

BUTTS COUNTY, GEORGIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2023**

**Prepared by:
Butts County Finance Department**

BUTTS COUNTY, GEORGIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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I. INTRODUCTORY SECTION



BOARD OF COMMISSIONERS

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December 28, 2023

To the Honorable Members of the Butts County Board of Commissioners, and the Citizens of Butts County, Georgia:

State law requires that all general-purpose local governments publish a complete set of financial statements presented in conformity with general accepted accounting principles ("GAAP") and audited in accordance with generally accepted government auditing standards by a firm of licensed certified public accountants within six months of the close of each fiscal year. Pursuant to that requirement, we hereby issue the Annual Comprehensive Financial Report of Butts County, Georgia for the fiscal year ended June 30, 2023.

This report consists of management's representations concerning the finances of Butts County, Georgia. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of Butts County has established a comprehensive internal control framework that is designed to protect the government's assets from loss, theft, or misuse and to compile sufficiently reliable information for the preparation of Butts County's financial statement in accordance with Generally Accepted Accounting Principles ("GAAP"). Because the cost of internal controls should not exceed the anticipated benefits, Butts County's comprehensive framework of internal controls has been designed to provide reasonable assurance that the financial statements will be free of any material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material aspects.

Butts County's financial statements have been audited by Mauldin & Jenkins, LLC, a firm of certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County are free of material misstatement. Our auditors have issued an unmodified opinion on Butts County's financial statements for the year ended June 30, 2023. The independent auditor's report is located at the front of the financial section of this report.

Management's Discussion and Analysis ("MD&A") immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements.

Profile of the Government

Butts County was created in 1825 from portions of Henry and Monroe Counties. Georgia's 64th county was named by the Georgia General Assembly in honor of Samuel Butts, an officer who was killed in the Creek War in 1814. There are three cities located within the 188 -square-mile County: Jackson, Flovilla and Jenkinsburg with Jackson holding the County Seat. Butts County, Georgia is located approximately 40 miles south of Atlanta with a base population of 26,649, which grew by 3.4% over the past year.

The governing authority of Butts County is a Board of Commissioners consisting of five members with one member serving as the Chairman of the Board. The Chairman is appointed each year by the board itself. The commissioners serve on a part-time basis and are elected to staggered terms of four years. The Commissioners are responsible for passing ordinances, adopting the budget, establishing tax rates, appointing committees, and appointing the County attorney. The County Manager, appointed by the board, oversees the day-to-day operations of the County, including offering positions of classified employment, as well as appointing heads of various departments.

Butts County provides a full range of services, including law enforcement and a detention facility, fire protection, ambulance services and emergency management; maintenance of buildings, parks, streets, highways, bridges and other associated infrastructure; voter registration and elections; court system; tax assessment and tax collection; planning, zoning and development; building inspections; senior services; recreation; solid waste management and recycling; animal control; E-911 emergency communications; and general administrative and support services.

This report includes all funds of the County, as well as those component units that have been determined to meet the criteria for inclusion in the County's reporting entity. Butts County Department of Public Health, Butts County Industrial Development Authority and the Development Authority of Butts County are all included as an integral part of Butts County's financial statements. Additional information on all the legally separate entities can be found in Notes to the Financial Statements.

The annual budget serves as the foundation for Butts County's financial planning and control. All departments and agencies of Butts County are required to submit requests for appropriation to the Chief Financial Officer and County Manager during the budget process each year. These requests are then used as the starting point for developing a proposed budget. The County Manager and Chief Financial Officer then present the proposed budget to the Board of Commissioners for review before June. The Board of Commissioners is required to hold public hearings on the proposed budget and to adopt a final budget no later than June 30th, the close of Butts County's fiscal year. The appropriated budget is prepared by fund and department. The County Manager may make transfers of appropriations within a department; however, transfers of appropriations between departments and the appropriation of additional funds require the special approval of the Board of Commissioners. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund, this comparison is presented as part of the basic financial statements for the governmental funds. For governmental funds, other than the general fund, with appropriated annual budgets, this comparison is presented in the governmental fund subsection of this report.

Local Economy

Over the past ten years, the unemployment rate has dropped consistently with the exception of the temporary spike in 2020 due to COVID-19 with the unemployment rate ranging from 10 percent in June 2013 to 3.2 percent in June 2023. The State of Georgia's unemployment rate is currently 3.2 percent.

