,281,764
Fund Balances								
Nonspendable	259,970	-	-	-	-	-	259,970	686,311
Restricted	16,110	3,607,056	89,164	-	1,054,874	199,014	4,966,218	7,645,394
Assigned	6,145,297	-	-	-	-	257,426	6,402,723	6,487,285
Unassigned	16,749,565	-	-	(24,660)	-	(16,796)	16,708,109	15,998,719
Total Fund Balances	23,170,942	3,607,056	89,164	(24,660)	1,054,874	439,644	28,337,020	30,817,709
Total Liabilities, Deferred Inflow of Resources and Fund Balances	<u>\$ 24,577,306</u>	<u>\$ 4,282,244</u>	<u>\$ 4,156,125</u>	<u>\$ 1,147,500</u>	<u>\$ 2,199,447</u>	<u>\$ 1,411,355</u>	<u>\$ 37,773,977</u>	<u>\$ 40,099,473</u>

See accompanying notes to the basic financial statements

Harris County, Georgia
Reconciliation of the Balance Sheet of Governmental Funds
to the Government-wide Statement of Net Position
June 30, 2023

Total Governmental Fund Balances	\$	28,337,020
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.

Cost of capital assets	\$	118,279,203	
Less accumulated depreciation		<u>(55,711,511)</u>	62,567,692

Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.

Property taxes			175,489
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Deferred outflows and inflows for pensions reported on the government-wide statement of position but not reported on the governmental fund balance sheet.

3,554,246

Interfund receivables and payables between governmental funds are reported on the governmental fund's balance sheet but eliminated on the government-wide statement of net position.

Interfund receivables	\$	(2,004,571)	
Interfund payables		<u>2,004,571</u>	-

Liabilities not due and payable in the current period and therefore are not reported in the governmental fund balance sheets but are reported on the government-wide statement of net position.

Revenue bonds payable	\$	(3,973,142)	
Capital leases payable		(87,152)	
Net pension liability payable		(9,102,957)	
Accrued interest payable		(38,480)	
Compensated absences payable		<u>(730,021)</u>	<u>(13,931,752)</u>

Net Position of Governmental Activities	\$	<u>80,702,695</u>
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See accompanying notes to the basic financial statements

Harris County, Georgia
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2023
(With Comparative Totals For the Year Ended June 30, 2022)

	2023						2022	
	General	2019 SPLOST	ARP Act Grant Fund	Capital Projects	T SPLOST	Other Governmental Funds	Total Governmental Funds	Total Governmental Funds
Revenues								
Taxes	\$ 23,449,183	\$ 4,281,432	\$ -	\$ -	\$ 1,400,197	\$ 193,746	\$ 29,324,558	\$ 27,741,966
Intergovernmental	857,007	-	2,822,145	500,000	-	735,355	4,914,507	2,367,609
Licenses and permits	552,464	-	-	-	-	-	552,464	572,078
Charges for services	4,156,259	-	-	-	-	833,690	4,989,949	5,385,470
Interest	-	-	-	-	49,680	-	49,680	16,114
Fines and forfeitures	706,559	-	-	-	-	109,708	816,267	751,118
Investment earnings	572,573	117,980	89,156	-	-	-	779,709	44,834
Contributions and donations	116,478	-	-	-	-	-	116,478	45,990
Miscellaneous	41,077	-	-	-	-	-	41,077	34,190
Total Revenues	30,451,600	4,399,412	2,911,301	500,000	1,449,877	1,872,499	41,584,689	36,959,369
Expenditures								
Current:								
General government	4,709,180	-	-	-	-	-	4,709,180	4,173,701
Judicial	2,048,798	-	-	-	-	7,751	2,056,549	1,846,537
Public safety	15,253,608	-	472,000	-	-	1,653,695	17,379,303	14,767,827
Public works	3,616,397	-	2,132,645	-	-	-	5,749,042	3,741,998
Health and welfare	277,170	-	-	-	-	51,531	328,701	313,114
Culture and recreation	2,713,730	-	217,500	-	-	-	2,931,230	1,908,244
Housing and development	750,496	-	-	-	-	193,746	944,242	990,117
Intergovernmental	-	688,457	-	-	-	-	688,457	576,618
Capital Outlay	-	5,141,531	-	524,660	2,826,434	-	8,492,625	3,330,374
Debt Service:								
Principal retirement	83,532	-	-	-	-	645,000	728,532	1,511,696
Interest and fiscal charges	6,766	-	-	-	-	90,355	97,121	127,741
Total Expenditures	29,459,677	5,829,988	2,822,145	524,660	2,826,434	2,642,078	44,104,982	33,287,967
Excess (Deficiency) of Revenues Over (Under) Expenditures	991,923	(1,430,576)	89,156	(24,660)	(1,376,557)	(769,579)	(2,520,293)	3,671,402
Other Financing Sources (Uses)								
Proceeds from the sale of capital assets	39,604	-	-	-	-	-	39,604	31,640
Transfers in	-	-	-	-	-	808,691	808,691	642,488
Transfers out	(808,691)	-	-	-	-	-	(808,691)	(642,488)
Total Other Financing Sources (Uses)	(769,087)	-	-	-	-	808,691	39,604	31,640
Net Change in Fund Balances	222,836	(1,430,576)	89,156	(24,660)	(1,376,557)	39,112	(2,480,689)	3,703,042
Fund Balances Beginning of Year	22,948,106	5,037,632	8	-	2,431,431	400,532	30,817,709	27,114,667
Fund Balances End of Year	\$ 23,170,942	\$ 3,607,056	\$ 89,164	\$ (24,660)	\$ 1,054,874	\$ 439,644	\$ 28,337,020	\$ 30,817,709

See accompanying notes to the basic financial statements

Harris County, Georgia
Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Government-wide Statement of Activities
For the Year Ended June 30, 2023

Net Changes In Fund Balances - Total Governmental Funds \$ (2,480,689)

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

Governmental funds report capital outlays as expenditures on the governmental fund type operating statement. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capitalized capital outlay in the current period.

Depreciation expense	\$ (2,976,367)	
Capital outlay	<u>13,929,406</u>	10,953,039

Pension expense is reported on the government-wide statement of activities but not reported at the fund financial reporting level (2,827,074)

Revenues reported in the statement of activities that do not provide current financial resources are not reported as revenues at the fund financial reporting level.

Property taxes:		
Deferred as of 6/30/23	\$ 175,489	
Deferred as of 6/30/22	<u>(89,202)</u>	86,287

Payments of principal on note receivable is a revenue in the governmental funds, but reduces note receivable in the Statement of Net Assets. -

Transfers between governmental funds are reported in the governmental funds operating statement but are eliminated on the government-wide statement of activities:

Transfers in	\$ (808,691)	
Transfers out	<u>808,691</u>	-

The amortization of the bond discount and debt issuance costs are reported in the government-wide statement of activities, but does not require the use of financial resources and therefore is not reported as expenditures in governmental funds. (40,051)

Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 728,532

Compensated absences 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.

Liability @ 6/30/23	\$ (730,021)	
Liability @ 6/30/22	<u>699,338</u>	<u>(30,683)</u>

Change In Net Position of Governmental Activities \$ 6,389,361

See accompanying notes to the basic financial statements

Harris County, Georgia
Proprietary Funds
Statement of Net Position
June 30, 2023

	Business-type Activities			
	Water Works	Solid Waste	Airport	Total
Assets				
Current Assets:				
Cash and cash equivalents	\$ 310,229	\$ 799,628	\$ -	\$ 1,109,857
Restricted cash	785,104	-	-	785,104
Investments	2,808,014	6,896,105	-	9,704,119
Receivables:				
Accounts	534,043	44,856	-	578,899
Interest	314	-	-	314
Intergovernmental	-	-	13,620	13,620
Prepaid items	-	-	9,787	9,787
Inventories	227,113	-	46,607	273,720
Total Current Assets	4,664,817	7,740,589	70,014	12,475,420
Capital Assets				
Nondepreciable	527,847	199,250	314,471	1,041,568
Depreciable, net	23,027,316	2,587,249	7,455,153	33,069,718
Total Capital Assets	23,555,163	2,786,499	7,769,624	34,111,286
Deferred Outflows of Resources (Note 3-D)	552,327	204,867	26,722	783,916
Total Assets and Deferred Outflows of Resources	28,772,307	10,731,955	7,866,360	47,370,622
Liabilities				
Current Liabilities:				
Accounts payable	359,756	71,670	886	432,312
Accrued expenses payable	46,151	16,777	(1,685)	61,243
Accrued interest payable	6,218	-	-	6,218
Customer deposits payable	473,423	-	-	473,423
Interfund payable	1,089,249	2,805,487	1,222,903	5,117,639
Compensated absences payable	74,844	26,285	3,563	104,692
Closure and postclosure care payable	-	25,630	-	25,630
Revenue bonds payable	555,000	-	-	555,000
GEFA loans payable	170,927	-	-	170,927
Total Current Liabilities	2,775,568	2,945,849	1,225,667	6,947,084
Long-term Liabilities (Net of current portion):				
Compensated absences payable	18,711	6,571	891	26,173
Closure and postclosure care payable	-	101,120	-	101,120
Revenue bonds payable	2,411,290	-	-	2,411,290
GEFA loans payable	2,811,320	-	-	2,811,320
Net pension liability	1,059,575	420,389	47,344	1,527,308
Total Long-term Liabilities:	6,300,896	528,080	48,235	6,877,211
Total Liabilities	9,076,464	3,473,929	1,273,902	13,824,295
Deferred Inflows of Resources (Note 3-D)	158,616	65,146	8,497	232,259
Total Liabilities and Deferred Inflows of Resources	9,235,080	3,539,075	1,282,399	14,056,554
Net Position				
Net investment in capital assets	17,606,626	2,786,499	7,769,624	28,162,749
Restricted	311,681	-	-	311,681
Unrestricted	1,618,920	4,406,381	(1,185,663)	4,839,638
Total Net Position	\$ 19,537,227	\$ 7,192,880	\$ 6,583,961	\$ 33,314,068

See accompanying notes to the basic financial statements

Harris County, Georgia
Proprietary Funds
Statement of Revenues,
Expenses and Changes in Fund Net Position
For the Year Ended June 30, 2023

	Business-type Activities			
	Water Works	Solid Waste	Airport	Total
Operating Revenues				
Charges for services	\$ 6,800,012	\$ 2,451,058	\$ 360,464	\$ 9,611,534
Other financing sources	-	179,734	-	179,734
Total Operating Revenues	6,800,012	2,630,792	360,464	9,791,268
Operating Expenses				
Personal services	2,288,771	1,053,034	145,279	3,487,084
Purchased services	2,063,323	324,770	271,129	2,659,222
Purchased services - tipping fees	-	574,699	-	574,699
Cost of sales	-	-	204,883	204,883
Materials and supplies	1,187,392	240,151	30,190	1,457,733
Depreciation	1,010,858	328,647	370,845	1,710,350
Total Operating Expenses	6,550,344	2,521,301	1,022,326	10,093,971
Operating Income (Loss)	249,668	109,491	(661,862)	(302,703)
Non-operating Revenue (Expenses)				
Investment earnings	23,713	246,484	-	270,197
Interest and fiscal charges	(117,485)	-	-	(117,485)
Total Non-operating Revenue (Expenses)	(93,772)	246,484	-	152,712
Income (Loss) Before Capital Contributions and Transfers In	155,896	355,975	(661,862)	(149,991)
Capital Contributions	-	-	70,274	70,274
Change in Net Position	155,896	355,975	(591,588)	(79,717)
Net Position Beginning of Year	19,381,331	6,836,905	7,175,549	33,393,785
Net Position End of Year	\$ 19,537,227	\$ 7,192,880	\$ 6,583,961	\$ 33,314,068

See accompanying notes to the basic financial statements

Harris County, Georgia
Proprietary Funds
Statement of Cash Flows
For the Year Ended June 30, 2023

	Business-type Activities			
	Water Works	Solid Waste	Airport	Total
Increase (Decrease) in Cash and Cash Equivalents				
Cash Flows from Operating Activities				
Cash received from customers	\$ 6,741,318	\$ 2,451,058	\$ 360,464	\$ 9,552,840
Cash payments for personal services	(1,991,326)	(1,331,627)	(142,258)	(3,465,211)
Cash payments for goods and services	(3,262,095)	(814,805)	(526,924)	(4,603,824)
Net Cash Provided by (Used in) Operating Activities	<u>1,487,897</u>	<u>304,626</u>	<u>(308,718)</u>	<u>1,483,805</u>
Cash Flows from Noncapital Financing Activities				
Accounts receivable	-	-	(8,087)	(8,087)
Interfund payable	386,763	1,319,434	246,531	1,952,728
Net Cash Flows from Noncapital Financing Activities	<u>386,763</u>	<u>1,319,434</u>	<u>238,444</u>	<u>1,944,641</u>
Cash Flows from Capital and Related Financing Activities				
Principal paid on GEFA loans	(168,818)	-	-	(168,818)
Principal paid on revenue bonds	(540,000)	-	-	(540,000)
Interest paid on capital debt	(117,485)	-	-	(117,485)
Acquisition of capital assets	(1,980,679)	(1,369,643)	-	(3,350,322)
Capital grants	-	-	70,274	70,274
Net Cash Provided by (Used in) Capital and Related Financing Activities	<u>(2,806,982)</u>	<u>(1,369,643)</u>	<u>70,274</u>	<u>(4,106,351)</u>
Cash Flows from Investing Activities				
Investment earnings	23,713	246,484	-	270,197
Net Increase (Decrease) in Cash and Cash Equivalents	(908,609)	500,901	-	(407,708)
Cash and Cash Equivalents Beginning of Year	4,811,956	7,194,832	-	12,006,788
Cash and Cash Equivalents End of Year	<u>\$ 3,903,347</u>	<u>\$ 7,695,733</u>	<u>\$ -</u>	<u>\$ 11,599,080</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities				
Operating Income (Loss)	\$ 249,668	\$ 109,491	\$ (661,862)	\$ (302,703)
Adjustments:				
Depreciation	1,010,858	328,647	370,845	1,710,350
(Increase) Decrease in Assets:				
Accounts receivable	(34,144)	3,478	-	(30,666)
Prepaid items	29,485	15,590	2,715	47,790
Inventories	-	-	39,028	39,028
Increase (Decrease) in Liabilities:				
Accounts payable	18,105	(242,913)	(72,762)	(297,570)
Accrued expenses payable	(53,495)	(22,997)	(6,043)	(82,535)
Customer deposits payable	(24,550)	-	-	(24,550)
Compensated absences payable	10,709	9,440	3,021	23,170
Other	281,261	103,890	16,340	401,491
Net Cash Provided by (Used in) Operating Activities	<u>\$ 1,487,897</u>	<u>\$ 304,626</u>	<u>\$ (308,718)</u>	<u>\$ 1,483,805</u>

See accompanying notes to the basic financial statements

Harris County, Georgia
Statement of Fiduciary Net Position
Fiduciary Funds - Custodial Funds
June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Assets		
Cash and cash equivalents	\$ 1,532,959	\$ 1,765,579
Due from others	<u>406,431</u>	<u>279,697</u>
Total Assets	<u>\$ 1,939,390</u>	<u>\$ 2,045,276</u>
Liabilities		
Due to others	<u>1,939,390</u>	<u>2,045,276</u>
Total Net Position	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to the basic financial statements

Harris County, Georgia
Fiduciary Funds - Custodial Funds
Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2023
(With Comparative Actual Amounts for the Year Ended June 30, 2022)

	2023	2022
Revenues		
Fees, fines and forfeitures	\$ 2,788,295	\$ 3,036,462
Expenses		
Other custodial disbursements	2,788,295	3,036,462
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-
Net Position Beginning of Year	-	-
Net Position End of Year	\$ -	\$ -

Harris County, Georgia
Combining Statement of Net Position
Component Units
June 30, 2023

	Department of Public Health	Development Authority	Total
Assets			
Current:			
Cash and cash equivalents	\$ 1,554,089	\$ 12,405	\$ 1,566,494
Accounts receivable	820	280,726	281,546
Total Current	1,554,909	293,131	1,848,040
Noncurrent :			
Capital assets:			
Nondepreciable capital assets	-	83,021	83,021
Depreciable capital assets, net	94,266	5,201,959	5,296,225
Net OPEB asset	47,386	-	47,386
Total Noncurrent	141,652	5,284,980	5,426,632
Total Assets	1,696,561	5,578,111	7,274,672
Deferred Outflows of Resources	234,468	-	234,468
Total Assets and Deferred Outflows of Resources	\$ 1,931,029	\$ 5,578,111	\$ 7,509,140
Liabilities			
Current Liabilities:			
Accounts payable	\$ 4,492	\$ -	\$ 4,492
Accrued interest payable	-	280,726	280,726
Total Current Liabilities:	4,492	280,726	285,218
Long-term Liabilities: (net of current portion)			
Net OPEB liability	36,561	-	36,561
Net pension liability	614,285	-	614,285
Total Liabilities	655,338	280,726	936,064
Deferred Inflows of Resources	88,714	-	88,714
Total Liabilities and Deferred Inflows of Resources	744,052	280,726	1,024,778
Net Position			
Net investment in capital assets	94,266	5,284,980	5,379,246
Restricted for:			
Specific health program	127,692	-	127,692
Unrestricted	965,019	12,405	977,424
Total Net Position	\$ 1,186,977	\$ 5,297,385	\$ 6,484,362

See accompanying notes to the basic financial statements

Harris County, Georgia
Combining Statement of Activities
Component Units
For the Year Ended June 30, 2023

	Department of Public Health	Development Authority	Total
Expenses			
Health and welfare	\$ 883,936	\$ -	\$ 883,936
Economic development	-	651,252	651,252
Total Expenses	883,936	651,252	1,535,188
Revenues			
Program revenues:			
Charges for services	286,749	-	286,749
Operating grants and contributions	498,522	500,000	998,522
Total Program Revenues	785,271	500,000	1,285,271
Net Program Revenue (Expense)	(98,665)	(151,252)	(249,917)
Change in Net Position	(98,665)	(151,252)	(249,917)
Net Position Beginning of Year	1,285,642	5,448,637	6,734,279
Net Position End of Year	\$ 1,186,977	\$ 5,297,385	\$ 6,484,362

See accompanying notes to the basic financial statements

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2023

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Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2023

Harris County, Georgia (the County) is a political subdivision of the State of Georgia and was formed in 1825. The County operates under a Commission-Manager form of government and is governed by a five member elected board of county commissioners, elected from single-member districts. The Board's powers are vested by state statutes and regulations. There are certain elected officials whose operations are wholly included within the financial records and financial statements of the County. These elected officials include the Sheriff, Tax Commissioner, Probate Court Judge, Magistrate Court Judge and Clerk of the Superior Court. The County's major services include general government, courts, public safety, public works, health and welfare, culture and recreation and housing and development.

Note 1 - Summary of Significant Accounting Policies

The financial statements of the County have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting.

The most significant of the County's accounting policies are described below.

1-A. Reporting Entity

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the County consists of all funds, departments, boards and agencies that are not legally separate from the County. For the County, this entity includes the constitutionally elected officers.

Component units are legally separate organizations for which the County is financially accountable. The County is financially accountable for an organization if the County appoints a voting majority of the organization's governing board and (1) the County is able to significantly influence the programs or services performed or provided by the organizations; or (2) the County is legally entitled to or can otherwise access the organization's resources; the County is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the County is obligated for the debt of the organization. Component units also may include organizations that are fiscally dependent on the County in that the County approves the budget, levies their taxes or issues their debt.

The component unit columns included on the government-wide financial statements identify the financial data of the County's discretely presented component units. They are reported separately to emphasize that they are legally separate from the County.

The following is a brief description of the blended component unit:

Harris County Public Improvement Authority (the HCPIA) – The governing board is appointed by the Harris County Board of Commissioners. The main purpose of the HCPIA is to provide basic infrastructure and recreational facilities, improvements and services to the citizens of the County in order to promote the growth and development of the County and the general welfare of the citizens. The HCPIA is reported as a capital project fund. The HCPIA does not issue separate financial statements.

Brief descriptions of the discretely presented component units follow:

Harris County Health Department (the Health Department) – The Health Department works to promote and preserve the health of the citizens of the County. The Health Department's Board consists of seven members, four of these members are appointed by the County Commission.

Although the County does not have the authority to approve or modify the Health Department's budgets, it does have the ability to control the amount of funding it provides to the Health Department and such funding is significant to the overall operations of the Health Department. The Health Department is reported on a June 30, 2023 fiscal year. Complete financial statements for the Health Department may be obtained from its administrative office at 210 Forest Hill Drive, Hamilton, Georgia 31811 or by calling 706-628-5375.

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2023

Note 1 - Summary of Significant Accounting Policies (Continued)

A County Board of Health should be reported as a discretely presented component unit in the county's financial statements because the entity is legally separate, the primary government appoints a voting majority of the entity's board, the primary government is able to impose its will on the entity, the entity does not provide services entirely or almost entirely to the primary government, and in most cases, the entity and the primary government do not have boards that are substantively the same.

Harris County Development Authority (the "Authority") is responsible for promoting industrial and commercial development within Harris County. The Authority is considered a component unit of the primary government based on the aforementioned criteria. Specifically, a voting majority of the Authority is appointed by the Board, and it can impose its will on the Authority. There are no separately issued financial statements available for the Authority.

The County has partnered with the Authority with the development of the Northwest Harris Business Park (the "Business Park") and the Hamilton Business Park. The County purchased land for the Business Park and Hamilton Business Park during 2005 and 1997 respectively. Pursuant to an intergovernmental agreement between the County and the Authority, once a business moves into the Business Park(s), subject to certain stipulations, the County will transfer the land to the Authority for development and subsequent sale of the property with proceeds being remitted to the County.

The Authority has continued construction on the Progress Parkway and Water Oak Way projects. The purpose of these projects is to construct a road in the Business Park(s). Construction began during the fiscal year ended June 30, 2009. During the following years, the Authority has continued construction of the roads with funding provided by the County's 2009, 2014 and 2019 SPLOST funds, grant funding and existing Authority funds. Funding provided by the County and grant funding is shown as a capital contribution to the Authority in the government-wide financial statements. Costs of the roads are included in the Authority's capital asset listing as land improvements at June 30, 2023.

Contractually Related Organizations – Based on GASB criteria, the following unit is a legally separate organization and the County is not financially accountable for them. Therefore, their operations are not included in this report:

- Harris County Board of Family and Children's Service

Disbursements to this unit are based on contractual agreements and have been budgeted and expended as a part of the regular operations of the County.

Joint Ventures – The County participates in the following joint venture.

River Valley Regional Commission (RVRC) - The County, in conjunction with sixteen counties and thirty-five municipalities in the west central Georgia area are members of the RVRC. Membership in an RVRC is automatic for each municipality and county in the state. The Official Code of Georgia Section 50-8-34 (Georgia Planning Act of 1989) provides for the organizational structure of the RVRC. Each county and municipality in the state is required by law to pay minimum annual dues to the RVRC. The RVRC Board membership includes the chief elected official of each county and the chief elected official of each municipality. Separately issued financial statements are available at the RVRC's administrative office, 710 Front Avenue, Suite A, Columbus, GA 31901.

The Georgia Planning Act of 1989 (O.C.G.A. 50-8-34) defines RVRCs as "public agencies and instrumentalities of their members. Georgia laws also provide that the member governments are liable for any debts or obligations of an RVRC beyond its resources (O.C.G.A. 50-8-39.1).

1-B. Basis of Presentation

The County's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities and fund financial statements, which provide a more detailed level of financial information.

Government-wide Financial Statements - The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the County as a whole. The primary government and the component units are presented separately within these financial statements with the focus on the primary government. Fiduciary funds are not presented in the government-wide financial statements.

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2023

Note 1 - Summary of Significant Accounting Policies (Continued)

The statement of net position presents the financial position of the governmental activities of the County and its discretely presented component units at year-end.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the County's governmental activities and for each identifiable activity of the business-type activities of the County. Direct expenses are those that are specifically associated with a function and therefore clearly identifiable to that particular function. The County does not allocate indirect expenses to functions in the statement of activities.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees and other charges to users of the County's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. For identifying to which function program revenue pertains, the determining factor for *charges for services* is which function *generates* the revenue. For *grants and contributions*, the determining factor is to which function the revenues are *restricted*.

Other revenue sources not properly included with program revenues are reported as general revenues of the County. The comparison of direct expenses with program revenues identifies the extent to which each governmental function and each identifiable business activity is self-financing or draws from the general revenues of the County.

Fund Financial Statements - During the year, the County segregates transactions related to certain County functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the County at this more detailed level. Fund financial statements are provided for governmental, proprietary and fiduciary funds.

Major individual governmental funds are reported in separate columns.

Fund Accounting - The County uses funds to maintain its financial records during the year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The County uses three categories of funds: governmental, proprietary and fiduciary.

Governmental Funds - Government funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Fund liabilities are assigned to the fund from which they will be liquidated. The County reports the difference between governmental fund assets and liabilities as fund balance. The following are the County's major governmental funds:

The General Fund – The general fund accounts for all financial resources except those required to be accounted for in another fund. The general fund's fund balance is available to the County for any purpose provided it is expended or transferred according to the general laws of the State of Georgia.

2019 Special Purpose Local Option Sales Tax Capital Projects Fund – This fund is utilized to account for the proceeds of a 1 percent special purpose local option sales tax beginning April 1, 2019 for funding various capital outlay projects including public safety vehicles and equipment, community center debt repayments, renovations to the courthouse, old library and community development building, economic development and broadband, a public works facility, road and bridge improvements, the rails to trails project and city projects.

American Rescue Plan (ARP) Act Grant Fund – This fund is used to account for revenue resources received through the "American Rescue Plan Act" (ARP Act). Expenditures from this fund are legally restricted to be used for support of the public health response, address negative economic impacts, premium pay for essential workers, payroll expenses for public health and public safety employees, replace public sector revenue loss, water and sewer infrastructure and broadband.

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2023

Note 1 - Summary of Significant Accounting Policies (Continued)

Capital Projects Fund – This fund is used to account for expenditures restricted for use in capital projects of the County.

T Splost Fund – This fund is utilized to account for the use of transportation sales taxes collected for funding various capital outlay projects for infrastructure improvements.

Proprietary Funds – The proprietary funds reporting focus is on the determination of operating income, changes in net position, financial position and cash flows. All three of the proprietary funds are classified as enterprise funds.

The County reports the following major enterprise funds:

Water Works. This fund accounts for the operation and maintenance of the County’s water distribution system.

Solid Waste. This fund accounts for the operation, maintenance, and development of various landfills and disposal sites.

Airport. This fund accounts for the operation, maintenance, and development of the County’s Airport.

Fiduciary Funds – Fiduciary fund reporting focuses on assets and liabilities. The County’s fiduciary funds are custodial funds for use primarily by the County’s constitutional officers comprised of the Tax Commissioner, Clerk of Superior Court, Sheriff, Probate Court and Magistrate Court.

1-C. Measurement Focus

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the County are included on the statement of net position. The statement of activities reports revenues and expenses.

Fund Financial Statements - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared.

Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

Like the government-wide statements, the proprietary fund type is accounted for on a flow of economic resources measurement focus on both financial reporting levels. All assets and all liabilities associated with the operation of these funds are included on the statements of net position. The statements of changes in fund net position present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the County finances and meets the cash flow needs of its proprietary activities.

1-D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. At the fund reporting level, the governmental funds use the modified accrual basis of accounting. The proprietary fund uses the accrual basis of accounting at both reporting levels. Fiduciary funds are reported on the accrual basis at the fund reporting level. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflows and outflows, and in the presentation of expenses versus expenditures.

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2023

Note 1 - Summary of Significant Accounting Policies (Continued)

Revenues – Exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the County, the phrase “available for exchange transactions” means expected to be received within 60 days of year-end.

Revenues - Non-exchange Transactions - Non-exchange transactions in which the County receives value without directly giving equal value in return, include sales taxes, property taxes, grants and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale takes place. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied (Note 3-D). Revenue from grants and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the County must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the County on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions also must be available (i.e., collected within 60 days) before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be susceptible to accrual: property taxes, sales taxes, franchise taxes, charges for services, federal and state grants and investment earnings.

Unearned Revenue - Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

On both the government-fund financial statements and the government-wide financial statements, revenues are deferred for:

- Grants and entitlements received before the eligibility requirements are met (e.g., cash advances).

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable.

1-E. Assets, Liabilities and Fund Equity

1-E-1 Cash, Cash Equivalents, and Investments

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the County. Time deposits are classified as cash and cash equivalent without regard to maturity date.

Investments are stated at fair value based on quoted market prices.

Georgia law authorizes the County to invest in the following type of obligations:

- Obligations of the State of Georgia or of any other states
- Obligations of the United States Government
- Obligations fully insured or guaranteed by the United States Government or Government agency
- Obligations of any corporation of the United States Government
- Prime bankers’ acceptances
- The State of Georgia local government investment pool (i.e., Georgia Fund I)
- Repurchase agreements
- Obligations of the other political subdivisions of the State of Georgia

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2023

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-2 Receivables

All trade and property tax receivables are reported net of an allowance for uncollectibles, where applicable.

1-E-3 Interfund Balances

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/interfund payables." These amounts are eliminated in the governmental activities column of the statement of net position.

1-E-4 Consumable Inventories

On the government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used (i.e., the consumption method).

On the fund financial statements, inventories of governmental funds are stated at cost. Cost is determined on a first-in, first-out basis. The cost of inventory items is recorded as an expenditure in the governmental fund types when used (i.e., the consumption method). At year-end, fund balance is classified as nonexpendable for a like amount of inventory on hand since it is not available for general appropriation.

The inventory consists primarily of vehicle parts and fuel.

1-E-5 Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2023, are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed. At the fund reporting level, an equal amount of fund balance is classified as nonexpendable since it is not available for general appropriation.

1-E-6 Restricted Assets

Certain items are classified as restricted in the general fund because their use is legally restricted to a specific use, some of which is deposited with bank trust funds.

1-E-7 Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in governmental funds. The County reports these assets in the governmental activities column of the government-wide statement of net position but does not report these assets in the government fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The County maintains a capitalization threshold of five thousand dollars. The County's infrastructure consists of roads and bridges. The County's infrastructure has been reported retroactively in 2007. Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed.

All reported capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the County's historical records of necessary improvements and replacement.

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2023

Note 1 - Summary of Significant Accounting Policies (Continued)

Depreciation is computed using the straight-line method over the following useful lives using these capitalization thresholds:

Asset Class	Governmental Activities Estimated Lives	Capitalization Threshold
Primary Government:		
Buildings and improvements	40 Years	\$5,000
Machinery and equipment	3 - 20 Years	\$5,000
Infrastructure	20 - 30 Years	\$100,000
Machinery and equipment	5 - 7 Years	\$5,000

At the inception of capital leases at the governmental fund reporting level, expenditures and an “other financing source” of an equal amount are reported at the net present value of future minimum lease payments.

1-E-8 Compensated Absences

Vacation benefits and compensatory time are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means.

Sick leave benefits are accrued as a liability using the termination payment method. An accrual for earned sick leave is made to the extent that it is probable that the benefits will result in termination payments. The liability is based on the County’s past experience of making termination payments.

All compensated absence liabilities include salary-related payments, where applicable.

The total compensated absence liability is reported on the government-wide financial statements. Governmental funds report the compensated absence liability at the fund reporting level only “when due.”

1-E-9 Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are “due for payment” during the current year. Notes are recognized as a liability in the governmental fund financial statements when due.

1-E-10 Fund Equity

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

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2023

Note 1 - Summary of Significant Accounting Policies (Continued)

Fund Balance - Fund balances may be 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 Board of Commissioners 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 Board of Commissioners through a motion. The fund balance must result from a specific revenue stream committed for a specific purpose. Only the Board of County Commissioners may modify or rescind the commitment.
- **Assigned** – Fund balances are reported as assigned when amounts are constrained by the Board of County Commissioners' intent to be used for specific purposes, but are neither restricted nor committed. By motion, only the Board of County Commissioners can authorize an assignment of fund balances. Also, any of the fund balance reported at year-end that is included in the subsequent year's budget is reported as assigned.
- **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.

Net Position Flow Assumptions – In order to report net position as a restricted – net position and an unrestricted – net position in the government-wide and proprietary fund financial statements, the County has established a flow assumption policy. It is the County's policy to use restricted – net position first before using unrestricted – net position.

Fund Balance Flow Assumptions – It is the County's policy to consider restricted fund balance to have been used before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, it is the County's policy to use fund balance in the following order:

- Committed
- Assigned
- Unassigned

Net Position - Net position represent the difference between assets and liabilities. The net invested in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. This net investment amount also is adjusted by any bond issuance deferral amounts. Net position 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. All other net position is reported as unrestricted.

1-E-11 Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise and internal service funds. For the County, these revenues are charges for services for water works, waste collection and airport services. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of each fund. Nonoperating revenues are investment earnings, the gain on the disposition of capital assets and operating grants. Nonoperating expenses include the loss on the disposition of capital assets and interest expense.

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2023

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-12 Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses section in the proprietary fund. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements (i.e., they are netted).

Transfers between funds reported in the governmental activities column are eliminated.

1-E-13 Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

1-E-14 Comparative Data

Comparative total data for the prior year has been presented only for individual funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds. Also, certain amounts presented in the prior year data have been reclassified to be consistent with the current year's presentation.

Note 2 – Stewardship, Compliance and Accountability

2-A. Budgetary Information – The County adopts an annual operating budget for all governmental funds except the capital projects funds, which have an adopted project budget. The budget resolution reflects the total of each department's appropriation in each fund.

Budgets are adopted on a basis consistent with GAAP with the exception of the capital projects funds, which have project length budgets, rather than annual budgets. For management purposes, the County adopts annual budgets for its enterprise fund.

The legal level of control (the level at which expenditures may not legally exceed appropriations) for each adopted annual operating budget generally is the department level within each individual fund. Any change in total to a fund or departmental appropriation within a fund requires approval of the Board of County Commissioners. The Board of County Commissioners also must approve budget transfers within departments.

The original 2022 budget was amended during the year. Most unexpended annual appropriations lapse at year-end. However, encumbered appropriations may be carried forward automatically (i.e., no County Commission action is required), to resolve unusual situations or hardships caused by this policy (i.e., for large equipment orders not received by June 30). Departments desiring the carryover of appropriations shall make their request in writing to the County Manager for approval.

2-B. Excess of Expenditures over Appropriations

The following departments overspent for the final amended 2023 annual budget, however these were offset by higher than budgeted revenues:

Administration	\$42,322
Tax Assessor	40,972
Health and Welfare	50

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2023

Note 3 - Detailed Notes on All Funds

3-A. Deposits

Deposits – The County’s cash and investment policy limits deposits to demand and money market accounts, and time deposits at local banks. The County’s deposits shall be secured by Federal Deposit Insurance Corporation (FDIC) coverage and/or bank pledges. State statutes require banks holding public funds to secure these funds by FDIC insurance, securities pledged at par value, and surety bonds at face value in combined aggregate totaling not less than 110 percent of the public funds held, less the FDIC insurance.

Custodial Credit Risk – Deposits – The custodial credit risk for deposits is the risk that, in the event of a bank failure, the County’s deposits may not be recovered.

As of June 30, 2023, all of the County’s deposits were covered, either by FDIC coverage or collateralized with securities held by the County’s agent in the County’s name.

Also, the Harris County Health Department’s deposits were covered either by FDIC coverage or were entirely insured or collateralized with securities held by the component unit’s agent in the component unit’s name.

Primary government cash and cash equivalents reconciliation:

	Cash and Cash Equivalents
Primary Government - Fund Reporting Level:	
Governmental Funds - Balance Sheet	\$ 5,564,659
Governmental Funds - Balance Sheet - Restricted	6,826,207
Proprietary Fund Type Statement of Net Position	1,109,857
Proprietary Fund Type Statement of Net Position - Restricted	785,104
Statement of Fiduciary Assets and Liabilities	1,532,959
 Total	 \$ 15,818,786

3-B. Receivables

Receivables at June 30, 2023, consisted of taxes, accounts (billings for user charges) and intergovernmental receivables arising from grants.

Receivables and payables are recorded on the County’s financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation, and in the case of receivables, collectibility.

Allowance for Uncollectibles - The allowances for uncollectibles are as follows:

	<u>2023</u>	<u>2022</u>	
• Water works fund	\$26,310	\$26,310	

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2023

Note 3 - Detailed Notes on All Funds (Continued)

3-C. Restricted Assets

Restricted assets reported in the governmental funds are comprised of the following:

2019 SPLOST fund – construction and capital	\$ 4,282,244
ARP act grant fund – personnel and capital	4,156,125
Capital projects fund – construction and capital	1,147,500
TIA fund – construction and capital	2,199,447
Special revenue funds – judicial and public safety	<u>199,014</u>
	\$ <u>11,984,330</u>

3-D. Property Taxes

The Board of Commissioners levy property taxes by or about September of each year. Property taxes attach as an enforceable lien on property as of January 1. The property taxes were levied during August 2022. Property taxes were billed on September 30, 2022 and are due upon receipt, however, the due date was December 20, 2022 and became delinquent on December 21, 2022.

The County bills and collects its own property taxes and also collects property taxes for the County Board of Education and the State of Georgia. The County also collects vehicle and mobile home taxes for the cities located in the County and the State of Georgia. Collection of the County's taxes and for the other governmental agencies is the responsibility of the Tax Commissioner's Office, which is accounted for in a custodial fund.