Several local industries were impacted by the tornadoes that ripped through Butts County in January 2023. The MasterBrand Cabinets manufacturing plant, and a Vantec-Hitachi Transport Systems distribution center located in the same building just off Arthur Bolton Parkway in Jackson as well as the Scott's plant in Jenkinsburg, all suffered substantial structural damage but, fortunately, with no serious injuries or loss of life.

River Park E-Commerce Center located at the northeast quadrant of Interstate 75 and GA State Route 16 (Exit 205) continues to grow. It has approximately 202.95 acres in Spalding County and 1,461.68 acres in Butts County for a total of 1,664.63 acres. Phase 3 was approved for rezoning in December of 2022, and the application for Phase 4 will be considered for final action in December of 2023. Permits have been received for approximately 5.1 million square feet of large-scale warehouse facilities. Buildings 8 and 9 which will be primarily located in Spalding County are currently under land disturbance operations. Eleven of the proposed 12 lots from Phases I and 2 are under different stages of development. The speculation building for Lot 7 (601 Logistics Parkway) has been completed. Proctor & Gamble will occupy Building 12 (950 Logistics Parkway) and is predicted to have a Certificate of Occupancy in February of 2024. The access road to Phase 3 is currently under land disturbance activities. The pads for the first commercial and retail space are also undergoing land disturbance activity.

Prologis completed its acquisition of land at the intersection of GA State Route 16 and Wallace Road of approximately 339.88 acres, and is currently fulfilling land disturbance activities for Phase I of development. Staff anticipates approximately 2.1 million square feet of structures to be included in Phase I. Phase 2 has yet to be submitted at this time. The conceptual plan includes up to 7 buildings ranging in size from 780 thousand to 1.5 million square feet in size.

Scannell has rezoned approximately 94 acres at the intersection of Bucksnot Road and GA State Route 36 with the intent to develop approximately 1.2 million square feet of warehouse space split between two structures. A Development of Regional Impact ("DRI") study has been completed and staff are awaiting land disturbance permit applications.

Hillwood has acquired and rezoned approximately 89.7 acres of land North of GA State Route 16, west of Jackson Road with the intent to develop approximately 1.3 million square feet of warehouse space split between three structures. A portion of this property is also located in Spalding County. This project is referred to as Hillwood North. Hillwood also has a project intended to be developed in Phase 2 (approximately 284 acres) of Riverview Park. The intended project will develop approximately 2.65 million square feet of warehouse split between 3 buildings. A DRI has been completed for this project known as Hillwood South.

Interstate Health Systems, LLC has rezoned approximately 46 acres of land south of GA State Route 16 at the intersection with Colwell Rd. The intended development will bring approximately 115,000 square feet of medical office buildings split between 5 structures.

Also, Butts County is becoming known for the tourism, film and television industry as well. Camera ready filming locations, including downtown Jackson, which is now the TV hometown in "Stranger Things", a hit series by Netflix. Other venues which have been featured in film and television include the Carmichael House (featured in "The Originals") and Jackson Lake (featured in the movie "Endless Love.")

Long Term Planning and Major Initiatives

Butts County will realize many other accomplishments with the SPLOST 7 revenue for various departments with the monthly collections received from the Georgia Department of Revenue over the next 1.5 years. Collections from the first 54 months of the 72 months SPLOST revenue are trending above anticipated revenue.

Recently, Butts County worked closely with the Cities of Jackson, Jenkinsburg and Flovilla to develop an Intergovernmental Sales Tax Agreement for the proposed SPLOST 8 projects. Of the projected \$40 million-dollar collections, \$12 million-dollars will be County-wide bonded capital improvement projects including an E-911 facility, recreation multipurpose facility and fire stations. The SPLOST 8 Referendum was voted on November 7, 2023, and passed by the voters of Butts County. The collections will begin on January 1, 2025, and end December 30, 2030, for a total of 72 collection months.

Butts County initiated an Impact Fee Study with the intent to amend our Capital Improvements Element and Methodology Report. The plan will update our plan, which was implemented in 2007. The study will incorporate the needs of the County with an updated allocation base. As the County continues to grow, so does the demand for levels of services provided by the County. The updated plan will adjust to modern day demand, and channel fees in new directions. Ross+ & Associates and Hatley Plans, Inc are the team working with the County.