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2023

Note 3 - Detailed Notes on All Funds (Continued)

3-E. Capital Assets

Capital asset activity for the primary government for the year ended June 30, 2023, was as follows:

	Balance 7/1/2022	Additions	Deductions	Balance 6/30/2023
Governmental activities:				
Nondepreciable capital assets:				
Land	\$ 15,513,803	\$ -	\$ -	\$ 15,513,803
Construction in progress	2,717,531	-	2,427,416	290,115
Total nondepreciable capital assets	<u>18,231,334</u>	<u>-</u>	<u>2,427,416</u>	<u>15,803,918</u>
Depreciable capital assets:				
Buildings and improvements	29,219,981	6,292,275	-	35,512,256
Machinery and equipment	26,481,046	1,838,428	-	28,319,474
Infrastructure	30,417,436	8,226,118	-	38,643,554
Total depreciable capital assets	<u>86,118,463</u>	<u>16,356,821</u>	<u>-</u>	<u>102,475,284</u>
Total capital assets	<u>104,349,797</u>	<u>16,356,821</u>	<u>2,427,416</u>	<u>118,279,202</u>
Accumulated depreciation:				
Buildings and improvements	10,404,367	820,564	-	11,224,931
Machinery and equipment	21,669,359	1,419,134	-	23,088,493
Infrastructure	20,661,417	736,669	-	21,398,086
Total accumulated depreciation	<u>52,735,143</u>	<u>2,976,367</u>	<u>-</u>	<u>55,711,510</u>
Governmental activities capital assets, net	<u>\$ 51,614,654</u>	<u>\$ 13,380,454</u>	<u>\$ 2,427,416</u>	<u>\$ 62,567,692</u>

Governmental activities depreciation expense

General government	\$ 330,376
Public safety	1,029,823
Public works	1,282,814
Culture and recreation	<u>333,353</u>
Total governmental activities depreciation expense	<u>\$ 2,976,367</u>

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2023

Note 3 - Detailed Notes on All Funds (Continued)

	Balance 7/1/2022	Additions	Deductions	Balance 6/30/2023
Business-type activities:				
Nondepreciable capital assets:				
Land	\$ 726,701	\$ -	\$ -	\$ 726,701
Construction in progress	295,539	71,017	51,689	314,867
Total nondepreciable capital assets	1,022,240	71,017	51,689	1,041,568
Depreciable capital assets:				
Buildings and improvements	8,348,694	3,211,489	-	11,560,183
Machinery and equipment	10,013,698	119,502	-	10,133,200
Infrastructure	36,629,897	-	-	36,629,897
Total depreciable capital assets	54,992,289	3,330,991	-	58,323,280
Total capital assets	56,014,529	3,402,008	51,689	59,364,848
Accumulated depreciation:				
Buildings and improvements	2,325,242	159,776	-	2,485,018
Machinery and equipment	6,269,603	653,492	-	6,923,095
Infrastructure	14,948,367	897,082	-	15,845,449
Total accumulated depreciation	23,543,212	1,710,350	-	25,253,562
Business-type activities capital assets, net	\$ 32,471,317	\$ 1,691,658	\$ 51,689	\$ 34,111,286

The depreciation expense for the business-type activities relates to the water works fund, \$1,010,858, the solid waste fund \$328,647 and the airport fund, \$370,845.

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2023

Note 3 - Detailed Notes on All Funds (Continued)

Capital asset activity for the development authority component unit for the year ended June 30, 2023, was as follows:

	Balance 7/1/2022	Additions	Deductions	Balance 6/30/2023
Harris County Development Authority				
Nondepreciable capital assets:				
Land	\$ 34,341	\$ -	\$ -	\$ 34,341
Construction in progress	48,680	-	-	48,680
Total nondepreciable capital assets	83,021	-	-	83,021
Depreciable capital assets:				
Infrastructure	5,990,086	-	-	5,990,086
Total depreciable capital assets	5,990,086	-	-	5,990,086
Total capital assets	6,073,107	-	-	6,073,107
Accumulated depreciation:				
Infrastructure	638,375	149,752	-	788,127
Total accumulated depreciation	638,375	149,752	-	788,127
Development Authority capital assets, net	<u>\$ 5,434,732</u>	<u>\$ (149,752)</u>	<u>\$ -</u>	<u>\$ 5,284,980</u>

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2023

Note 3 - Detailed Notes on All Funds (Continued)

3-F. Deferred Inflows/Outflows of Resources

Fund Financial Reporting Level - In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflow of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The County reports one of these items. This item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues for property taxes (\$175,489). This amount is deferred and recognized as an inflow of resources in the period that the amounts become available.

Government-wide Financial Reporting Level - The County also has deferred inflows of resources and deferred outflows of resources related to the recording of changes in its net pension liability and an advance refunding debt transaction that results in a defeasance of debt. Certain changes in the net pension liability are recognized as pension 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 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 expense over the expected remaining service lives of Plan members. Changes in actuarial assumptions which adjust the net pension liability are also recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension 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 is also deferred and amortized against pension expense over a five-year period. Additionally, any contributions made by the County to the pension plan before fiscal year end but subsequent to the measurement date of the County's net pension liability are reported as deferred outflows of resources.

The following table includes the deferred inflows/outflows of resources at June 30, 2023:

	Primary Government			Component Units
	Governmental Activities	Business Type Activities	Total	
<u>Deferred Outflows of Resources</u>				
Deferred outflows related to pensions	\$ 4,836,653	\$ 730,397	\$ 5,567,050	\$ 181,888
Deferred outflows related to OPEB	-	-	-	52,580
Deferred amounts from refunding of debt	<u>255,602</u>	<u>53,519</u>	<u>309,121</u>	-
Total	<u>\$ 5,092,255</u>	<u>\$ 783,916</u>	<u>\$ 5,876,171</u>	<u>\$ 234,468</u>

	Primary Government			Component Units
	Governmental Activities	Business Type Activities	Total	
<u>Deferred Inflows of Resources</u>				
Deferred inflows related to pensions	\$ 1,538,009	\$ 232,259	\$ 1,770,268	\$ 21,305
Deferred inflows related to OPEB	-	-	-	67,409
Total	<u>\$ 1,538,009</u>	<u>\$ 232,259</u>	<u>\$ 1,770,268</u>	<u>\$ 88,714</u>

3-G. Interfund Balances and Transfers

Interfund Balances - Interfund balances at June 30, 2023, consisted of the following amounts and represent charges for services or reimbursable expenses. These remaining balances resulted from the time lag between the dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting period, and (3) payments between funds are made.

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2023

Note 3 - Detailed Notes on All Funds (Continued)

The following table includes the interfund receivables and payables at June 30, 2023:

Payable to:	Receivable from:					Total
	T Splost	Non-major govern.	Water works	Solid waste	Airport	
General	\$ -	\$ 602,571	\$ 1,089,249	\$ 2,805,487	\$ 1,222,903	\$ 5,720,210
Capital projects	1,144,573	-	-	-	-	1,144,573
Non-major governmental	-	257,426	-	-	-	257,426
Total	\$ 1,144,573	\$ 859,997	\$ 1,089,249	\$ 2,805,487	\$ 1,222,903	\$ 7,122,209

The County expects to repay all interfund balances within one year.

Interfund Transfers - Interfund transfers for the year ended June 30, 2023, consisted of the following:

(Transfers to)	Transfers from	
	General	Total
Non-major governmental	\$ 808,691	\$ 808,691
Total	\$ 808,691	\$ 808,691

The transfer from the general fund to the non-major governmental was for E-911 supplementation.

3-H. Long-Term Debt

Governmental Activities \GEFA Loan Payable - The County had one outstanding GEFA loan payable that was paid in full at June 30, 2023.

GEFA Loan Payable – 2009 LC 2006016 – In February 2009, the County borrowed \$2,000,000 at an interest rate of 3% for the acquisition of a conservation easement discussed in Note 3-B. The Loan is payable in 216 monthly principal and interest payments of \$11,996 with a final maturity date of January 1, 2027. During 2022, the county paid off the remaining balance on the promissory note.

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2023

Note 3 - Detailed Notes on All Funds (Continued)

Governmental Activities \Bonds Payable - The County has one outstanding bond issue outstanding at June 30, 2023.

Harris County Public Improvements Authority Revenue Refunding Bond Series 2017 – On November 9, 2017, The Harris County Public Improvements Authority (HCPIA) issued \$6,425,000 in general obligation bonds with an average interest rate of 2.09% to advance refund \$5,805,000 of outstanding Series 2010B bonds with interest rates ranging between 1.45% to 6%. As a result, the Series 2010B bonds are considered defeased. Authorization by the Board of Commissioners for the refinancing was completed in order to covert the bonds to general obligation debt for which SPLOST proceeds could be used to pay off the outstanding bond debt. The County increased its total debt by \$620,000, which resulted in an economic loss on refunding of \$481,132.

Payments are due in semiannual installments commencing February 1, 2018 through August 1, 2028. Interest accrues at 2.09%.

Pursuant to the bond resolution, the County is in compliance with certain covenants.

Annual debt service requirements to this bond payable as of June 30, 2023 follow:

Year	Principal	Interest	Total
2024	655,000	76,959	731,959
2025	670,000	63,113	733,113
2026	655,000	49,267	704,267
2027	665,000	35,473	700,473
2028	675,000	21,470	696,470
2029	689,750	7,208	696,958
	<u>\$ 4,009,750</u>	<u>\$ 253,490</u>	<u>\$ 4,263,240</u>

Governmental Activities \Capital Leases Payable - The County has six outstanding capital leases payable at June 30, 2022.

Capital Lease Payable #001-1018851-000 – Caterpillar Financial Services – Lease #11 - This lease was entered into on December 5, 2019 in the original amount of \$69,957 to purchase a Caterpillar D5K2XL Track Type Tractor at an interest rate of 3.85% with annual payments (which includes principal and interest) of \$15,648, which began December, 2019. The lease matures December 31, 2024. The equipment acquired by this lease is included in governmental activities general capital assets of the County in the amount of \$20,146 (cost of \$69,957 less accumulated depreciation of \$49,811 including current year depreciation of \$13,992).

Annual debt service requirements to this lease payable as of June 30, 2023 follow:

Year	Principal	Interest	Total
2024	15,069	580	15,649
Total	<u>\$ 15,069</u>	<u>\$ 580</u>	<u>\$ 15,649</u>

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2023

Note 3 - Detailed Notes on All Funds (Continued)

Capital Lease Payable #001-1018851-000 – Caterpillar Financial Services – Lease #12 - This lease was entered into on December 5, 2019 in the original amount of \$84,277 to purchase a Caterpillar 12M3 Motor Grader at an interest rate of 3.85% with annual payments (which includes principal and interest) of \$18,851, which began December, 2019. The lease matures December 31, 2024. The equipment acquired by this lease is included in governmental activities general capital assets of the County in the amount of \$24,270 (cost of \$84,277 less accumulated depreciation of \$60,007 including current year depreciation of \$16,855).

Annual debt service requirements to this lease payable as of June 30, 2023 follow:

Year	Principal	Interest	Total
2024	18,153	699	18,852
Total	\$ 18,153	\$ 699	\$ 18,852

Capital Lease Payable #001-1018851-000 – Caterpillar Financial Services – Lease #13 - This lease was entered into on December 5, 2019 in the original amount of \$38,934 to purchase a Caterpillar 926M Wheel Loader at an interest rate of 3.85% with annual payments (which includes principal and interest) of \$8,709, which began December, 2019. The lease matures December 31, 2024. The equipment acquired by this lease is included in governmental activities general capital assets of the County in the amount of \$11,212 (cost of \$38,934 less accumulated depreciation of \$27,722 including current year depreciation of \$7,787).

Annual debt service requirements to this lease payable as of June 30, 2023 follow:

Year	Principal	Interest	Total
2024	8,387	323	8,710
Total	\$ 8,387	\$ 323	\$ 8,710

Capital Lease Payable #001-1018851-000 – Caterpillar Financial Services – Lease #14 - This lease was entered into on December 5, 2019 in the original amount of \$77,438 to purchase a Caterpillar 12M3 Motor Grader at an interest rate of 3.85% with annual payments (which includes principal and interest) of \$17,321, which began December, 2019. The lease matures December 31, 2024. The equipment acquired by this lease is included in governmental activities general capital assets of the County in the amount of \$22,301 (cost of \$77,438 less accumulated depreciation of \$55,137 including current year depreciation of \$15,488).

Annual debt service requirements to this lease payable as of June 30, 2023 follow:

Year	Principal	Interest	Total
2024	16,680	642	17,322
Total	\$ 16,680	\$ 642	\$ 17,322

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2023

Note 3 - Detailed Notes on All Funds (Continued)

Capital Lease Payable #001-1018851-000 – Caterpillar Financial Services – Lease #15 - This lease was entered into on December 5, 2019 in the original amount of \$38,875 to purchase a Caterpillar 308-07CR Hydraulic Excavator at an interest rate of 3.85% with annual payments (which includes principal and interest) of \$8,696, which began December, 2019. The lease matures December 31, 2024. The equipment acquired by this lease is included in governmental activities general capital assets of the County in the amount of \$11,196 (cost of \$38,875 less accumulated depreciation of \$27,679 including current year depreciation of \$7,775).

Annual debt service requirements to this lease payable as of June 30, 2023 follow:

Year	Principal	Interest	Total
2024	8,375	322	8,697
Total	\$ 8,375	\$ 322	\$ 8,697

Capital Lease Payable #001-1018851-000 – Caterpillar Financial Services – Lease #16 - This lease was entered into on March 2, 2020 in the original amount of \$94,211 to purchase a Caterpillar 953K Track Loader at an interest rate of 3.85% with annual payments (which includes principal and interest) of \$21,073, which began March, 2019. The lease matures December 31, 2024. The equipment acquired by this lease is included in governmental activities general capital assets of the County in the amount of \$31,661 (cost of \$94,211 less accumulated depreciation of \$62,550 including current year depreciation of \$18,842).

Annual debt service requirements to this lease payable as of June 30, 2023 follow:

Year	Principal	Interest	Total
2024	20,488	781	21,269
Total	\$ 20,488	\$ 781	\$ 21,269

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2023

Note 3 - Detailed Notes on All Funds (Continued)

Business-type Activities – The County has one outstanding GEFA loan payable for the water works fund.

During the year ended June 30, 2014, the Harris County Water Works (“HCWW”) entered into a contract with GEFA under which it received certain funds made available through the Drinking Water State Revolving Loan Fund. In connection with the contract, the HCWW signed a promissory note in the amount of up to \$2,750,000. Total amounts drawn toward the loan liability at project completion were \$2,512,569. Proceeds were required to be used to reimburse construction costs for filter plant flocculation and sedimentation basins related to the HCWW’s water system. Additionally, the HCWW was required to meet certain covenants related to commencement and completion of construction. As of June 30, 2022 the HCWW is in compliance with these covenants. The loan is payable monthly in 240 equal installments commencing March 1, 2018 through February 1, 2038.

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

Year	Principal	Interest	Total
2024	118,129	25,980	144,109
2025	119,793	24,316	144,109
2026	121,481	22,628	144,109
2027	123,193	20,916	144,109
2028	124,929	19,180	144,109
2029-2033	651,550	68,995	720,545
2034-2038	650,642	21,866	672,508
Total	<u>\$ 1,909,717</u>	<u>\$ 203,881</u>	<u>\$ 2,113,598</u>

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2023

Note 3 - Detailed Notes on All Funds (Continued)

During the year ended June 30, 2016, the Harris County Water Works (“HCWW”) entered into a contract with GEFA under which it received certain funds made available through the Drinking Water State Revolving Loan Fund. In connection with the contract, the HCWW signed a promissory note in the amount of up to \$1,812,000. Total amounts drawn toward the loan liability at project completion were \$1,137,871. Proceeds were required to be used to reimburse installation costs for an automatic meter reading (AMR) system and associated appurtenances related to the HCWW’s water system. Additionally, the HCWW was required to meet certain covenants related to commencement and completion of construction. As of June 30, 2023 the HCWW is in compliance with these covenants. The loan bears interest at 0.89% per annum and is payable monthly in 240 equal installments commencing April 1, 2022 through March 1, 2042.

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

Year	Principal	Interest	Total
2024	52,798	9,330	62,128
2025	53,269	8,859	62,128
2026	53,745	8,383	62,128
2027	54,226	7,902	62,128
2028-2032	278,485	32,155	310,640
2033-2037	291,153	19,487	310,640
2038-2042	288,854	6,256	295,110
Total	<u>\$ 1,072,530</u>	<u>\$ 92,372</u>	<u>\$ 1,164,902</u>

Business-type Activities – The County has one outstanding bond issue payable for the water works fund.

2012A and 2012B Series Tax Exempt Water Revenue Bonds – During the year ended June 30, 2013, the HCPIA issued Tax Exempt Bonds Series 2012A and Taxable Series 2012B (“Series 2012 Bonds”) in the amounts of \$7,500,000 and \$310,000, respectively, on behalf of the HCWW. Proceeds from these bonds were used to refund the outstanding 2002 Series Water and Sewer Revenue Bonds and pay the costs of issuing the Series 2012 Bonds. The 2002 Series Bonds had been used to refund the outstanding Revenue Bonds, Series 1995A, 1995B, 1995C and 1995D; make additions, alterations and improvements to the County’s water system; provide for a debt service reserve; and to pay the costs of issuing and insuring the Series 2002 Bonds.

The 2012 Series Bonds are limited obligations of the HCPIA payable solely from the revenues that are payable to the HCPIA pursuant to a Project Lease Agreement (“PLA”) dated as of September 1, 2012 between the HCPIA and the County. Under the PLA, the County is obligated to make payments to the HCPIA in amounts sufficient to enable the HCPIA to pay the principal of, redemption premium (if any) and interest on the bonds as they become due and payable and, to the extent required, levy a tax on all taxable property located within the boundaries of the County as may be necessary to produce funds sufficient to enable the County to make such payments. All rights of the HCPIA as defined in the PLA provide security for the 2012 Series Bonds. Under provisions of the Bond Resolution, the HCPIA is required to maintain certain restricted accounts including a revenue fund, sinking fund, and rebate fund. The County makes lease payments to the HCPIA from water and sewer revenues generated by the HCWW for payment of the bonds. Therefore, the bonds are accounted for within the Water Works Fund.

Annual principal payments for the Series 2012A Bonds begin December 1, 2013 and continue through December 1, 2027 with interest accruing at 2.0% through 5.0% per annum, payable semiannually. Annual principal payments for the Series 2012B Bonds began December 1, 2012 and continued through December 1, 2013.

The Tax Exempt Series 2012A Bonds maturing on and after December 1, 2019 are subject to redemption prior to maturity on or after December 1, 2018, at the option of the HCPIA, at the direction of the County, in whole or in part at any time at a redemption price of 100% plus accrued interest to the redemption date.

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2023

Note 3 - Detailed Notes on All Funds (Continued)

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

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	555,000	68,019	623,019
2025	565,000	54,366	619,366
2026	580,000	39,763	619,763
2027	595,000	24,414	619,414
2028	<u>615,000</u>	<u>8,304</u>	<u>623,304</u>
Total	<u>\$ 2,910,000</u>	<u>\$ 194,866</u>	<u>\$ 3,104,866</u>

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Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2023

Note 3 - Detailed Notes on All Funds (Continued)

Changes in Long-term Debt - Changes in the County's long-term obligations consisted of the following for the year ended June 30, 2023:

	Total Outstanding 7/1/2022	Additions	Reductions	Total Outstanding 6/30/2023	Amounts Due in One Year	Long-term Portion
Governmental Activities						
Harris County Public Improvement Authority 2017 revenue bonds (refi.)	\$ 4,654,750	\$ -	\$ 645,000	\$ 4,009,750	\$ 655,000	\$ 3,354,750
Net deferred premiums	(36,608)	-	-	(36,608)	-	(36,608)
Total bonded debt	4,618,142	-	645,000	3,973,142	655,000	3,318,142
2020 Caterpillar capital lease #11	29,578	-	14,509	15,069	15,069	-
2020 Caterpillar capital lease #12	35,632	-	17,479	18,153	18,153	-
2020 Caterpillar capital lease #13	16,463	-	8,076	8,387	8,387	-
2020 Caterpillar capital lease #14	32,740	-	16,060	16,680	16,680	-
2020 Caterpillar capital lease #15	16,438	-	8,063	8,375	8,375	-
2020 Caterpillar capital lease #16	39,833	-	19,345	20,488	20,488	-
Compensated absences	699,338	590,153	559,470	730,021	584,017	146,004
Net pension liability	2,525,751	6,577,206	-	9,102,957	-	9,102,957
Total Governmental Activities Debt	\$ 8,013,915	\$ 7,167,359	\$ 1,288,002	\$ 13,893,272	\$ 1,326,169	\$ 12,567,103
Business-type Activities						
2014 GEFA Loan #DWSRF-11-013	\$ 2,026,205	\$ -	\$ 116,488	\$ 1,909,717	\$ 118,129	\$ 1,791,588
2016 GEFA Loan #DWSRF-2016030	1,124,860	-	52,330	1,072,530	52,798	1,019,732
Harris County Public Improvement Authority Series 2012A revenue bonds	3,450,000	-	540,000	2,910,000	555,000	2,355,000
Net deferred premiums	69,035	-	12,745	56,290	-	56,290
Total bonded debt	6,670,100	-	721,563	5,948,537	725,927	5,222,610
Landfill postclosure	142,790	-	16,040	126,750	25,630	101,120
Compensated absences	107,695	109,326	86,156	130,865	104,692	26,173
Net pension liability	534,065	993,243	-	1,527,308	-	1,527,308
Total Business-type Activities	\$ 7,454,650	\$ 1,102,569	\$ 823,759	\$ 7,733,460	\$ 856,249	\$ 6,877,211

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2023

Note 3 - Detailed Notes on All Funds (Continued)

For governmental and business type activities, the public improvement authority retires the outstanding revenue bonds. The Callaway debt service fund retires the governmental GEFA loan outstanding. The business-type activity GEFA loans are retired by the water fund. The governmental capital leases are retired by the general fund.

The compensated absences liabilities are paid by each governmental and enterprise fund where the employee works. The net pension liability is retired from the general fund and each applicable enterprise fund. The solid waste retires the postclosure care liability.

3-I. Pension Plans and Other Retirement Benefits

The Defined Benefit Pension Plan

Plan Description. The Harris County Defined Benefit Pension Plan and Trust, (the “Plan”), is affiliated with the Association of County Commissioners of Georgia Defined Benefit Plan (ACCG), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating counties in Georgia. The authority for the Plan, benefits, vesting and contributions are established by the Board of Commissioners. The Plan is administered by the Government Employee Benefits Corporation of Georgia (GEB Corp). GEB Corp issues a publicly available financial report that includes financial statements and required supplementary information for ACCG. The Plan is a defined benefit pension plan that provides retirement, disability and death benefits to Plan members and beneficiaries.

The ACCG, in its role as the Plan Sponsor, has the sole authority to amend the provisions of the ACCG Plan, as provided in Section 19.03 of the ACCG Plan document. The County retains the authority to amend the adoption agreement, which defines the specific operational provisions of the Plan, as provided in Section 19.02 of the ACCG Plan document.

The Plan is divided into two solo plans, Plan A, which is non-contributory and Plan B which is contributory.

Employees become vested after five years of service to the County. All full-time eligible employees hired prior to January 1, 2022 were participants in the ACCG Plan (Plan) upon employment.

Current membership is as follows:

Retirees, beneficiaries, and disablees	
currently receiving benefits	104
Terminated participants entitled to but	
not yet receiving benefits	180
Active employees participating in the plan	<u>282</u>
 Total number of participants	 <u><u>566</u></u>

Per the county’s GASB 68 report, the most recent experience study was performed in June 2023.

A copy of the plan’s financial report may be obtained from:

Government Employee Benefits Corporation of Georgia
191 Peachtree Street, Suite 700
Atlanta, Georgia 30303

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2023

Note 3 - Detailed Notes on All Funds (Continued)

Benefits Provided.

All full-time County employees are eligible to participate in the Plan after completing three years of service. Benefits vest after five years of service. Participants become eligible to retire at age 65 with 3 years of participation in the Plan. Upon eligibility to retire, participants are entitled to a monthly benefit in the amount of 0.75 percent of average annual compensation up to \$6,600, plus 1.25 percent of average annual compensation over \$6,600, plus \$36 for each year of service payable as a life annuity. Service is limited to 35 years. Compensation is averaged over the highest consecutive five-year period out of the last ten years prior to retirement or termination. These benefit provisions were established by an adoption agreement executed by the County Board of Commissioners.

Contributions.

Plan A:

County employees are not required to contribute to the Plan. The County contributes the entire cost of the Plan, using the actuarial basis described in the annual valuation report. Section 47-20 of the Georgia Code sets forth the minimum funding standards for local municipal defined benefit pension plans. Administrative expenses are based on total covered compensation of active plan participants and are added to the state-required annual funding requirement.

Plan B

The required employee contribution is currently 1.75% of earnings.

The Georgia Constitution enables the governing authority of the County, the Board of Commissioners, to establish, and amend from time-to-time the contribution rates for the County and its plan participants.

The County's actuarially determined contribution rate for the plan year ended December 31, 2022 was \$1,284,122, or 9.3% of covered-employee payroll. The County's covered payroll for employees participating in the Plan as of January 1, 2023, (the most recent actuarial valuation date) was \$13,828,269 (based on covered earnings for the preceding year). The County Commission provides for the benefits and funding policy through County ordinance and maintains the authority to change the policy.

The Georgia Constitution enables the governing authority of the County, the County Board of Commissioners, to establish, and amend from time-to-time contribution rates for the County and its Plan participants.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions. At June 30, 2023, the County reported a net pension liability of \$10,630,264. The net pension liability was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2023. For the year ended June 30, 2023, the County recognized pension expense of \$4,530,363.

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2023

Note 3 - Detailed Notes on All Funds (Continued)

The components of the net pension liability are as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances at June 30, 2022	<u>24,738,005</u>	<u>21,678,189</u>	<u>3,059,816</u>
Changes for the year:			
Service cost	720,472	-	720,472
Interest	1,731,660	-	1,731,660
Plan change	2,475,587	-	2,475,587
Liability experience (gain/loss)	835,024	-	835,024
Assumption change	41,726	-	41,726
Employer contributions	-	1,284,122	(1,284,122)
Employee contributions	-	153,778	(153,778)
Net investment income	-	(3,114,862)	3,114,862
Benefit payments	(929,234)	(889,085)	(40,149)
Administrative expense	-	(84,388)	84,388
Other changes	-	(44,779)	44,779
Net changes	<u>4,875,235</u>	<u>(2,695,214)</u>	<u>7,570,449</u>
Balances at June 30, 2023	<u><u>29,613,240</u></u>	<u><u>18,982,975</u></u>	<u><u>10,630,265</u></u>
Plan fiduciary net position as a percentage of the total pension liability		64.10%	
Covered employee payroll		13,828,269	
Net pension liability as a percentage of covered employee payroll		76.87%	

At June 30, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to the plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	3,681,663	(1,634,037)
Net difference between expected and actual experience in the measurement of the total pension liability	1,679,345	(136,231)
Change of assumptions	<u>206,042</u>	<u>-</u>
Total	<u><u>5,567,050</u></u>	<u><u>(1,770,268)</u></u>

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2023

Note 3 - Detailed Notes on All Funds (Continued)

Any deferred outflows of resources resulting from the County's contributions subsequent to measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2023. Other amounts reported as deferred outflows and deferred inflows of resources will be recognized in pension expense as follows:

Year Ending <u>December 31,</u>	
2024	\$ 722,729
2025	1,025,795
2026	1,048,139
2027	<u>1,000,118</u>
Totals	<u>\$ 3,796,782</u>

Actuarial Assumptions. The total pension liability in the January 1, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Future salary increases	4.00% per year with an age based scale
Cost of living adjustments	N/A
Net investment rate of return	7.00%

Healthy mortality rates were based on the Pub-2010 GE (50%) & PS (50%) Amt-weighted with Scale AA to 2022 (Pre-Retirement: Employee, Post-Employment: Retired). Disabled rates were derived from a 1985 CIDA Table Class 1.

The asset allocation policy guidelines for the pension plan's target asset allocation as of December 31, 2022 are summarized in the following table:

	Target Allocation	Range
Fixed Income:	30%	25% - 35%
Equities:	70%	65% - 75%
Large Cap	30%	25% - 35%
Mid Cap	5%	2.5% - 10%
Small Cap	5%	2.5% - 10%
REIT	5%	2.5% - 10%
International	15%	10% - 20%
Multi Cap	5%	2.5% - 10%
Global Allocation	5%	2.5% - 10%

Discount Rate. The discount rate used to measure the total pension liability was 7.00 percent. The discount rate is determined through a blend of using a building blocks approach based on 20-year benchmarks (33.33%) and 30-year benchmarks (33.33%), as well as the forward-looking capital market assumptions for a moderate asset allocation (33.34%), as determined by UBS. The projection of cash flows used to determine the discount rate assumed that contributions from employer will be made at contractually required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2023

Note 3 - Detailed Notes on All Funds (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate. The following presents what the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.00 percent) or one percentage-point higher (8.00 percent) than the current rate:

	Discount Rate	Net Pension Liability
1% decrease	6%	14,589,000
Current discount rate	7%	10,630,265
1% increase	8%	7,343,772

Plan Fiduciary Net Position. Detailed information about the Plan’s fiduciary net position is available in the separately issued Association County Commissioners of Georgia GEBCorp financial report.

Defined Contribution Plans

Deferred Compensation Plan – The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457(b). The plan, which was administered by ACCG and VALIC for the year ended June 30, 2023, is available to all full-time employees and all permanent part-time employees at their option and permits participants to defer a portion of their salary until future years. The County retains the authority to amend the adoption agreement and change contribution requirements based on the plan document. At June 30, 2023, there were 438 participants in the plan. The employees are 100 percent vested in their contributions. Plan assets are not available to participants until termination, retirement, death or unforeseeable emergency. For the year ended June 30, 2023, contributions totaled \$362,757.

It is the opinion of the County’s management that the County has no fiduciary responsibility for plan assets once they are deposited with the plan administrator. Consequently, under the provisions of GASB standards, plan assets are not reported in the financial statements. These assets totaled \$4,789,125 at June 30, 2023. Investments are participant-directed from a choice of mutual funds. Investments in 7 of the mutual funds each represented 5 percent or more of the net assets of the plan as of June 30, 2023.

Defined Contribution Money Purchase Pension Plan – The County offers its employees a defined contribution money purchase pension plan in accordance with Internal Revenue Code Section 401(a). The plan, which is administered by ACCG, is available to all full-time employees with six months of service. The County retains the authority to amend the adoption agreement and change contribution requirements based on the plan document.

The County has no fiduciary responsibility for plan assets once they are deposited with the plan administrator. Consequently, under the provisions of GASB standards, plan assets are not reported in the financial statements. These assets totaled \$6,287,467 at June 30, 2023. Investments are participant-directed from a choice of a guaranteed interest account and various mutual funds. Investments in 7 of the mutual funds and the guaranteed interest account each represented 5 percent or more of the net assets of the plan as of June 30, 2023.

Other Plans

In addition to the plan above, various County employees are covered under the following plans: Georgia Firefighters’ Pension Fund, Georgia State Employees’ Retirement System (ERS), Magistrates’ Retirement Fund of Georgia, Peace Officers’ Annuity and Benefit Fund of Georgia, Probate Judges’ Retirement Fund of Georgia, Sheriffs’ Retirement Fund of Georgia, and Superior Court Clerks’ Retirement Fund of Georgia. Further information regarding these plans can be obtained from the plans’ annual reports.

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2023

Note 3 - Detailed Notes on All Funds (Continued)

3-J. Fund Equity

Fund Balances – Fund balances are classified as follows:

- **Nonspendable** – The following fund balances are nonspendable because they are not in spendable form:

General Fund:

Prepaid items	\$ 79,296
Inventories	<u>180,674</u>

Total: \$ 259,970

- **Restricted** – The following fund balances are legally restricted to specified purposes:

General Fund:

Tax Commissioner \$ 16,110

2019 SPLOST

Capital projects \$ 3,607,056

ARP Act Grant Fund

Capital projects \$ 89,164

Transportation Investment Act Fund

Capital projects \$ 1,054,874

Nonmajor Special Revenue Funds:

Judicial – law library	\$ 83,155
Public safety	<u>115,859</u>

Total Nonmajor Special Revenue Funds: \$ 199,014

Total: \$ 4,966,218

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2023

Note 3 - Detailed Notes on All Funds (Continued)

- **Assigned** – The following fund balance is assigned to specific purposes:

General Fund:	
FY2023 Budgeted Use of Reserves	\$ 6,145,297
Nonmajor Special Revenue Funds:	
Health and welfare	<u>\$ 257,426</u>
Total:	<u>\$ 6,402,723</u>

- **Unassigned** – The following fund balances include the unassigned amounts:

General Fund:	
Unassigned	\$ 16,749,565
Capital Projects Fund:	
Unassigned	(24,660)
E-911 Fund:	
Unassigned	<u>(16,796)</u>
Total:	<u>\$ 16,708,109</u>

Net Investment in Capital Assets

The “net investment in capital assets” reported on the government-wide statement of net position as of June 30, 2023 are as follows:

	Governmental Activities	Business-type Activities
Net investment in capital assets		
Cost of capital assets	\$ 118,279,203	\$ 59,364,848
Less accumulated depreciation	<u>55,711,511</u>	<u>25,253,562</u>
Book value	62,567,692	34,111,286
Less capital related debt	<u>4,451,297</u>	<u>5,948,537</u>
Net investment in capital assets	<u>\$ 58,116,395</u>	<u>\$ 28,162,749</u>

Note 4 - Other Notes

4-A. Risk Management

Interlocal Risk Management Agency - The County is exposed to various risks of losses related to torts, thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has joined together with other counties in the state as part of the Interlocal Risk Management Agency (IRMA) for property and liability insurance operated by Association County Commissioners of Georgia (ACCG) and the ACCG-Group Self-Insurance Workers' Compensation Fund (WCSIF), public entity risk pools currently operating as common risk management and insurance programs for member local governments. The ACCG administers both risk pools.

As part of these risks pools, the County is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pools' agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the funds being required to pay any claim of loss. The County is also to allow the pools' agents and attorneys to represent the County in investigation, settlement discussions and all levels of litigation arising out of any claim made against the County within the scope of loss protection furnished by the funds.

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2023

Note 4 – Other Notes (Continued)

The funds are to defend and protect the members of the funds against liability or loss as prescribed in the member governments' contracts and in accordance with the workers' compensation laws of Georgia. The funds are to pay all cost taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense.

The County has not compiled a record of the claims paid up to the applicable deductible for the prior or current fiscal year. The County is not aware of any claims, which the County is liable for (up to the applicable deductible) which were outstanding and unpaid at June 30, 2023. No provision has been made in the financial statements for the year ended June 30, 2023, for any estimate of potential unpaid claims.

There were no significant reductions in insurance coverage from prior year, and there have been no settlements that exceed the County's insurance coverage during the past three years.

4-B. Contingent Liabilities

The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. These audits could result in a request for reimbursement to the grantor agency for costs disallowed under terms of the grant. Based on prior experience, the County believes such disallowances, if any, will be immaterial.

The County was a defendant in several lawsuits at June 30, 2023. In the opinion of County management, the outcome of these contingencies will not have a material effect on the financial position of the County.

4-C. Tax Abatements

For the year ended June 30, 2023, the County's property tax revenues were reduced by \$106,050 under agreements entered into by the Harris County Development Authority with two businesses under the economic development laws of the State of Georgia. These agreements qualify for disclosure under GASB Statement No. 77, *Tax Abatement Disclosures*. Under the agreements, taxes on real and personal property are reduced by between 25% and 50% based on investments made by the entities to whom the incentives were offered as long as the entities meet certain investment targets.

4-D. Subsequent Events

Recreation:

On July 18, 2023, the Board of County Commissioners voted to award the bid for the Observation Tower at Ellerslie Park to Batson-Cook Construction at a cost of \$700,000.

Public Works:

On December 5, 2023, the Board of County Commissioners voted to award the bid for the construction of a new Public Works Facility to Principle Construction at a cost of \$3,499,000 with a \$100,000 contingency for a total of \$3,599,000.

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2023

Note 4 – Other Notes (Continued)

Special Local Option Sales Tax:

On November 21, 2023, the Board of County Commissioners voted to approve the Special Local Option Sales Tax Intergovernmental Agreement with the Municipal Councils for the next six-year period – April 1, 2025 to March 31, 2023 – as follows:

Harris County	84.00%
Shiloh	2.00%
Waverly Hall	3.20%
West Point	3.00%
Hamilton	3.70%
Pine Mountain	4.10%

4-E. Hotel/Motel Lodging Tax

As of January 1, 2020, the County levies a 5% lodging tax in accordance with O.C.G.A. 48-13-51 and expends 100% of the hotel/motel tax collections to a destination management organization for the purpose of promoting tourism.