Another project completed for Butts County was the creation of the 1-75 Southwest Transportation Zone Plan. The goal of this project was to create a range of strategies that will enhance the County's transportation needs in the defined service area, and to improve and increase the capacity of the area's road network to best serve the current and projected industrial, commercial, and residential growth that will be using the roads. This project addressed issues such as road capacity, interstate ingress and egress traffic, peak traffic surge from shut-downs, school traffic and truck traffic. A clear and achievable strategy has been developed to expand and improve the surface transportation network within the zone over the next 10 years (short-term) and 25 years (long-term).

Three Points Planning has also been retained by the County to bring a much-needed ordinance update. With the rapid growth and evolving possibilities for land use, the County is in need of incorporating modern standards to our Unified Development Ordinance. The four-phase update will include creating and updating the residential and subdivision architectural and development guidelines, revision to our I-75 Overlay District, updates to our Commercial & Industrial development standards, and a general update to align our dated code with modern State & Federal minimum requirements.

Great improvements were made during the year in enhancing the rolling stock of the County. Both fleet service vehicles and special service vehicles were acquired for various departments including public works, senior center, and tax assessors. Two fire pumper vehicles were added to the special service vehicle stock to improve the fire department.

Relevant Financial Policies

The Board continues to support the previously adopted financial policy requiring a fund reserve of at least four months of the total budgeted appropriation to prevent the use of a tax anticipation loan in the future.

Sound financial management and legal compliance require good budgetary controls. State statutes require the County to operate under an annual balanced budget adopted by local resolution. Within each fund, expenditures may not legally exceed appropriations at the department level. Department officials have limited access to the accounting software which provides operational control of departmental budgets.

Awards & Acknowledgements

Government Finance Officers Association of the United States and Canada ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to Butts County Board of Commissioners for its annual comprehensive financial report for the fiscal year ended June 30, 2022. This was the third consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of the various departments throughout the County and the expertise of the staff of Mauldin & Jenkins, LLC. We would like to express our sincere appreciation to all members of the various departments that assisted and contributed to the preparation of this report. Finally, we would like to thank the Board of Commissioners for their leadership and support in conducting the financial affairs of Butts County in a responsible manner.

Respectfully submitted,



Brad Johnson
County Manager



Rhonda Blissit
Chief Financial Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Butts County
Georgia**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