A summary of the transactions for the year ended June 30, 2023 follows:

Receipts:	
Lodging tax receipts	<u>\$ 193,746</u>
Disbursements to:	
Harris County Chamber of Commerce	<u>\$ 193,746</u>

Harris County, Georgia
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Taxes	\$ 22,576,366	\$ 22,576,366	\$ 23,449,183	\$ 872,817
Licenses and permits	411,100	411,100	552,464	141,364
Intergovernmental	884,607	884,607	857,007	(27,600)
Charges for services	3,528,600	3,528,600	4,156,259	627,659
Fines and forfeitures	665,000	665,000	706,559	41,559
Investment earnings	15,000	15,000	572,573	557,573
Contributions and donations	10,000	10,000	116,478	106,478
Miscellaneous	8,500	8,500	41,077	32,577
Total Revenues	<u>28,099,173</u>	<u>28,099,173</u>	<u>30,451,600</u>	<u>2,352,427</u>
Expenditures				
Current:				
General government	4,667,677	4,807,677	4,709,180	98,497
Judicial	2,326,285	2,336,927	2,048,798	288,129
Public safety	17,739,086	17,839,401	15,253,608	2,585,793
Public works	3,965,096	3,980,096	3,616,397	363,699
Health and welfare	284,800	284,800	277,170	7,630
Culture and recreation	3,217,650	3,439,650	2,713,730	725,920
Housing and development	778,450	778,450	750,496	27,954
Debt Service:				
Principal	83,727	83,727	83,532	195
Interest	6,571	6,571	6,766	(195)
Total Expenditures	<u>33,069,342</u>	<u>33,557,299</u>	<u>29,459,677</u>	<u>4,097,622</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(4,970,169)</u>	<u>(5,458,126)</u>	<u>991,923</u>	<u>6,450,049</u>
Other Financing Sources (Uses)				
Proceeds from the sale of capital assets	25,000	25,000	39,604	14,604
Use of reserves	6,235,859	6,733,174	-	(6,733,174)
Transfers (out)	(970,250)	(990,250)	(808,691)	181,559
Total Other Financing Sources (Uses)	<u>5,290,609</u>	<u>5,767,924</u>	<u>(769,087)</u>	<u>(6,537,011)</u>
Net Change in Fund Balances	<u>\$ 320,440</u>	<u>\$ 309,798</u>	<u>222,836</u>	<u>\$ (86,962)</u>
Fund Balances Beginning of Year			<u>22,948,106</u>	
Fund Balances End of Year			<u>\$ 23,170,942</u>	

Harris County, Georgia
Required Supplementary Information
Schedule of Changes in the Net Pension Liability and Related Ratios
Last Ten Years
Harris County Defined Benefit Plan
For the Year Ended June 30, 2023
(Unaudited)

	Year End	Year End	Year End	Year End	Year End	Year End	Year End	Year End	Year End
	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability									
Service cost	\$ 720,472	\$ 678,691	\$ 582,951	\$ 526,242	\$ 511,273	\$ 472,022	\$ 468,431	\$ 431,395	\$ 404,205
Interest on total pension liability	1,700,237	1,498,925	1,400,241	1,316,023	1,230,038	1,138,025	1,103,285	968,484	904,146
Assumption Change	41,726	39,339	33,345	757,532	775,275	34,623	468,194	471,672	-
Plan Change	2,475,587								
Benefit payments, including refunds of employee contributions	(897,811)	(758,835)	(724,215)	(654,998)	(635,967)	(576,085)	(520,658)	(512,189)	(450,504)
Experience (Gain)/Loss	835,024	1,487,257	496,869	(741,695)	(46,330)	(87,476)	(244,777)	437,973	-
Net change in total pension liability	4,875,235	2,945,377	1,789,191	1,203,104	1,834,289	981,109	1,274,475	1,797,335	857,847
Total pension liability - beginning	24,738,005	21,792,628	20,003,437	18,800,333	16,966,044	15,984,935	14,710,460	12,913,125	12,055,278
Total pension liability - ending (a)	\$ 29,613,240	24,738,005	\$ 21,792,628	\$ 20,003,437	\$ 18,800,333	\$ 16,966,044	\$ 15,984,935	\$ 14,710,460	\$ 12,913,125
Plan fiduciary net position									
Contributions - employer	\$ 1,284,122	1,185,676	\$ 998,148	\$ 904,162	\$ 841,088	\$ 877,599	\$ 885,586	\$ 829,984	\$ 784,977
Contributions - employee	153,778	157,618	132,620	117,157	113,249	108,874	101,818	99,560	94,654
Net investment income	(3,036,704)	2,845,620	2,161,577	2,663,803	(602,857)	1,812,302	758,734	83,893	645,094
Benefit payments, including refunds of employee contributions	(897,811)	(758,835)	(692,295)	(619,612)	(613,720)	(576,085)	(501,839)	(493,676)	(435,064)
Employee contribution refunds	0	0	(7,430)	(13,236)	0	0	0	0	0
Administrative expense	(84,388)	(78,197)	(67,256)	(64,559)	(51,934)	(47,992)	(50,481)	(46,716)	(43,613)
Other	(114,211)	(129,547)	(84,480)	(103,232)	(94,857)	(119,297)	(69,976)	(109,913)	(81,534)
Net change in total pension liability	(2,695,214)	3,222,335	2,440,884	2,884,483	(409,031)	2,055,401	1,123,842	363,132	964,514
Plan fiduciary net position - beginning	21,678,189	18,455,854	16,014,970	13,130,487	13,539,518	11,484,117	10,360,275	9,997,143	9,032,629
Plan fiduciary net position - ending (b)	\$ 18,982,975	21,678,189	\$ 18,455,854	\$ 16,014,970	\$ 13,130,487	\$ 13,539,518	\$ 11,484,117	\$ 10,360,275	\$ 9,997,143
Net pension liability (asset) - ending : (a) - (b)	\$ 10,630,265	3,059,816	\$ 3,336,774	\$ 3,988,467	\$ 5,669,846	\$ 3,426,526	\$ 4,500,818	\$ 4,350,185	\$ 2,915,982
Plan's fiduciary net position as a percentage of the total pension liability	64.10%	87.63%	84.69%	80.06%	69.84%	79.80%	71.84%	70.43%	77.42%
Covered-employee payroll	\$ 13,828,269	12,992,782	\$ 10,828,784	\$ 10,343,244	\$ 10,020,638	\$ 9,634,927	\$ 9,389,612	\$ 9,176,860	\$ 8,802,806
Net pension liability as a percentage of covered-employee payroll	76.87%	23.55%	30.81%	38.56%	56.58%	35.56%	47.93%	47.40%	33.13%

Note: 2015 was the first year of implementation. Therefore, only eight years are shown.

Harris County, Georgia
Required Supplementary Information
Schedule of Contributions
Last Ten Years
Harris County Defined Benefit Plan
June 30, 2023
(Unaudited)

	Year End	Year End	Year End	Year End	Year End	Year End	Year End	Year End	Year End
	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 1,284,122	\$ 1,185,676	\$ 998,148	\$ 904,162	\$ 841,088	\$ 877,599	\$ 885,586	\$ 829,984	\$ 784,977
Contributions in relation to the actuarially determined contribution	(1,284,122)	(1,185,676)	(998,148)	(904,162)	(841,088)	(877,599)	(885,586)	(829,984)	(784,977)
Contribution deficiency (excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered-employee payroll	\$ 13,828,269	\$ 12,992,782	\$ 10,828,784	\$ 10,343,244	\$ 10,020,638	\$ 9,634,927	\$ 9,389,612	\$ 9,176,860	\$ 8,802,806
Contributions as a percentage of covered-employee payroll	9.29%	9.13%	9.22%	8.74%	8.39%	9.11%	9.43%	9.04%	8.92%

Note: 2015 was the first year of implementation. Therefore, only eight years are shown.

Harris County, Georgia
General Fund
Comparative Balance Sheet
June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Assets		
Cash and cash equivalents	\$ 4,751,525	\$ 3,061,024
Investments	13,174,006	15,605,441
Receivables:		
Accounts	14,591	175,355
Property taxes	32,968	213,170
TAVT	250,293	217,242
Sales taxes	248,606	271,196
Intergovernmental	125,137	89,842
Interfund	5,720,210	4,047,493
Inventory	180,674	179,734
Prepaid items	79,296	456,374
Total Assets	<u>\$ 24,577,306</u>	<u>\$ 24,316,871</u>
Liabilities, Deferred Inflows of Resources and Fund Balances		
Liabilities		
Accounts payable	\$ 348,118	\$ 437,702
Retainage payable	215,472	28,975
Accrued expenditures payable	484,777	810,378
Deposit payable	2,508	2,508
Unearned revenue	180,000	-
Total Liabilities	1,230,875	1,279,563
Deferred Inflows of Resources - Property Taxes	175,489	89,202
Total Liabilities and Deferred Inflows of Resources	<u>1,406,364</u>	<u>1,368,765</u>
Fund Balances		
Nonspendable - not in spendable form	259,970	636,108
Restricted	16,110	27,217
Assigned	6,145,297	6,235,859
Unassigned	16,749,565	16,048,922
Total Fund Balances	<u>23,170,942</u>	<u>22,948,106</u>
Total Liabilities, Deferred Inflow of Resources and Fund Balances	<u>\$ 24,577,306</u>	<u>\$ 24,316,871</u>

Harris County, Georgia
General Fund
Comparative Statement of Revenues, Expenditures and
Changes in Fund Balances
For the Years Ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Revenues		
Taxes	\$ 23,449,183	\$ 22,220,503
Intergovernmental	857,007	852,853
Licenses and permits	552,464	572,078
Charges for services	4,156,259	3,796,786
Fines and forfeitures	706,559	673,309
Investment earnings	572,573	39,160
Contributions and donations	116,478	45,990
Miscellaneous	41,077	34,190
Total Revenues	<u>30,451,600</u>	<u>28,234,869</u>
Expenditures		
Current:		
General government	4,709,180	4,095,665
Judicial	2,048,798	1,811,263
Public safety	15,253,608	13,032,816
Public works	3,616,397	3,406,517
Health and welfare	277,170	277,495
Culture and recreation	2,713,730	1,900,315
Housing and development	750,496	724,058
Principal	83,532	80,623
Interest	6,766	9,675
Total Expenditures	<u>29,459,677</u>	<u>25,338,427</u>
(Deficiency) of Revenues (Under) Expenditures	<u>991,923</u>	<u>2,896,442</u>
Other Financing Sources (Uses)		
Proceeds from the sale of capital assets	39,604	31,640
Transfers (out)	(808,691)	(642,488)
Other Financing Sources (Uses)	<u>(769,087)</u>	<u>(610,848)</u>
Net Change in Fund Balances	222,836	2,285,594
Fund Balances Beginning of Year	<u>22,948,106</u>	<u>20,662,512</u>
Fund Balances End of Year	<u>\$ 23,170,942</u>	<u>\$ 22,948,106</u>

Harris County, Georgia
General Fund
Schedule of Revenues and Other Financing Sources - Budget and Actual
For the Year Ended June 30, 2023
(With Comparative Actual Amounts for The Year Ended June 30, 2022)

	2023			2022	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Taxes					
Real property					
Current	\$ 13,700,000	\$ 13,700,000	\$ 14,003,796	\$ 303,796	\$ 13,164,196
Delinquent	75,000	75,000	71,138	(3,862)	61,656
Timber	35,000	35,000	32,562	(2,438)	24,252
Personal property					
Motor vehicle tax	100,000	100,000	119,636	19,636	149,635
Motor vehicle title ad valorem tax (TAVT)	2,454,366	2,454,366	2,706,669	252,303	2,413,737
Motor vehicle alternate ad valorem tax (AAVT)	15,000	15,000	22,312	7,312	27,327
Mobile home	12,000	12,000	12,119	119	12,145
Intangibles	500,000	500,000	253,969	(246,031)	435,238
Real estate transfer tax	220,000	220,000	230,500	10,500	262,647
Franchise taxes	140,000	140,000	112,916	(27,084)	133,558
Local option sales and use tax	2,600,000	2,600,000	2,998,931	398,931	2,893,251
Business taxes					
Alcoholic beverage excise tax	175,000	175,000	135,478	(39,522)	180,780
Business and occupation tax	70,000	70,000	71,719	1,719	72,149
Financial institutions	25,000	25,000	30,990	5,990	27,047
Insurance premium tax	2,175,000	2,175,000	2,329,219	154,219	2,113,641
Penalties and interest on delinquent taxes					
FIFA	30,000	30,000	29,607	(393)	30,902
Interest and penalties	250,000	250,000	287,622	37,622	218,342
Total Taxes	22,576,366	22,576,366	23,449,183	872,817	22,220,503
Licenses and Permits					
Business licenses - alcoholic beverages	50,000	50,000	111,765	61,765	53,531
Non-business licenses and permits					
Building permits	350,000	350,000	424,982	74,982	503,726
Land disturbance permits	5,000	5,000	8,092	3,092	6,721
Driveway permits	5,000	5,000	3,425	(1,575)	6,100
Fireworks permits	100	100	0	(100)	100
Manufactured housing permits	1,000	1,000	4,200	3,200	1,900
Total Licenses and Permits	411,100	411,100	552,464	141,364	572,078
Intergovernmental					
Federal					
GOHS grant-PS	-	-	-	-	2,891
EMA-PS	9,607	9,607	8,647	(960)	9,607
State					
LMIG-PW	812,000	812,000	827,092	15,092	811,925
RTP-Ellerslie Park	49,000	49,000	-	-	-
GSWCC Watershed Dam-PW	1,500	1,500	3,000	1,500	1,500
EMS-PS	4,500	4,500	5,347	847	8,385
WC safety grant-GG	5,000	5,000	5,712	712	5,896
Wellness grant-GG	3,000	3,000	7,209	4,209	12,649
Total Intergovernmental	884,607	884,607	857,007	21,400	852,853
Totals carried forward	23,872,073	23,872,073	24,858,654	1,035,581	23,645,434

(continued)

Harris County, Georgia
General Fund
Schedule of Revenues and Other Financing Sources - Budget and Actual
For the Year Ended June 30, 2023
(With Comparative Actual Amounts for The Year Ended June 30, 2022)

(continued)

	2023			2022	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Brought forward	\$ 23,872,073	\$ 23,872,073	\$ 24,858,654	\$ 1,035,581	\$ 23,645,434
Revenues					
Charges for Services					
General government					
Sale of maps	250	250	380	130	860
Sale of computer lists	500	500	-	(500)	110
Copies and facsimiles	1,500	1,500	3,552	2,052	1,385
Election Qualifying Fees	250	250	-	(250)	2,124
Returned Check Fees	100	100	30	(70)	30
Solid Waste Fund Indirect Cost	100,000	100,000	100,000	-	100,000
County Jail Fund Indirect Cost	70,000	70,000	70,000	-	65,000
Water Works Fund Indirect Cost	100,000	100,000	100,000	-	100,000
Commissions on tax collections	660,000	660,000	692,673	32,673	653,918
Judicial					
Superior court website fees	-	-	-	-	25
Public safety					
Ambulance	900,000	900,000	1,132,804	232,804	966,008
Corrections - boarding	1,200,000	1,200,000	1,255,738	55,738	1,174,910
State inmate boarding	20,000	20,000	53,811	33,811	17,500
Federal prison commission	20,000	20,000	102,096	82,096	90,408
Commissions - jail	5,000	5,000	21,984	16,984	11,458
Commissions - corrections	60,000	60,000	78,899	18,899	61,815
Sheriff receipts	20,000	20,000	30,007	10,007	25,187
Public works					
DOT crew	39,500	39,500	39,500	-	39,500
Pipe sales	25,000	25,000	35,602	10,602	42,961
Work crew-City of Manchester	50,000	50,000	67,484	17,484	47,180
Work crew-Talbot County	50,000	50,000	62,346	12,346	54,792
Work crew-City of West Point	50,000	50,000	60,590	10,590	59,717
Work crew-Meriwether County	50,000	50,000	68,918	18,918	59,384
IT Tech-Meriwether County	26,500	26,500	-	(26,500)	-
Animal control fees	10,000	10,000	9,475	(525)	14,271
Culture and recreation					
Community center	60,000	60,000	155,302	95,302	192,744
Housing and development					
Zoning fees and appeals	5,000	5,000	11,690	6,690	4,721
Plat and plan review fees	5,000	5,000	3,378	(1,622)	10,778
Total Charges for Services	<u>3,528,600</u>	<u>3,528,600</u>	<u>4,156,259</u>	<u>627,659</u>	<u>3,796,786</u>
Fines and Forfeitures					
Superior court	175,000	175,000	115,015	(59,985)	150,232
Magistrate court	40,000	40,000	29,964	(10,036)	36,345
Probate court	450,000	450,000	561,580	111,580	486,732
Total Fines and Forfeitures	<u>665,000</u>	<u>665,000</u>	<u>706,559</u>	<u>41,559</u>	<u>673,309</u>
Investment Earnings	<u>15,000</u>	<u>15,000</u>	<u>572,573</u>	<u>557,573</u>	<u>39,160</u>
Contributions and Donations	<u>10,000</u>	<u>10,000</u>	<u>116,478</u>	<u>106,478</u>	<u>45,990</u>
Miscellaneous					
Rents and royalties	8,500	8,500	9,725	1,225	2,914
Other					
Restitution	-	-	4,846	4,846	2,670
Reimbursement for damaged property	-	-	25,416	25,416	28,438
Miscellaneous	-	-	1,090	1,090	168
Total Miscellaneous	<u>8,500</u>	<u>8,500</u>	<u>41,077</u>	<u>32,577</u>	<u>34,190</u>
Total Revenues	<u>28,099,173</u>	<u>28,099,173</u>	<u>30,451,600</u>	<u>2,401,427</u>	<u>28,234,869</u>
Other Financing Sources:					
Proceeds from the sale of capital assets	25,000	25,000	39,604	14,604	31,640
Use of Reserves	6,235,859	6,733,174	-	(6,733,174)	-
Total Other Financing Sources	<u>6,260,859</u>	<u>6,758,174</u>	<u>39,604</u>	<u>(6,718,570)</u>	<u>31,640</u>
Total Revenues and Other Financing Sources	<u>\$ 34,360,032</u>	<u>\$ 34,857,347</u>	<u>\$ 30,491,204</u>	<u>\$ (4,317,143)</u>	<u>\$ 28,266,509</u>

Harris County, Georgia
General Fund
Schedule of Expenditures and Other Financing Uses - Budget and Actual
For the Year Ended June 30, 2023
(With Comparative Actual Amounts for The Year Ended June 30, 2022)