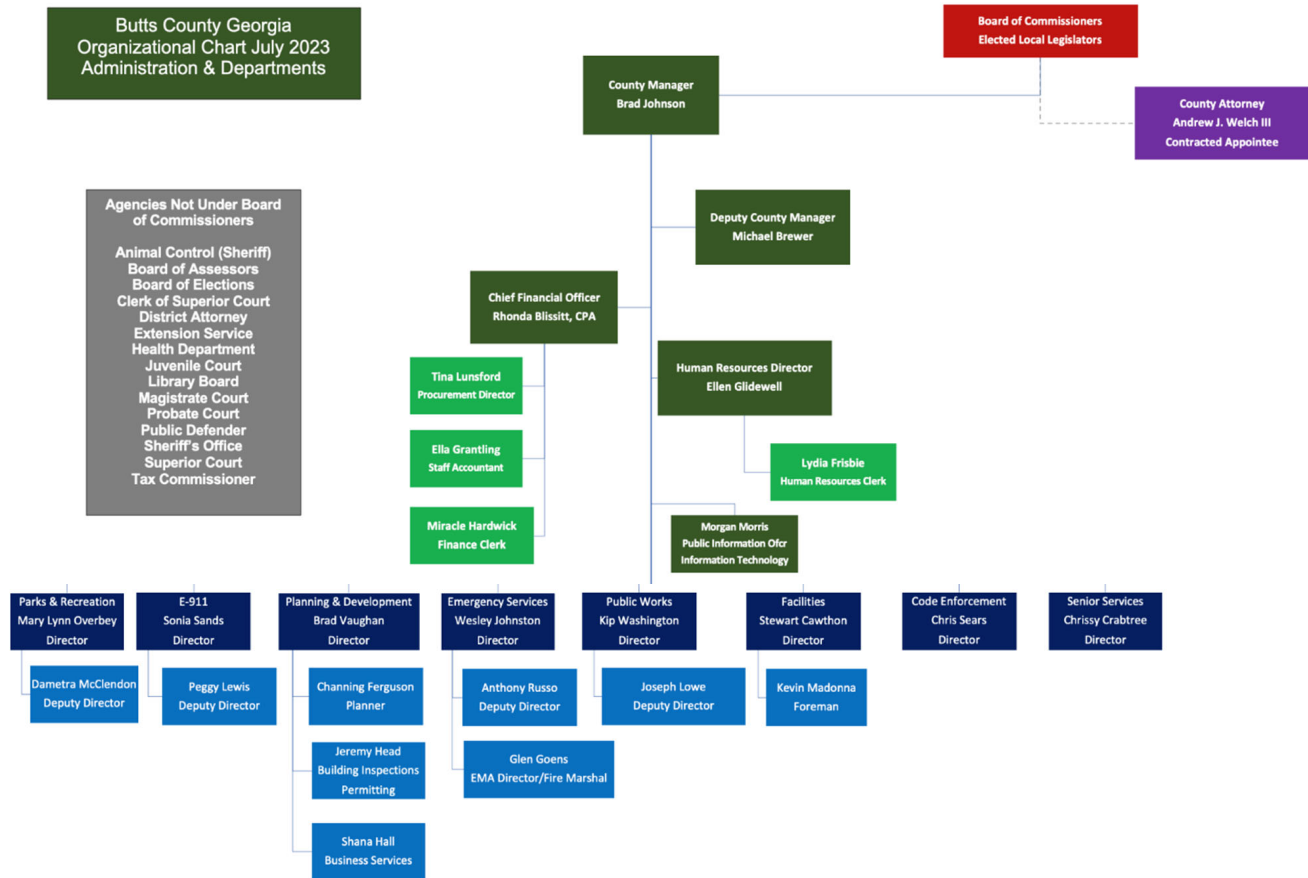
Christopher P. Morill

Executive Director/CEO

BUTTS COUNTY, GEORGIA

ORGANIZATIONAL CHART

JUNE 30, 2023



BUTTS COUNTY, GEORGIA

LIST OF PRINCIPAL OFFICIALS AS OF JUNE 30, 2023

BOARD OF COMMISSIONERS

Joe Brown, Jr., Chairman/Commissioner, District 3
J. Keith Douglas, Vice-Chairman/Commissioner, District 4
Ken Rivers, Commissioner District 1
Robert L. Henderson, Sr., Commissioner, District 2
Russ Crumbley, Commissioner, District 5

COUNTY MANAGER

Brad Johnson

CHIEF FINANCIAL OFFICER

Rhonda Blissit

COUNTY ATTORNEY

Andrew J. Welch III (Andy)

SHERIFF

Gary Long

TAX COMMISSIONER

Nancy Washington

CLERK OF SUPERIOR COURT

Morgan Ward

PROBATE COURT JUDGE

Elizabeth Biles

II. FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

**Board of Commissioners
of Butts County, Georgia
Jackson, Georgia**

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the 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 the respective budgetary comparison for the General Fund, American Rescue Plan Act ("ARPA") Fund, and the Grants Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Butts County Board of Health, Development Authority of Butts County, or the Butts County Industrial Development Authority, which represent 100% percent of the assets, net position, and revenues of the aggregate discretely presented component units as of June 30, 2023, and the respective changes in financial position thereof for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Butts County Board of Health, Development Authority of Butts County, and the Butts County Industrial Development Authority, are 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 ("*Government Auditing Standards*"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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 ("MD&A") (on pages 5 through 12), the Schedule of Changes in the County's Net Pension Liability and Related Ratios (pages 57 and 58), and the Schedule of County Contributions (pages 59 and 60) be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the Required Supplementary Information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedules of expenditures of Special Purpose Local Option Sales Tax proceeds are presented for purposes of additional analysis as required by the Official Code of Georgia Annotated ("O.C.G.A.") §48-8-121, and are also not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, Combining and Individual Nonmajor Fund Financial Statements Schedules, the Schedules of Expenditures of Special Purpose Local Option Sales Tax proceeds and the schedule of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 28, 2023, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Butts County, Georgia's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Macon, Georgia
December 28, 2023

BUTTS COUNTY, GEORGIA

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2023

Within this section of Butts County, Georgia's (the "County") Annual Comprehensive Financial Report ("ACFR"), 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. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

Financial Highlights

- The County's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$94,511,034 (net position) for the fiscal year ended June 30, 2023. The County's unrestricted net position had a positive balance of \$4,477,102 for the 2023 fiscal year-end. The unrestricted balance increased by \$3,886,130 during the current fiscal year.
- At June 30, 2023, the County's governmental funds reported combined ending fund balances of \$33,174,097, an increase of \$9,914,481, or 42.63%, in comparison with the prior year. Of the total fund balance of \$33,174,097, \$10,714,251 remains in the General Fund as unassigned. This is an increase of \$1,240,850 from the last fiscal year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$10,714,251, or 41.53%, of total General Fund expenditures. Overall, the County's financial position improved during the current fiscal year.
- The 2018 Special Purpose Local Option Sales Tax ("SPLOST") Debt Service Fund and 2018 SPLOST Capital Projects Fund closed fiscal year 2022 with fund balances of \$1,831,909 and \$2,191,659, respectively. The County's 2018 SPLOST generated a total of \$7,578,226 in sales tax revenues during fiscal year 2023. The 2018 SPLOST is being used for various County projects.

Overview of the Financial Statements

This Management's Discussion and Analysis ("MD&A") 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 to facilitate analysis.

MANAGEMENT'S DISCUSSION AND ANALYSIS

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 property and 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, public safety, and streets. The County does not have any business-type activities.

The government-wide financial statements are presented on pages 13 – 15 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 currently only utilizes governmental fund types.

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.

MANAGEMENT'S DISCUSSION AND ANALYSIS

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 basic governmental fund financial statements are presented on pages 16 – 19 of this report.

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

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs.

Notes to the Basic Financial Statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 28 of this report.

Other Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information concerning the County's budget presentations. These statements and schedules demonstrate compliance with the County's adopted and final revised budget. As discussed, the County reports major funds in the basic financial statements. Combining and individual statements and schedules for nonmajor funds are presented in a subsequent section of this report beginning on page 57.

Government-wide Overall Financial Analysis

Net position may serve over time as a useful indicator of a government's financial position. Butts County's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$94,511,034 at the close of the most recent fiscal year. The largest portion of the County's net position reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that are still outstanding. The County uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the County's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

Comparative Summary of Net Position						
	Year Ended June 30, 2023		Year Ended June 30, 2022		Year Ended June 30, 2021	
	Governmental	% of	Governmental	% of	Governmental	% of
	Activities	Total	Activities	Total	Activities	Total
Assets:						
Current assets	\$ 38,301,303	34%	\$ 29,507,102	19%	\$ 18,776,077	19%
Capital assets	73,117,936	66%	74,675,880	81%	78,110,255	81%
Total assets	111,419,239	100%	104,182,982	100%	96,886,332	100%
Deferred outflow s of resources	2,038,662	100%	496,114	100%	1,922,555	100%
Liabilities:						
Current liabilities	3,500,956	19%	5,367,193	26%	5,534,762	26%
Long-term liabilities	15,392,160	81%	15,408,114	74%	15,782,983	74%
Total liabilities	18,893,116	100%	20,775,307	100%	21,317,745	100%
Deferred inflow s of resources	53,571	100%	1,912,362	100%	1,734,556	100%
Net position:						
Net investment in capital assets	68,933,441	73%	68,888,130	84%	71,929,956	95%
Restricted for capital projects	16,281,190	17%	8,360,423	10%	1,347,278	2%
Restricted for debt service	1,618,618	2%	1,586,783	2%	954,666	1%
Restricted for program purposes	3,200,683	3%	2,565,119	3%	2,824,062	4%
Unrestricted	4,477,102	5%	590,972	1%	(1,299,376)	-2%
Total net position	\$ 94,511,034	100%	\$ 81,991,427	100%	\$ 75,756,586	100%

Net position increased \$12,519,607 for governmental activities for the current fiscal year. The County's overall financial position improved during the current fiscal year 2023.

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

Comparative Summary of Changes in Net Position						
	Year Ended June 30, 2023		Year Ended June 30, 2022		Year Ended June 30, 2021	
	Governmental	% of	Governmental	% of	Governmental	% of
	Activities	Total	Activities	Total	Activities	Total
Revenues:						
Programs:						
Charges for services	\$ 15,581,149	30%	\$ 12,822,974	31%	\$ 9,429,082	27%
Operating grants and contributions	608,088	1%	539,767	1%	918,925	3%
Capital grants and contributions	3,747,142	7%	1,311,156	3%	764,353	2%
General:						
Taxes	31,930,148	62%	26,129,258	65%	22,478,992	66%
Investment earnings	48,060	0%	6,930	0%	69,474	0%
Other	-	0%	-	0%	831,902	2%
Total revenues	51,914,587	100%	40,810,085	100%	34,492,728	100%
Program Expenses:						
General government	10,558,704	27%	8,381,134	21%	7,464,792	26%
Judicial	2,006,473	5%	1,822,723	5%	1,619,245	6%
Public safety	15,863,231	41%	13,329,307	34%	13,429,161	47%
Public works	8,042,764	20%	6,152,944	16%	3,650,099	13%
Health and welfare	149,045	0%	147,283	0%	139,882	0%
Culture and recreation	1,380,966	4%	1,215,595	3%	1,240,570	4%
Economic opportunity	7,500	0%	133,715	0%	36,977	0%
Housing and development	1,196,049	3%	935,273	2%	748,256	3%
Interest on long-term debt	190,248	0%	268,114	1%	255,280	1%
Total expenses	39,394,980	100%	32,386,088	82%	28,584,262	100%
Changes in net position	12,519,607		8,423,997		5,908,466	
Beginning net position, as restated	81,991,427		73,567,430		69,848,120	
Ending net position	\$ 94,511,034		\$ 81,991,427		\$ 75,756,586	