	2023			Variance	2022
	Original Budget	Final Budget	Actual	With Final Budget	Actual
Expenditures					
General Government					
Voter Registration					
Personal services	\$ 108,680	\$ 123,680	\$ 120,447	\$ 3,233	\$ 111,241
Purchased/contracted services	83,200	83,200	76,767	6,433	70,427
Supplies	12,800	12,800	8,069	4,731	1,513
Total Elections	204,680	219,680	205,283	14,397	183,181
General Administration					
Personal services	838,700	838,700	835,404	3,296	708,392
Purchased/contracted services	326,100	326,100	368,626	(42,526)	296,235
Supplies	33,350	33,350	36,442	(3,092)	29,635
Total Administration	1,198,150	1,198,150	1,240,472	(42,322)	1,034,262
Board of Commissioners					
Personal services	157,800	157,800	134,627	23,173	114,025
Purchased/contracted services	27,150	27,150	31,789	(4,639)	33,922
Supplies	2,300	2,300	344	1,956	2,650
Total Board of Commissioners	187,250	187,250	166,760	20,490	150,597
Board of Equalization					
Personal services	-	-	1,938	(1,938)	-
Purchased/contracted services	9,150	9,150	1,245	7,905	3,410
Supplies	200	200	768	(568)	129
Total Board of Equalization	9,350	9,350	3,951	7,337	3,539
Information Technology					
Personal services	219,555	219,555	185,484	34,071	153,154
Purchased/contracted services	210,700	210,700	203,131	7,569	196,050
Supplies	38,700	38,700	37,938	762	28,984
Capital outlay	-	-	-	-	5,692
Total Information Technology	468,955	468,955	426,553	42,402	383,880
Tax Commissioner					
Personal services	528,372	528,372	499,084	29,288	478,475
Purchased/contracted services	69,700	69,700	72,457	(2,757)	61,516
Supplies	12,000	12,000	10,713	1,287	12,624
Total Tax Commissioner	610,072	610,072	582,254	27,818	552,615
Tax Assessor					
Personal services	685,200	685,200	732,748	(47,548)	618,599
Purchased/contracted services	82,100	87,100	81,823	5,277	73,581
Supplies	15,400	15,400	14,101	1,299	13,634
Capital outlay	-	-	-	-	21,950
Total Tax Assessor	782,700	787,700	828,672	(40,972)	727,764
Totals carried forward	3,461,157	3,481,157	3,453,945	29,150	3,035,838

(continued)

Harris County, Georgia
General Fund
Schedule of Expenditures and Other Financing Uses - Budget and Actual
For the Year Ended June 30, 2023
(With Comparative Actual Amounts for The Year Ended June 30, 2022)

	2023			2022	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Totals brought forward	\$ 3,461,157	\$ 3,481,157	\$ 3,453,945	\$ 29,150	\$ 3,035,838
Expenditures					
Buildings and Plant					
Personal services	411,050	411,050	419,786	(8,736)	339,531
Purchased/contracted services	167,300	287,300	265,237	22,063	184,776
Supplies	162,870	162,870	143,414	19,456	146,230
Capital outlay	58,000	58,000	50,436	7,564	-
Total Buildings and Plant	799,220	919,220	878,873	40,347	670,537
Operations					
Purchased/contracted services	64,500	64,500	54,382	10,118	105,150
Supplies	34,800	34,800	14,130	20,670	33,196
Total Operations	99,300	99,300	68,512	30,788	138,346
Pensions and Insurance					
Property and Casualty	308,000	308,000	307,850	150	250,944
Total Pensions and Insurance	308,000	308,000	307,850	150	250,944
Total General Government	4,667,677	4,807,677	4,709,180	100,435	4,095,665
Judicial					
Superior Court					
Personal services	533,662	544,304	518,467	25,837	485,010
Purchased/contracted services	161,750	161,750	142,310	19,440	118,863
Supplies	14,500	14,500	14,003	497	9,263
Total Superior Court	709,912	720,554	674,780	45,774	613,136
Probate Court					
Personal services	384,242	384,242	362,859	21,383	323,828
Purchased/contracted services	34,000	34,000	19,487	14,513	21,101
Supplies	24,000	24,000	17,922	6,078	15,866
Total Probate Court	442,242	442,242	400,268	41,974	360,795
Court Services					
Personal services	149,110	149,110	145,388	3,722	129,244
Purchased/contracted services	288,900	288,900	245,849	43,051	230,775
Supplies	16,500	16,500	11,402	5,098	2,103
Total Court Services	454,510	454,510	402,639	51,871	362,122
Magistrate Court					
Personal services	299,772	299,772	301,410	(1,638)	257,987
Purchased/contracted services	14,700	14,700	10,856	3,844	6,568
Supplies	14,500	14,500	6,295	8,205	6,425
Total Magistrate Court	328,972	328,972	318,561	10,411	270,980
Totals carried forward	6,603,313	6,753,955	6,505,428	250,465	5,702,698

(continued)

Harris County, Georgia
General Fund
Schedule of Expenditures and Other Financing Uses - Budget and Actual
For the Year Ended June 30, 2023
(With Comparative Actual Amounts for The Year Ended June 30, 2022)

	2023			2022	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Totals brought forward	\$ 6,603,313	\$ 6,753,955	\$ 6,505,428	\$ 250,465	\$ 5,702,698
Expenditures					
Judicial (Continued)					
Assistant District Attorney					
Personal services	365,278	365,278	302,914	62,364	268,294
Purchased/contracted services	14,000	14,000	10,134	3,866	6,475
Supplies	11,371	11,371	8,576	2,795	11,025
District attorney reimbursement	-	-	(69,074)	69,074	(81,564)
Total Assistant District Attorney	<u>390,649</u>	<u>390,649</u>	<u>252,550</u>	<u>138,099</u>	<u>204,230</u>
Total Judicial	<u>2,326,285</u>	<u>2,336,927</u>	<u>2,048,798</u>	<u>288,129</u>	<u>1,811,263</u>
Totals carried forward	<u>6,993,962</u>	<u>7,144,604</u>	<u>6,757,978</u>	<u>388,564</u>	<u>5,906,928</u>

(continued)

Harris County, Georgia
General Fund
Schedule of Expenditures and Other Financing Uses - Budget and Actual
For the Year Ended June 30, 2023
(With Comparative Actual Amounts for The Year Ended June 30, 2022)

	2023			2022	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Totals brought forward	\$ 6,993,962	\$ 7,144,604	\$ 6,757,978	\$ 388,564	\$ 5,906,928
Expenditures					
Public Safety					
Sheriff					
Personal services	4,458,804	4,383,804	3,987,355	396,449	3,744,054
Purchased/contracted services	213,000	213,000	242,507	(29,507)	187,753
Supplies	374,800	374,800	403,477	(28,677)	369,243
Total Sheriff	<u>5,046,604</u>	<u>4,971,604</u>	<u>4,633,339</u>	<u>338,265</u>	<u>4,301,050</u>
Emergency Medical					
Personal services	2,691,700	2,691,700	2,683,568	8,132	2,506,252
Purchased/contracted services	188,250	188,250	194,299	(6,049)	323,118
Supplies	164,209	164,209	177,689	(13,480)	151,598
Capital outlay	3,000,000	3,000,000	1,252,482	1,747,518	21,172
Total Emergency Medical	<u>6,044,159</u>	<u>6,044,159</u>	<u>4,308,038</u>	<u>1,736,121</u>	<u>3,002,140</u>
Jail Operations					
Personal services	1,762,000	1,762,000	1,779,842	(17,842)	1,608,853
Purchased/contracted services	422,390	422,390	381,192	41,198	391,378
Supplies	142,000	142,000	132,606	9,394	130,412
Capital outlay	42,500	124,815	124,715	100	-
Total Jail Operations	<u>2,368,890</u>	<u>2,451,205</u>	<u>2,418,355</u>	<u>32,850</u>	<u>2,130,643</u>
Corrections					
Personal services	2,366,720	2,366,720	2,236,107	130,613	2,033,889
Purchased/contracted services	216,550	226,550	224,284	2,266	186,378
Supplies	534,800	617,800	602,480	15,320	572,528
Capital outlay	35,100	35,100	41,996	(6,896)	308,991
Total Corrections	<u>3,153,170</u>	<u>3,246,170</u>	<u>3,104,867</u>	<u>141,303</u>	<u>3,101,786</u>
Totals carried forward	<u>23,606,785</u>	<u>23,857,742</u>	<u>21,222,577</u>	<u>2,637,103</u>	<u>18,442,547</u>

Harris County, Georgia
General Fund
Schedule of Expenditures and Other Financing Uses - Budget and Actual
For the Year Ended June 30, 2023
(With Comparative Actual Amounts for The Year Ended June 30, 2022)

	2023			Variance With Final Budget	2022
	Original Budget	Final Budget	Actual		Actual
Totals brought forward	\$ 23,606,785	\$ 23,857,742	\$ 21,222,577	\$ 2,637,103	\$ 18,442,547
Expenditures					
Public Safety (Continued)					
Coroner					
Personal services	74,067	74,067	66,124	7,943	36,701
Purchased/contracted services	51,160	51,160	38,008	13,152	34,884
Supplies	6,575	6,575	4,081	2,494	4,892
Total Coroner/Medical Examiner	131,802	131,802	108,213	23,589	76,477
Fire Prevention					
Personal services	40,000	40,000	38,374	1,626	35,088
Purchased/contracted services	104,000	104,000	109,347	(5,347)	100,376
Supplies	10,500	10,500	683	9,817	9,624
Other costs	356,961	356,961	261,934	95,027	-
Capital outlay	483,000	483,000	270,458	212,542	275,632
Total Fire Prevention	994,461	994,461	680,796	313,665	420,720
Total Public Safety	17,739,086	17,839,401	15,253,608	2,585,793	13,032,816
Public Works					
Road Maintenance					
Personal services	1,379,350	1,379,350	1,243,031	136,319	1,192,116
Purchased/contracted services	176,300	176,300	144,539	31,761	132,743
Supplies	390,600	390,600	388,331	2,269	391,028
Capital outlay	1,149,700	1,149,700	1,002,071	147,629	1,006,695
Total Road Maintenance	3,095,950	3,095,950	2,777,972	317,978	2,722,582
Animal Control					
Personal services	233,650	233,650	189,101	44,549	158,777
Purchased/contracted services	21,850	21,850	19,886	1,964	19,479
Supplies	24,800	24,800	31,636	(6,836)	23,562
Total Animal Control	280,300	280,300	240,623	39,677	201,818
Vehicle Maintenance					
Personal services	455,346	455,346	460,776	(5,430)	408,013
Purchased/contracted services	23,300	23,300	23,249	51	18,360
Supplies	51,200	66,200	53,825	12,375	50,894
Capital outlay	59,000	59,000	59,952	(952)	4,850
Total Vehicle Maintenance	588,846	603,846	597,802	6,044	482,117
Total Public Works	3,965,096	3,980,096	3,616,397	363,699	3,406,517
Totals carried forward	28,698,144	28,964,101	25,627,983	3,338,056	22,346,261

(continued)

Harris County, Georgia
General Fund
Schedule of Expenditures and Other Financing Uses - Budget and Actual
For the Year Ended June 30, 2023
(With Comparative Actual Amounts for The Year Ended June 30, 2022)

	2023			2022	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Totals brought forward	\$ 28,698,144	\$ 28,964,101	\$ 25,627,983	\$ 3,338,056	\$ 22,346,261
Expenditures					
Health and Welfare					
Health Department					
Purchased/contracted services	250,000	250,000	250,050	(50)	250,000
Public Services					
Purchased/contracted services	34,800	34,800	27,120	7,680	27,495
Total Public Services	34,800	34,800	27,120	7,680	27,495
Total Health and Welfare	284,800	284,800	277,170	7,630	277,495
Culture and Recreation					
Culture:					
Libraries	300,000	300,000	300,000	-	263,868
Recreation:					
Personal services	457,050	457,050	437,161	19,889	370,083
Purchased/contracted services	371,800	371,800	256,171	115,629	244,059
Supplies	157,100	157,100	159,898	(2,798)	122,401
Capital outlay	782,000	782,000	737,312	44,688	398,669
Total Recreation	1,767,950	1,767,950	1,590,542	177,408	1,135,212
Community Center:					
Personal services	272,750	272,750	240,911	31,839	201,285
Purchased/contracted services	161,450	161,450	118,969	42,481	113,710
Supplies	175,500	175,500	164,446	11,054	186,240
Capital outlay	540,000	762,000	298,862	463,138	-
Total Community Center	1,149,700	1,371,700	823,188	548,512	501,235
Total Culture and Recreation	3,217,650	3,439,650	2,713,730	725,920	1,900,315
Totals carried forward	32,200,594	32,688,551	28,618,883	4,071,606	24,524,071

(continued)

Harris County, Georgia
General Fund
Schedule of Expenditures and Other Financing Uses - Budget and Actual
For the Year Ended June 30, 2023
(With Comparative Actual Amounts for The Year Ended June 30, 2022)

	2023			Variance	2022
	Original Budget	Final Budget	Actual	With Final Budget	Actual
Totals brought forward	\$ 32,200,594	\$ 32,688,551	\$ 28,618,883	\$ 4,071,606	\$ 24,524,071
Expenditures					
Housing and Development (Continued)					
Community Development					
Personal services	476,450	476,450	472,237	4,213	387,319
Purchased/contracted services	107,100	107,100	95,439	11,661	138,724
Supplies	31,500	31,500	29,635	1,865	24,634
Capital outlay	-	-	-	-	29,650
Total Community Development	<u>615,050</u>	<u>615,050</u>	<u>597,311</u>	<u>17,739</u>	<u>580,327</u>
Extension Services					
Personal services	132,400	132,400	125,391	7,009	121,007
Purchased/contracted services	20,900	20,900	18,664	2,236	14,575
Supplies	10,100	10,100	9,130	970	8,149
Total Extension Services	<u>163,400</u>	<u>163,400</u>	<u>153,185</u>	<u>10,215</u>	<u>143,731</u>
Total Housing and Development	<u>778,450</u>	<u>778,450</u>	<u>750,496</u>	<u>27,954</u>	<u>724,058</u>
Debt Service					
Principal	83,727	83,727	83,532	195	80,623
Interest	6,571	6,571	6,766	(195)	9,675
Total Debt Service	<u>90,298</u>	<u>90,298</u>	<u>90,298</u>	<u>-</u>	<u>90,298</u>
Total Expenditures	<u>33,069,342</u>	<u>33,557,299</u>	<u>29,459,677</u>	<u>4,099,560</u>	<u>25,338,427</u>
Other Financing Uses					
Transfers out:					
E-911	970,250	990,250	808,691	181,559	642,488
Airport	198,070	198,070	-	198,070	-
Total Other Financing Uses	<u>1,168,320</u>	<u>1,188,320</u>	<u>808,691</u>	<u>379,629</u>	<u>642,488</u>
Total Expenditures and Other Financing Uses	<u>\$ 34,237,662</u>	<u>\$ 34,745,619</u>	<u>\$ 30,268,368</u>	<u>\$ 4,479,189</u>	<u>\$ 25,980,915</u>

Harris County, Georgia
Combining Balance Sheet
Nonmajor Governmental Funds - By Fund Type
June 30, 2023

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets			
Cash and cash equivalents	\$ 813,134	\$ -	\$ 813,134
Restricted cash and cash equivalents	199,195	-	199,195
Receivables:			
Accounts	121,420	-	121,420
Intergovernmental	20,180	-	20,180
Interfund	257,426	-	257,426
Total Assets	\$ 1,411,355	\$ -	\$ 1,411,355
Liabilities and Fund Balances			
Liabilities			
Accounts payable	\$ 87,248	\$ -	\$ 87,248
Accrued expenditures payable	24,465	-	24,465
Interfund payable	859,998	-	859,998
Total Liabilities	971,711	-	971,711
Fund Balances			
Restricted	199,014	-	199,014
Assigned	257,426	-	257,426
Unassigned	(16,796)	-	(16,796)
Total Fund Balances	439,644	-	439,644
Total Liabilities and Fund Balances	\$ 1,411,355	\$ -	\$ 1,411,355

Harris County, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds - By Fund Type
For the Year Ended June 30, 2023

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues			
Taxes	\$ 193,746	\$ -	\$ 193,746
Intergovernmental	-	735,355	735,355
Charges for services	833,690	-	833,690
Fines and forfeitures	109,708	-	109,708
Total Revenues	1,137,144	735,355	1,872,499
Expenditures			
Current:			
Judicial	7,751	-	7,751
Public safety	1,653,695	-	1,653,695
Health and welfare	51,531	-	51,531
Housing and development	193,746	-	193,746
Debt Service:			
Principal retirement	-	645,000	645,000
Interest and fiscal charges	-	90,355	90,355
Total Expenditures	1,906,723	735,355	2,642,078
Excess (Deficiency) of Revenues Over (Under) Expenditures	(769,579)	-	(769,579)
Other Financing Sources (Uses)			
Transfers in	808,691	-	808,691
Total Other Financing Sources	808,691	-	808,691
Net Change in Fund Balances	39,112	-	39,112
Fund Balances Beginning of Year	400,532	-	400,532
Fund Balances End of Year	\$ 439,644	\$ -	\$ 439,644

Harris County, Georgia
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2023

	Hotel Motel Tax	Emergency 911	Law Library	Mental Health Center	Mental Retardation Center	Drug Abuse Treatment	Local Victim Assistance	Jail Fee	Total Nonmajor Special Revenue Funds
Assets									
Cash and cash equivalents	\$ 16,027	\$ 792,466	\$ 80,892	\$ -	\$ -	\$ 70,496	\$ 20,668	\$ 31,780	\$ 1,012,329
Receivables:									
Accounts	30,064	88,790	-	-	-	-	1,182	1,384	121,420
Interfund receivable	-	-	-	\$ 122,319	\$ 135,107	-	-	-	257,426
Intergovernmental	-	-	2,263	-	-	971	5,718	11,228	20,180
Total Assets	<u>\$ 46,091</u>	<u>\$ 881,256</u>	<u>\$ 83,155</u>	<u>\$ 122,319</u>	<u>\$ 135,107</u>	<u>\$ 71,467</u>	<u>\$ 27,568</u>	<u>\$ 44,392</u>	<u>\$ 1,411,355</u>
Total Liabilities and Fund Balances									
Liabilities									
Accounts payable	\$ 46,091	13,589	\$ -	\$ -	\$ -	\$ -	\$ 27,568	\$ -	\$ 87,248
Accrued expenditures payable	-	24,465	-	-	-	-	-	-	24,465
Interfund payable	-	859,998	-	-	-	-	-	-	859,998
Total Liabilities	<u>46,091</u>	<u>898,052</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,568</u>	<u>-</u>	<u>971,711</u>
Fund Balances									
Restricted	-	-	83,155	-	-	71,467	-	44,392	199,014
Assigned	-	-	-	122,319	135,107	-	-	-	257,426
Unassigned	-	(16,796)	-	-	-	-	-	-	(16,796)
Total Fund Balances	<u>-</u>	<u>(16,796)</u>	<u>83,155</u>	<u>122,319</u>	<u>135,107</u>	<u>71,467</u>	<u>-</u>	<u>44,392</u>	<u>439,644</u>
Total Liabilities and Fund Balances	<u>\$ 46,091</u>	<u>\$ 881,256</u>	<u>\$ 83,155</u>	<u>\$ 122,319</u>	<u>\$ 135,107</u>	<u>\$ 71,467</u>	<u>\$ 27,568</u>	<u>\$ 44,392</u>	<u>\$ 1,411,355</u>