MANAGEMENT'S DISCUSSION AND ANALYSIS

GOVERNMENTAL REVENUES

The County is heavily reliant on property taxes to support governmental operations and capital. Property taxes provided 54% of the County's total general revenues. Sales taxes are the second largest revenue source with \$12.4 million of revenues, or 39% of the total. Because of the County's cash in reserves, we have been able to earn \$48,060 in interest earnings to support governmental activities. Also, note that program revenues cover only 51% of governmental operating expenses. This means that the government's taxpayers and the County's other general governmental revenues fund 49% of the governmental activities. As a result, the general economy and the County businesses have a major impact on the County's revenue streams.

GOVERNMENTAL FUNCTIONAL EXPENSES

The public safety, public works and general government functions make up 87% of total governmental activities expenses. Public safety costs total over \$15.8 million, public works totals over \$8.0 million and general government totals over \$10.5 million. Expenditures for general government, public works, and public safety increased when compared to last year.

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 For the Year Ended June 30, 2023				Governmental Activities For the Year Ended June 30, 2022			
	Total Cost of		Net Cost of Services		Total Cost of		Net Cost of Services	
	Amount	%	Amount	%	Amount	%	Amount	%
General government	\$ 10,558,704	27%	\$ 5,161,497	27%	\$ 8,381,134	26%	\$ 5,577,563	30%
Judicial	2,006,473	5%	1,183,924	6%	1,822,723	6%	1,108,185	6%
Public safety	15,863,231	40%	10,643,342	55%	13,329,307	41%	8,439,699	46%
Public works	8,042,764	21%	(123,936)	-1%	6,152,944	19%	741,419	8%
Health and welfare	149,045	0%	149,045	1%	147,283	0%	(350,849)	-2%
Culture and recreation	1,380,966	4%	1,050,932	5%	1,215,595	4%	859,072	5%
Economic opportunity	7,500	0%	7,500	0%	133,715	0%	133,715	1%
Housing and development	1,196,049	3%	1,196,049	6%	935,273	3%	935,273	5%
Interest on long-term debt	190,248	0%	190,248	1%	268,114	1%	268,114	1%
Total	<u>\$ 39,394,980</u>	<u>100%</u>	<u>\$ 19,458,601</u>	<u>100%</u>	<u>\$ 32,386,088</u>	<u>100%</u>	<u>\$ 17,712,191</u>	<u>100%</u>

After reducing gross expenses by program revenues, public safety totals 40%.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Major Governmental Funds

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 by \$1,353,369. In fiscal year 2022, the fund balance increased by \$1,297,049. This increase resulted from an increase in property taxes over the prior year of \$1,343,418, an increase in sales over the prior year of \$665,546, and an increase in charges for services over the prior year of \$597,051. General Fund expenditures also increased by \$1,939,805. The 2018 SPLOST Capital Projects Fund revenues and transfers in from the Debt Service Fund exceeded expenditures by \$2,543,155. Major projects underway and funded by 2018 SPLOST monies included the purchase of vehicles for public safety and leisure services, public safety equipment as well as County-wide road improvements. The 2018 Debt Service Fund collected \$7,578,226 in SPLOST revenues during the current fiscal year. Of this total, \$3.2 million was transferred to the County SPLOST Capital Projects Fund and \$3.1 million was transferred to municipalities and the Butts County, et al. Water and Sewer Authority in accordance with a previously signed agreement. The Capital Improvement Fund collected \$3.6 million from the General Fund for capital projects and has cash of approximately \$3,300,000 as of year-end.

The General Fund's ending fund balance represents the equivalent of 46.3% of annual expenditures, which is slightly over five month's operations.

Budgetary Highlights

The General Fund

The County operated within its budget. Overall expenditures were \$887,569 under budget. Revenues were over budget by \$452,578.

Original budget compared to final budget. During the year, there was a need for significant amendments to increase either the original estimated revenues and original budgeted appropriations. The need was to make an amendment to reallocate appropriations among departments when it became clearer which departments would actually be charged for certain employee benefits such as pensions and other post-employment benefits. Generally, the movement of the appropriations between departments was not significant. The exception was the appropriation for the departments in the public safety function, which was increased by \$913,371 and in the departments in the public works function, which was decreased by \$230,906.

Final budget compared to actual results. The most significant difference between estimated revenues and actual revenues were in the property taxes. The shortfall in this revenue source was caused by less property taxes being collected during the current year.

A review of actual expenditures compared to the appropriations in the final budget yields no significant variances with one exception. No actual expenditures exceeded the related appropriation in the current year.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Capital Assets and Debt Administration

Capital Assets

The County's net investment in capital assets for governmental activities as of June 30, 2023 was \$73,117,936 as compared to \$74,675,880 at June 30, 2022. See Note 6 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		
	2023	2022	% Change
Non-depreciable assets:			
Land	\$ 4,170,805	\$ 4,170,805	0.00%
Depreciable Assets:			
Buildings	46,188,168	45,991,550	0.43%
Intangible assets	18,529	18,529	0.00%
Machinery and equipment	8,354,163	7,516,383	11.15%
Leased machinery and equipment	1,092,851	1,201,836	100.00%
Vehicles and road equipment	11,282,100	9,439,973	19.51%
Infrastructure	119,420,617	119,420,617	0.00%
Total depreciable assets	186,356,428	183,588,888	1.51%
Less accumulated depreciation	117,008,590	112,842,230	3.69%
Less accumulated amortization	400,707	241,583	100.00%
Book value-depreciable assets	68,947,131	70,505,075	-2.21%
Percentage depreciated	37%	38%	
Book value - all assets	\$ 73,117,936	\$ 74,675,880	-2.09%

At June 30, 2023, the depreciable capital assets for governmental activities were 37% depreciated.

Long-term Debt

At the end of the current fiscal year, the County had total outstanding debt of \$4,768,724, which decreased by \$1,599,150 during the year.

	Outstanding Borrowings		
	2023	2022	% Change
General obligation bonds	\$ 2,476,562	\$ 3,702,420	-33%
Financed purchase	832,299	1,009,597	100%
Lease liability	875,634	1,075,733	100%
Landfill post-closure care	584,229	580,124	1%
Total	\$ 4,768,724	\$ 6,367,874	

See Note 7 for additional information about the County's long-term debt and landfill closure and post-closure care liability.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Economic Conditions Affecting the County

The United States Census Bureau has estimated current population in 2023 for Butts County at 26,649 with a growth rate of 3.4% in the past year.

According to the United States Bureau of Labor Statistics, the current economic recession has resulted in a 3.2% unemployment rate for Butts County for June 2023.

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 Administrator at:

County Administration Building
25 West Third Street
Suite 04
Jackson, Georgia 30233.