Harris County, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2023

	Hotel Motel Tax	E911	Law Library	Mental Health Center	Mental Retardation Center	Drug Abuse Treatment	Local Victim Assistance	Jail Fee	Nonmajor Special Revenue Funds
Revenues									
Taxes	\$ 193,746	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 193,746
Charges for services	-	758,208	-	6,000	-	17,951	51,531	-	833,690
Fines and forfeitures	-	-	18,848	-	-	-	-	90,860	109,708
Total Revenues	193,746	758,208	18,848	6,000	-	17,951	51,531	90,860	1,137,144
Expenditures									
Current:									
Judicial	-	-	7,751	-	-	-	-	-	7,751
Public safety	-	1,583,695	-	-	-	-	-	70,000	1,653,695
Health and Welfare	-	-	-	-	-	-	51,531	-	51,531
Housing and development	193,746	-	-	-	-	-	-	-	193,746
Total Expenditures	193,746	1,583,695	7,751	-	-	-	51,531	70,000	1,906,723
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(825,487)	11,097	6,000	-	17,951	-	20,860	(769,579)
Other Financing Sources (Uses)									
Transfers in	-	808,691	-	-	-	-	-	-	808,691
Total Other Financing Sources (Uses)	-	808,691	-	-	-	-	-	-	808,691
Net Change in Fund Balances	-	(16,796)	11,097	6,000	-	17,951	-	20,860	39,112
Fund Balances Beginning of Year	-	-	72,058	116,319	135,107	53,516	-	23,532	400,532
Fund Balances End of Year	\$ -	\$ (16,796)	\$ 83,155	\$ 122,319	\$ 135,107	\$ 71,467	\$ -	\$ 44,392	\$ 439,644

Harris County, Georgia
Comparative Balance Sheet
Hotel/Motel Tax Fund
June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Assets		
Cash and cash equivalents	\$ 16,027	\$ 16,547
Accounts receivable	<u>30,064</u>	<u>25,536</u>
Total Assets	<u>\$ 46,091</u>	<u>\$ 42,083</u>
Liabilities		
Accounts payable	<u>\$ 46,091</u>	<u>\$ 42,083</u>
Total Liabilities	<u>46,091</u>	<u>42,083</u>
Fund Balances		
Unassigned	<u>-</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 46,091</u>	<u>\$ 42,083</u>

Harris County, Georgia
Comparative Statement of Revenues, Expenditures
and Changes in Fund Balances
Hotel/Motel Tax Fund
For the Fiscal Years Ended June 30, 2023 and 2022

	Original Budget	Final Budget	2023	Variance With Final Budget	2022
Revenues					
Hotel/Motel taxes	\$ 180,000	\$ 180,000	\$ 193,746	\$ 13,746	\$ 211,642
Penalties and Interest	-	-	-	-	258
Total Revenues	180,000	180,000	193,746	13,746	211,900
Expenditures					
<i>Current</i>					
Housing and development	180,000	180,000	193,746	(13,746)	211,900
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-
Net Changes in Fund Balances	-	-	-	-	-
Fund Balances Beginning of Year			-		-
Fund Balances End of Year			\$ -		\$ -

Harris County, Georgia
E-911 Fund
Comparative Balance Sheets
June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Assets		
Cash and cash equivalents	\$ 792,466	\$ 834,255
Accounts receivable	88,790	63,792
Prepaid expenses	-	50,203
Total Assets	<u>\$ 881,256</u>	<u>\$ 948,250</u>
Liabilities		
Accounts payable	\$ 13,589	\$ 9,847
Accrued expenditures	24,465	55,821
Interfund payable	859,998	882,582
Total Liabilities	<u>898,052</u>	<u>948,250</u>
Fund Balances		
Nonspendable	-	50,203
Unassigned	(16,796)	(50,203)
Total Liabilities and Fund Balances	<u>\$ 881,256</u>	<u>\$ 948,250</u>

Harris County, Georgia
E-911 Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2023
(With Comparative Actual Amounts for the Year Ended June 30, 2022)

	2023			2022	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Charges for services - cell	\$ 600,000	\$ 600,000	\$ 618,238	\$ 18,238	\$ 601,660
Charges for services - prepaid	145,000	145,000	139,464	(5,536)	145,784
Fireworks excise tax	250	250	506	256	439
Total Revenues	745,250	745,250	758,208	12,958	747,883
Expenditures					
Current:					
Public safety	1,715,500	1,715,500	1,583,695	131,805	1,390,371
Excess (Deficiency) of Revenues Over (Under) Expenditures	(970,250)	(970,250)	(825,487)	144,763	(642,488)
Other Financing Sources					
Transfers in	970,250	970,250	808,691	(161,559)	642,488
Net Change in Fund Balances	\$ -	\$ -	(16,796)	\$ (16,796)	-
Fund Balances Beginning of Year			-		-
Fund Balances End of Year			\$ (16,796)		\$ -

Harris County, Georgia
Law Library Fund
Comparative Balance Sheet
June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Assets		
Cash and cash equivalents	\$ 80,892	\$ 70,706
Interfund receivables	2,263	1,352
Total Assets	<u>\$ 83,155</u>	<u>\$ 72,058</u>
Fund Balances		
Restricted for law library	<u>\$ 83,155</u>	<u>\$ 72,058</u>

Harris County, Georgia
Law Library Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2023
(With Comparative Actual Amounts for the Year Ended June 30, 2022)

	<u>2023</u>			<u>2022</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>	<u>Actual</u>
Revenues					
Fines and forfeitures	\$ 24,000	\$ 24,000	\$ 18,848	\$ (5,152)	\$ 16,039
Expenditures					
Current:					
Judicial	<u>24,000</u>	<u>24,000</u>	<u>7,751</u>	<u>16,249</u>	<u>9,631</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	11,097	<u>\$ 11,097</u>	6,408
Fund Balances Beginning of Year			<u>72,058</u>		<u>65,650</u>
Fund Balances End of Year			<u>\$ 83,155</u>		<u>\$ 72,058</u>

Harris County, Georgia
Mental Health Center Fund
Comparative Balance Sheets
June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Assets		
Cash and cash equivalents	\$ -	\$ 116,319
Interfund receivables	122,319	-
Total Assets	<u>\$ 122,319</u>	<u>\$ 116,319</u>
Fund Balances		
Assigned for building maintenance and insurance	<u>\$ 122,319</u>	<u>\$ 116,319</u>

Harris County, Georgia
Mental Health Center Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2023
(With Comparative Actual Amounts for the Year Ended June 30, 2022)

	2023			2022	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Charges for services	\$ -	\$ -	\$ 6,000	\$ 6,000	\$ 6,000
Expenditures					
Current:					
Health and welfare	-	-	-	-	-
Excess of Revenues Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	6,000	<u>\$ 6,000</u>	6,000
Fund Balances Beginning of Year			<u>116,319</u>		<u>110,319</u>
Fund Balances End of Year			<u>\$ 122,319</u>		<u>\$ 116,319</u>

Harris County, Georgia
Mental Retardation Center Fund
Comparative Balance Sheets
June 30, 2023 and 2022

	2023	2022
Assets		
Cash and cash equivalents	\$ -	\$ 135,107
Interfund receivables	135,107	-
Total Assets	\$ 135,107	\$ 135,107
Fund Balances		
Assigned for building maintenance and insurance	\$ 135,107	\$ 135,107

Harris County, Georgia
Mental Retardation Center Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2023
(With Comparative Actual Amounts for the Year Ended June 30, 2022)

	2023			2022	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Charges for services	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures					
Current:					
Health and welfare	-	-	-	-	-
Excess of Revenues Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>	-
Fund Balances Beginning of Year			<u>135,107</u>		<u>135,107</u>
Fund Balances End of Year			<u>\$ 135,107</u>		<u>\$ 135,107</u>

Harris County, Georgia
Drug Abuse Fund
Comparative Balance Sheets
June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Assets		
Cash and cash equivalents	\$ 70,496	\$ 52,141
Interfund receivables	<u>971</u>	<u>1,375</u>
Total Assets	<u>\$ 71,467</u>	<u>\$ 53,516</u>
Fund Balances		
Restricted for public safety	<u>\$ 71,467</u>	<u>\$ 53,516</u>

Harris County, Georgia
Drug Abuse Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2023
(With Comparative Actual Amounts for the Year Ended June 30, 2022)

	<u>2023</u>			<u>2022</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>	<u>Actual</u>
Revenues					
Charges for services	\$ 28,000	\$ 28,000	\$ 17,951	\$ (10,049)	\$ 20,760
Expenditures					
Current:					
Health and welfare	28,000	28,000	-	28,000	295
Expenditures	28,000	28,000	-	28,000	295
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	17,951	<u>\$ 17,951</u>	20,465
Fund Balances Beginning of Year			53,516		33,051
Fund Balances End of Year			<u>\$ 71,467</u>		<u>\$ 53,516</u>

Harris County, Georgia
Local Victim Assistance Fund
Comparative Balance Sheets
June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Assets		
Cash and cash equivalents	\$ 20,668	\$ -
Receivables:		
Accounts	1,182	1,398
Interfund	5,718	1,515
Total Assets	<u>\$ 27,568</u>	<u>\$ 2,913</u>
Liabilities		
Accounts payable	<u>\$ 27,568</u>	<u>\$ 2,913</u>
Fund Balances		
Restricted for public safety	<u>\$ -</u>	<u>\$ -</u>

Harris County, Georgia
Local Victim Assistance Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2023
(With Comparative Actual Amounts for the Year Ended June 30, 2022)

	<u>2023</u>			<u>2022</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>	<u>Actual</u>
Revenues					
Charges for services	\$ 39,100	\$ 39,100	\$ 51,531	\$ 12,431	\$ 35,324
Expenditures					
Current:					
Health and welfare	39,100	39,100	51,531	(12,431)	35,324
Expenditures	<u>39,100</u>	<u>39,100</u>	<u>51,531</u>	<u>(12,431)</u>	<u>35,324</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>	-
Fund Balances Beginning of Year			<u>-</u>		<u>-</u>
Fund Balances End of Year			<u>\$ -</u>		<u>\$ -</u>

Harris County, Georgia
Jail Fee Fund
Comparative Balance Sheets
June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Assets		
Cash and cash equivalents	\$ 31,780	\$ 19,358
Receivables:		
Accounts	1,384	1,600
Interfund	11,228	2,574
Total Assets	<u>\$ 44,392</u>	<u>\$ 23,532</u>
Fund Balances		
Restricted for public safety	<u>\$ 44,392</u>	<u>\$ 23,532</u>

Harris County, Georgia
Jail Fee Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2023
(With Comparative Actual Amounts for the Year Ended June 30, 2022)

	2023			2022	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Court fees	\$ 70,000	\$ 70,000	\$ 90,860	\$ 20,860	\$ 61,512
Expenditures					
Current:					
Public safety	<u>65,000</u>	<u>65,000</u>	<u>70,000</u>	<u>(5,000)</u>	<u>65,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 5,000</u>	<u>\$ 5,000</u>	20,860	<u>\$ 15,860</u>	(3,488)
Fund Balances Beginning of Year			<u>23,532</u>		<u>27,020</u>
Fund Balances End of Year			<u>\$ 44,392</u>		<u>\$ 23,532</u>

Harris County, Georgia
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2023

	Public Improvements Authority	Total Nonmajor Capital Projects Funds
Assets		
Cash and cash equivalents	\$ -	\$ -
Receivables:		
Sales taxes	-	-
Interfund	-	-
Total Assets	\$ -	\$ -
Liabilities and Fund Balances		
Liabilities		
Accounts Payable	\$ -	\$ -
Retainage Payable	-	-
Interfund Payable	-	-
Total Liabilities	-	-
Fund Balances		
Restricted	-	-
Total Fund Balances	-	-
Total Liabilities Fund Balances	\$ -	\$ -

Harris County, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Funds
For the Year Ended June 30, 2023

	2023	
	Public Improvements Authority	Total Nonmajor Capital Projects Funds
Revenues		
Intergovernmental	\$ 735,355	\$ 735,355
Taxes	-	-
Interest	-	-
Total Revenues	<u>735,355</u>	<u>735,355</u>
Expenditures		
Current:		
Public Safety	-	-
Capital Outlay	-	-
Debt Service:		
Principal retirement	645,000	645,000
Interest and fiscal charges	90,355	90,355
Total Expenditures	<u>735,355</u>	<u>735,355</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>-</u>	<u>-</u>
Fund Balances Beginning of Year	<u>-</u>	<u>-</u>
Fund Balances End of Year	<u>\$ -</u>	<u>\$ -</u>

Harris County, Georgia
Comparative Balance Sheet
Public Improvements Authority Fund
June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Assets		
Restricted cash and cash equivalents	<u>\$ -</u>	<u>\$ -</u>
Fund Balances		
Restricted for debt service	<u>\$ -</u>	<u>\$ -</u>

Harris County, Georgia
Comparative Statement of Revenues, Expenditures
and Changes in Fund Balances
Public Improvements Authority Fund
For the Fiscal Years Ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Revenues		
Intergovernmental	\$ 735,355	\$ 733,868
Total Revenues	<u>735,355</u>	<u>733,868</u>
Expenditures		
<i>Debt Service</i>		
Principal	645,000	630,000
Interest	90,355	103,868
Total Expenditures	<u>735,355</u>	<u>733,868</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	-	-
Fund Balances Beginning of Year	<u>-</u>	<u>-</u>
Fund Balances End of Year	<u>\$ -</u>	<u>\$ -</u>

Harris County, Georgia
Comparative Statement of Net Position
Proprietary Fund - Water Works Fund
June 30, 2023 and 2022

Assets	2023	2022
Current Assets:		
Cash and cash equivalents	\$ 310,229	\$ 2,754,352
Restricted cash	785,104	785,104
Investments	2,808,014	1,272,500
Receivable:		
Accounts (net)	534,043	499,899
Interest	314	314
Prepaid items	-	29,485
Inventories	227,113	227,113
Total Current Assets	4,664,817	5,568,767
Noncurrent Assets:		
Capital assets:		
Nondepreciable	527,847	456,830
Depreciable, net	23,027,316	22,128,514
Total Noncurrent Assets	23,555,163	22,585,344
Deferred Outflows of Resources	552,327	283,306
Total Assets and Deferred Outflows of Resources	28,772,307	28,437,417
Liabilities		
Current Liabilities:		
Accounts payable	359,756	341,651
Accrued expenses payable	46,151	99,646
Accrued interest payable	6,218	7,230
Interfund payable	1,089,249	702,486
Customer deposits payable	473,423	497,973
Compensated absences payable	74,844	66,277
Revenue bonds payable	555,000	540,000
GEFA loans payable	170,927	168,818
Total Current Liabilities	2,775,568	2,424,081
Long-term Liabilities (net of current portion):		
Compensated absences payable	18,711	16,569
Revenue bonds payable	2,411,290	2,979,035
GEFA loans payable	2,811,320	2,982,248
Net pension liability	1,059,575	381,263
Total Long-term Liabilities	6,300,896	6,359,115
Total Liabilities	9,076,464	8,783,196
Deferred Inflows of Resources	158,616	272,890
Total Liabilities and Deferred Inflows of Resources	9,235,080	9,056,086
Net Position		
Net investment in capital assets	17,606,626	15,915,243
Restricted	311,681	322,230
Unrestricted	1,618,920	3,143,858
Total Net Position	\$ 19,537,227	\$ 19,381,331

Harris County, Georgia
Comparative Statement of Revenues,
Expenses and Changes in Fund Net Position
Proprietary Fund - Water Works Fund
For the Years Ended June 30, 2023 and 2022

	2023	2022
Operating Revenues		
Charges for services	\$ 6,800,012	\$ 5,797,666
Operating Expenses		
Personal services	2,288,771	1,836,298
Purchased services	2,063,323	1,886,230
Materials and supplies	1,187,392	1,071,414
Depreciation	1,010,858	959,105
Total Operating Expenses	6,550,344	5,753,047
Operating Income	249,668	44,619
Non-Operating Revenues (Expenses)		
Investment earnings	23,713	2,187
Interest and fiscal charges	(117,485)	(130,680)
Total Non-Operating Revenues (Expenses)	(93,772)	(128,493)
Income Before Contributions	155,896	(83,874)
Capital Contributions	-	359,328
Change in Net Position	155,896	275,454
Net Position Beginning of Year	19,381,331	19,105,877
Net Position End of Year	\$ 19,537,227	\$ 19,381,331

Harris County, Georgia
Comparative Statement of Cash Flows
Proprietary Fund - Water Works Fund
For the Years Ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Increase (Decrease) in Cash and Cash Equivalents		
Cash Flows from Operating Activities		
Cash received from customers	\$ 6,741,318	\$ 5,868,608
Cash payments to employees for services	(1,991,326)	(1,801,081)
Cash payments for goods and services	<u>(3,262,095)</u>	<u>(2,854,121)</u>
Net Cash Provided by (Used in) Operating Activities	<u>1,487,897</u>	<u>1,213,406</u>
Cash Flows from Noncapital Financing Activities		
Interfund payable	<u>386,763</u>	<u>315,446</u>
Net Cash Provided by (Used in) Noncapital Financing Activities	<u>386,763</u>	<u>315,446</u>
Cash Flows from Capital and Related Financing Activities		
Principal paid on GEFA loan	(168,818)	(127,879)
Principal paid on revenue bonds	(540,000)	(530,000)
Interest paid on capital debt	(117,485)	(130,680)
Acquisition of capital assets	(1,980,679)	(232,470)
Capital grants	<u>-</u>	<u>279,615</u>
Net Cash Provided by (Used in) Capital and Related Financing Activities	<u>(2,806,982)</u>	<u>(741,414)</u>
Cash Flows from Investing Activities		
Investment earnings	<u>23,713</u>	<u>2,327</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(908,609)	789,765
Cash and Cash Equivalents Beginning of Year	<u>4,811,956</u>	<u>4,022,191</u>
Cash and Cash Equivalents End of Year	<u>\$ 3,903,347</u>	<u>\$ 4,811,956</u>
Reconciliation to Statement of Net Position		
Cash and cash equivalents	\$ 310,229	\$ 2,754,352
Restricted	785,104	785,104
Investments	<u>2,808,014</u>	<u>1,272,500</u>
Total Cash and Cash Equivalents	<u>\$ 3,903,347</u>	<u>\$ 4,811,956</u>

(continued)

Harris County, Georgia
Comparative Statement of Cash Flows
Proprietary Fund - Water Works Fund
For the Years Ended June 30, 2023 and 2022

(continued)

	2023	2022
Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities		
Operating Income	\$ 249,668	\$ 44,619
Adjustments:		
Depreciation and amortization	1,010,858	959,105
(Increase) Decrease in Assets:		
Accounts receivable	(34,144)	16,642
Prepaid items	29,485	(9,680)
Inventories	-	(85,317)
Increase (Decrease) in Liabilities:		
Accounts payable	18,105	238,130
Accrued expenses payable	(53,495)	16,840
Customer deposits	(24,550)	14,690
Compensated absences payable	10,709	18,377
Other net	281,261	-
Net Cash Provided by (Used in) Operating Activities	\$ 1,487,897	\$ 1,213,406

Harris County, Georgia
Comparative Statement of Net Position
Proprietary Fund - Solid Waste Fund
June 30, 2023 and 2022

Assets	2023	2022
Current Assets:		
Cash and cash equivalents	\$ 799,628	\$ 479,023
Investments	6,896,105	6,715,809
Receivable:		
Accounts (net)	44,856	48,334
Prepaid items	-	15,590
Total Current Assets	7,740,589	7,258,756
Noncurrent Assets:		
Capital assets:		
Nondepreciable	199,250	250,939
Depreciable, net	2,587,249	1,494,564
Total Noncurrent Assets	2,786,499	1,745,503
Total Assets	10,527,088	9,004,259
Deferred Outflows of Resources	204,867	84,705
Total Assets and Deferred Outflows of Resources	10,731,955	9,088,964
Liabilities		
Current Liabilities:		
Accounts payable	71,670	314,583
Accrued expenses payable	16,777	39,774
Interfund payable	2,805,487	1,486,053
Compensated absences payable	26,285	18,733
Closure and postclosure care payable	25,630	29,711
Total Current Liabilities	2,945,849	1,888,854
Long-term Liabilities (net of current portion):		
Compensated absences payable	6,571	4,683
Closure and postclosure care payable	101,120	113,079
Net pension liability	420,389	141,796
Total Long-term Liabilities	528,080	259,558
Total Liabilities	3,473,929	2,148,412
Deferred Inflows of Resources	65,146	103,647
Total Liabilities and Deferred Inflows of Resources	3,539,075	2,252,059
Net Position		
Net investment in capital assets	2,786,499	1,745,503
Unrestricted	4,406,381	5,091,402
Total Net Position	\$ 7,192,880	\$ 6,836,905

Harris County, Georgia
Comparative Statement of Revenues,
Expenses and Changes in Fund Net Position
Proprietary Fund - Solid Waste Fund
For the Years Ended June 30, 2023 and 2022

	2023	2022
Operating Revenues		
Charges for services	\$ 2,451,058	\$ 2,350,776
Other financing sources	179,734	17,300
Total Operating Revenues	2,630,792	2,368,076
Operating Expenses		
Personal services	1,053,034	797,956
Purchased services	324,770	294,268
Purchased services - tipping fees	574,699	563,361
Materials and supplies	240,151	220,085
Depreciation	328,647	324,713
Total Operating Expenses	2,521,301	2,200,383
Operating Income	109,491	167,693
Non-Operating Revenues (Expenses)		
Investment earnings	246,484	18,586
Total Non-Operating Revenues (Expenses)	246,484	18,586
Income Before Transfers In and Contributions	355,975	186,279
Change in Net Position	355,975	186,279
Net Position Beginning of Year	6,836,905	6,650,626
Net Position End of Year	\$ 7,192,880	\$ 6,836,905

Harris County, Georgia
Comparative Statement of Cash Flows
Proprietary Fund - Solid Waste Fund
For the Years Ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Increase (Decrease) in Cash and Cash Equivalents		
Cash Flows from Operating Activities		
Cash received from customers	\$ 2,451,058	\$ 2,350,776
Cash payments to employees for services	(1,331,627)	(787,321)
Cash payments for goods and services	<u>(814,805)</u>	<u>(815,008)</u>
Net Cash Provided by (Used in) Operating Activities	<u>304,626</u>	<u>748,447</u>
Cash Flows from Noncapital Financing Activities		
Interfund payable	<u>1,319,434</u>	<u>1,081,753</u>
Net Cash Provided by (Used in) Noncapital Financing Activities	<u>1,319,434</u>	<u>1,081,753</u>
Cash Flows from Capital and Related Financing Activities		
Acquisition of capital assets	<u>(1,369,643)</u>	<u>(861,962)</u>
Net Cash Provided by (Used in) Capital and Related Financing Activities	<u>(1,369,643)</u>	<u>(861,962)</u>
Cash Flows from Investing Activities		
Investment earnings	<u>246,484</u>	<u>18,586</u>
Net Increase (Decrease) in Cash and Cash Equivalents	500,901	986,824
Cash and Cash Equivalents Beginning of Year	<u>7,194,832</u>	<u>6,208,008</u>
Cash and Cash Equivalents End of Year	<u>\$ 7,695,733</u>	<u>\$ 7,194,832</u>
Reconciliation to Statement of Net Position		
Cash and cash equivalents	\$ 799,628	\$ 479,023
Investments	<u>6,896,105</u>	<u>6,715,809</u>
Total Cash and Cash Equivalents	<u>\$ 7,695,733</u>	<u>\$ 7,194,832</u>

(continued)

Harris County, Georgia
Comparative Statement of Cash Flows
Proprietary Fund - Solid Waste Fund
For the Years Ended June 30, 2023 and 2022

(continued)

	2023	2022
Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities		
Operating Income	\$ 109,491	\$ 167,693
Adjustments:		
Depreciation and amortization	328,647	324,713
(Increase) Decrease in Assets:		
Accounts receivable	3,478	(11,655)
Prepaid items	15,590	(7,004)
Increase (Decrease) in Liabilities:		
Accounts payable	(242,913)	267,589
Accrued expenses payable	(22,997)	11,070
Compensated absences payable	9,440	(3,959)
Other net	103,890	-
Net Cash Provided by (Used in) Operating Activities	\$ 304,626	\$ 748,447

Harris County, Georgia
Comparative Statement of Net Position
Proprietary Fund - Airport Fund
June 30, 2023 and 2022

Assets	2023	2022
Current Assets:		
Accounts receivable	13,620	\$ 5,533
Prepaid items	9,787	12,502
Inventories	46,607	85,635
Total Current Assets	70,014	103,670
Noncurrent Assets:		
Capital assets:		
Nondepreciable	314,471	314,471
Depreciable, net	7,455,153	7,825,999
Total Noncurrent Assets	7,769,624	8,140,470
Total Assets	7,839,638	8,244,140
Deferred Outflow of Resources	26,722	11,889
Total Assets and Deferred Inflows	7,866,360	8,256,029
Liabilities		
Current Liabilities:		
Accounts payable	886	73,648
Accrued expenses payable	(1,685)	4,358
Compensated absences payable	3,563	1,146
Interfund payable	1,222,903	976,372
Total Current Liabilities	1,225,667	1,055,524
Long-term Liabilities (Net of current portion)		
Compensated absences payable	891	287
Net pension liability	47,344	11,006
Total Long-term Liabilities	48,235	11,293
Total Liabilities	1,273,902	1,066,817
Deferred Inflows of Resources	8,497	13,663
Total Liabilities and Deferred Inflows of Resources	1,282,399	1,080,480
Net Position		
Investment in capital assets	7,769,624	8,140,470
Unrestricted (deficit)	(1,185,663)	(964,921)
Total Net Position	\$ 6,583,961	\$ 7,175,549

Harris County, Georgia
Comparative Statement of Revenues,
Expenses and Changes in Fund Net Position
Proprietary Fund - Airport Fund
For the Years Ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Operating Revenues		
Hanger fees	120,934	\$ 114,976
Fuel sales	239,530	250,921
Total Operating Revenues	<u>360,464</u>	<u>365,897</u>
Operating Expenses		
Personal services	145,279	119,840
Cost of sales	204,883	243,852
Purchased services	271,129	32,647
Materials and supplies	30,190	29,810
Depreciation	370,845	374,906
Total Operating Expenses	<u>1,022,326</u>	<u>801,055</u>
Operating Loss Before Contributions and Transfers In	<u>(661,862)</u>	<u>(435,158)</u>
Contributions	<u>70,274</u>	<u>102,431</u>
Total Contributions and Transfers In	<u>70,274</u>	<u>102,431</u>
Change in Net Position	(591,588)	(332,727)
Net Position Beginning of Year	<u>7,175,549</u>	<u>7,508,276</u>
Net Position End of Year	<u>\$ 6,583,961</u>	<u>\$ 7,175,549</u>

Harris County, Georgia
Comparative Statement of Cash Flows
Proprietary Fund - Airport Fund
For the Years Ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Increase (Decrease) in Cash and Cash Equivalents		
Cash Flows from Operating Activities		
Cash received from customers	\$ 360,464	\$ 365,897
Cash payments to employees for services	(142,258)	(120,643)
Cash payments for goods and services	(526,924)	(277,788)
Net Cash Provided by (Used in) Operating Activities	<u>(308,718)</u>	<u>(32,534)</u>
Cash Flows from Noncapital Financing Activities		
Accounts receivable	(8,087)	(3,008)
Interfund payable	246,531	(22,966)
Net Cash Provided by (Used in) Noncapital Financing Activities	<u>238,444</u>	<u>(25,974)</u>
Cash Flows from Capital and Related Financing Activities		
Capital grants	70,274	102,431
Acquisition of capital assets	-	(43,923)
Net Cash Provided by (Used in) Capital and Related Financing Activities	<u>70,274</u>	<u>58,508</u>
Net Increase (Decrease) in Cash and Cash Equivalents	-	-
Cash and Cash Equivalents Beginning of Year	<u>-</u>	<u>-</u>
Cash and Cash Equivalents End of Year	<u>\$ -</u>	<u>\$ -</u>

(continued)

Harris County, Georgia
Comparative Statement of Cash Flows
Proprietary Fund - Airport Fund
For the Years Ended June 30, 2023 and 2022

(continued)

	2023	2022
Reconciliation of Operating (Loss) to Net Cash Provided by (Used in) Operating Activities		
Operating Loss	\$ (661,862)	\$ (435,158)
Adjustments:		
Depreciation and amortization	370,845	374,906
(Increase) Decrease in Assets:		
Prepaid items	2,715	(12,065)
Inventories	39,028	(30,477)
Increase (Decrease) in Liabilities:		
Accounts payable	(72,762)	71,267
Accrued expenses payable	(6,043)	(204)
Compensated absences payable	3,021	(803)
Other net	16,340	-
Net Cash Provided by (Used in) Operating Activities	\$ (308,718)	\$ (32,534)

HARRIS COUNTY, GEORGIA
 SCHEDULE OF PROJECTS CONSTRUCTED WITH SPECIAL SALES TAX PROCEEDS
 FOR THE YEAR ENDED JUNE 30, 2023

During fiscal year 2019, the County began collections of a six year special sales tax. The fund will continue to collect these taxes to April 2025.

Expenditures to date are as follows:

Project	Original estimated cost	Expenditures		
		Prior Years	Current Year	Total
Economic Development	\$ 250,000	\$ 33,495	\$ 1,534,453	\$ 1,567,948
Renovations to Courthouse, Old Library & Community Development Building	1,750,000	382,005	1,543,839	1,925,844
Public Works Facility	1,200,000	-	126,769	126,769
Public Safety	2,730,000	2,011,527	1,034,445	3,045,972
Rails to Trails Recreation Project	245,900	245,900	-	245,900
Fire	1,000,000	333,340	166,670	500,010
Broadband	1,000,000	-	-	-
Roads & Bridges				
County	982,100	-	-	-
Cities				
Hamilton	565,000	402,103	159,206	561,309
Pine Mountain	625,000	445,574	176,417	621,991
Shiloh	300,000	217,353	86,057	303,410
Waverly Hall	493,000	347,766	137,691	485,457
West Point	459,000	326,030	129,086	455,116
Community Center Debt Repayment	3,700,000	1,465,746	735,355	2,201,101
Totals	<u>\$ 15,300,000</u>	<u>\$ 6,210,839</u>	<u>\$ 5,829,988</u>	<u>\$ 12,040,827</u>

The table below reflects the status of the above sales tax projects:

Year began	Authorized amount to be collected	Amount collected to date	Interest collected to date	Expenditures to date	Amount available for future expenditures
2019	<u>\$ 15,300,000</u>	<u>\$ 15,523,243</u>	<u>\$ 124,641</u>	<u>\$ 12,040,827</u>	<u>\$ 3,607,057</u>

Independent Auditor's Report on Internal Control over Financial Reporting
And on Compliance and Other Matters Based on an
Audit of Financial Statements Performed in Accordance with
Government Auditing Standards

Harris County Board of Commissioners
Harris County, Georgia

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Harris County, Georgia (the "County") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated August 20, 2024. Our report includes a reference to other auditors who audited the financial statements of the Harris County Health Department, as described in our report on the County's financial statements. This report includes our consideration of the results of the other auditor's testing of internal control over financial reporting and compliance and other matters that are reported on separately by those auditors. However, this report, insofar as it relates to the results of the other auditors, is based solely on the reports of the other auditors.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first 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.

We did identify two deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2023-1 and 2023-2 that we consider to be material weaknesses.

Report on Compliance and Other Matters

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

The County's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the County's responses to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

Robinson, Grimes + Company, P.C.

Certified Public Accountants

August 20, 2024

Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance in Accordance with the Uniform Guidance

Harris County Board of Commissioners
Harris County, Georgia

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Harris County, Georgia's (the "County") compliance with the types of compliance requirements identified as subject to the audit in the OMB Compliance Supplement that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2023.

In our opinion, the County complied, in all material respects, with the 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, 2023.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

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

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

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

Robinson, Grimes + Company, P.C.

Certified Public Accountants

August 20, 2024

HARRIS COUNTY, GEORGIA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

FUNDING AGENCY PROGRAM/GRANT	FEDERAL ASSISTANCE LISTINGS NUMBER	PASS-THROUGH ENTITY ID NUMBER	TOTAL EXPENDITURES
DEPARTMENT OF THE TREASURY American Rescue Plan Act	21.027		<u>2,822,145</u>
Total Expenditures of Federal Awards			<u>\$ 2,822,145</u>

See Independent Auditor's Report.

HARRIS COUNTY, GEORGIA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 1: Summary of Significant Accounting Policies

Basis of Presentation - The accompanying Schedule of Expenditures of Federal Awards ("SEFA") includes the federal grant activity of Harris County, Georgia (the "County") and has been prepared utilizing the accrual basis of accounting.

The information in the SEFA is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations for Federal Awards ("Uniform Guidance"). Because the SEFA presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position or changes in net position of the County.

NOTE 2: De Minimis Indirect Cost Rate

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

HARRIS COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2023

Summary of Auditor's Results

1. An unmodified opinion, dated August 20, 2024, was issued on the financial statements for the year ended June 30, 2023.
2. The “Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards dated August 20, 2024, disclosed two material weakness for the year ended June 30, 2023.
3. The “Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards” dated August 20, 2024, disclosed no instances of noncompliance for the year ended June 30, 2023.
4. The “Independent Auditor’s Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance in Accordance with the Uniform Guidance” dated August 20, 2024, disclosed no significant deficiencies or material weaknesses in internal control over major programs for the year ended June 30, 2023.
5. An unmodified opinion, dated August 20, 2024, was issued on the County’s compliance with its major federal program in the “Independent Auditor’s Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance in Accordance with the Uniform Guidance” for the year ended June 30, 2023.
6. No audit findings were disclosed as required under section 2 CFR 200.516(a) of the Uniform Guidance for the year ended June 30, 2023.
7. The County’s major program for the year ended June 30, 2023 is the American Rescue Plan Act, Federal Assistance Listings Number 21.027.
8. The dollar threshold used to distinguish between Type A and Type B programs was \$750,000, as described in section 200.518 of the Uniform Guidance.
9. The County did not qualify as a low-risk auditee for the year ended June 30, 2023 as described in section 200.520 of the Uniform Guidance.

Harris County, Georgia
Schedule of Findings and Questioned Costs
For the year ended June 30, 2023

FINDINGS RELATED TO THE FINANCIAL STATEMENTS

MATERIAL WEAKNESSES

2023-1 Limited Segregation of Duties

Condition and Criteria – Limited segregation of duties in certain County offices is presently in place.

Cause – Due to the limited number of employees in the finance department and certain other County offices, there is not adequate segregation of duties as it relates to certain accounting procedures, the financial reporting process and the information technology environments.

Effect – The resulting effect is increased risk of errors and irregularities that could lead to misstatement of the financial statements.

Recommendation –The Board of Commissioners and management should be conscious of this limited segregation of duties and provide for adequate review of all financial information and provide oversight where practical. In addition, steps should be taken to ensure adequate controls are in place over computer hardware and software components to protect and safeguard financial and personnel data.

Response – The County concurs with the auditor’s recommendation and will provide appropriate oversight.

Harris County, Georgia
Schedule of Findings and Questioned Costs
For the year ended June 30, 2023

FINDINGS RELATED TO THE FINANCIAL STATEMENTS (continued)

2023-2 Internal Control over Financial Reporting

Condition and Criteria - Traditionally, the County has maintained and presented its internal financial statements in a budget comparison format, along with a comparative balance sheet. County management has requested that the external auditors prepare the year-end financial statements and related disclosures, due to their familiarity with financial statement presentation in accordance with U.S. generally accepted accounting principles ("GAAP"). While a number of year-end entries have been necessary to convert these statements into those used for external purposes, the basic internal financial statements have normally required minimal adjustment. During the current year, significant additional adjustments were required to be made to various accounts in order to present financial statements in accordance with GAAP.

Cause – Due to turnover in the County finance department, the County lacked the technical skills to maintain accounting records in accordance with GAAP and was unable to timely provide audit backup to enable financial statements to be audited and presented for executive management and board oversight.

Effect - The County's financial statements required significant adjustments in order to comply with GAAP standards. Due to the number of adjustments required and since the auditor's work cannot be considered a part of the County's internal control system, a material weakness exists in regard to the year-end financial reporting process.

Recommendation - The County should devote appropriate resources to staffing and training and documentation of accounts and year-end close processes as well as provide adequate resources for cross-training of accounting and finance personnel. This would limit the number of audit adjustments needed to complete the year-end financial reporting process.

Response - The County concurs with the auditor's recommendation and will devote adequate staffing resources for cross-training and to establish processes and procedures over financial reporting.

Harris County, Georgia
Schedule of Findings and Questioned Costs
For the year ended June 30, 2023

FINDINGS RELATED TO THE FINANCIAL STATEMENTS (continued)

2022-1 Limited Segregation of Duties

Condition and Criteria – Limited segregation of duties in certain County offices is presently in place.

Status – Unresolved: See current year compliance finding 2023-1.

FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

There were no findings and questioned costs for federal awards (as defined in 2 CFR 200.516(a)) that were required to be reported.