BASIC FINANCIAL STATEMENTS

BUTTS COUNTY, GEORGIA

STATEMENT OF NET POSITION JUNE 30, 2023

	Primary Government Governmental Activities	Board of Health	Component Units Development Authority of Butts County	Industrial Development Authority
ASSETS				
Cash and cash equivalents	\$ 31,530,501	\$ 1,454,184	\$ 591,295	\$ 153,234
Property taxes receivable	1,330,289	-	-	-
Accounts receivable, net	1,425,141	-	-	-
Due from other governments	3,844,973	-	-	-
Prepays	146,597	-	-	-
Inventories	23,802	-	-	-
Net OPEB asset	-	19,563	-	-
Capital assets, non-depreciable	4,170,805	-	4,012,487	-
Capital assets, depreciable (net of accumulated depreciation/amortization)	68,947,131	5,265	552,878	-
Total assets	111,419,239	1,479,012	5,156,660	153,234
DEFERRED OUTFLOWS OF RESOURCES				
Pension	2,038,662	262,338	-	-
Other post-employment benefit	-	49,721	-	-
Total deferred outflows of resources	2,038,662	312,059	-	-
LIABILITIES				
Accounts payable	970,127	-	-	-
Accrued payroll and deductions	201,021	-	-	-
Accrued interest payable	45,300	-	-	-
Due to other governments	275,281	-	-	-
Lease liability due within one year	118,363	-	-	-
Lease liability due in more than one year	757,271	-	-	-
Financed purchase due within one year	120,740	-	-	-
Financed purchase due in more than one year	711,559	-	-	-
Bonds payable due within one year	1,200,000	-	-	-
Bonds payable due in more than one year	1,276,562	-	-	-
Compensated absences due within one year	533,724	22,159	-	-
Compensated absences due in more than one year	-	14,772	-	-
Notes payable due in more than one year	-	-	1,062,500	-
Landfill postclosure costs due within one year	36,400	-	-	-
Landfill postclosure costs due in more than one year	547,829	-	-	-
Net other post-employment benefit liability due in more than one year	-	36,363	-	-
Net pension liability due in more than one year	12,098,939	567,937	-	-
Total liabilities	18,893,116	641,231	1,062,500	-
DEFERRED INFLOWS OF RESOURCES				
Pension	53,751	6,900	-	-
Other post-employment benefit	-	42,149	-	-
Total deferred inflows of resources	53,751	49,049	-	-
NET POSITION				
Net investment in capital assets	68,933,441	5,265	3,502,865	-
Restricted for:				
General government	1,251,740	-	-	-
Judicial	850,157	-	-	-
Public safety	905,910	-	-	-
Culture and recreation	177,615	-	-	-
Health and welfare	15,261	-	-	-
Capital projects	16,281,190	-	-	-
Debt service	1,618,618	-	-	-
Other purposes	-	281,280	-	-
Unrestricted	4,477,102	814,246	591,295	153,234
Total net position	\$ 94,511,034	\$ 1,100,791	\$ 4,094,160	\$ 153,234

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

BUTTS COUNTY, GEORGIA

STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
General government	\$ 10,558,704	\$ 5,397,207	\$ -	\$ -
Judicial	2,006,473	822,549	-	-
Public safety	15,863,231	4,626,947	592,942	-
Public works	8,042,764	4,419,558	-	3,747,142
Health and welfare	149,045	-	-	-
Culture and recreation	1,380,966	314,888	15,146	-
Economic opportunity	7,500	-	-	-
Housing and development	1,196,049	-	-	-
Interest on long-term debt	190,248	-	-	-
Total primary government	<u>\$ 39,394,980</u>	<u>\$ 15,581,149</u>	<u>\$ 608,088</u>	<u>\$ 3,747,142</u>
Component units:				
Board of Health	\$ 698,864	\$ 222,371	\$ 569,665	\$ -
Development Authority of Butts County	1,211,509	250,000	1,115,000	-
Industrial Development Authority	1,071	-	-	-
Total component units	<u>\$ 1,911,444</u>	<u>\$ 472,371</u>	<u>\$ 1,684,665</u>	<u>\$ -</u>

General revenues:

Property taxes
 Sales taxes
 Insurance premium taxes
 Other taxes
 Unrestricted investment earnings
 Miscellaneous
 Total general revenues
 Change in net position
 Net position, beginning of year
 Net position, end of year

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

Net (Expenses) Revenues and Changes in Net Position				
Primary Government Governmental Activities	Component Units			
	Board of Health	Development Authority of Butts County	Industrial Development Authority	
\$ (5,161,497)	\$ -	\$ -	\$ -	
(1,183,924)	-	-	-	
(10,643,342)	-	-	-	
123,936	-	-	-	
(149,045)	-	-	-	
(1,050,932)	-	-	-	
(7,500)	-	-	-	
(1,196,049)	-	-	-	
(190,248)	-	-	-	
(19,458,601)	-	-	-	
-	93,172	-	-	
-	-	153,491	-	
-	-	-	(1,071)	
-	93,172	153,491	(1,071)	
17,383,087	-	-	-	
12,413,917	-	-	-	
1,445,694	-	-	-	
687,450	-	-	-	
48,060	399	8,276	499	
-	-	5,884	40,471	
31,978,208	399	14,160	40,970	
12,519,607	93,571	167,651	39,899	
81,991,427	1,007,220	3,926,509	113,335	
\$ 94,511,034	\$ 1,100,791	\$ 4,094,160	\$ 153,234	

BUTTS COUNTY, GEORGIA

BALANCE SHEET GOVERNMENTAL FUNDS JUNE 30, 2023

	General	American Rescue Plan Act ("ARPA")	2018 SPLOST Capital Projects
ASSETS			
Cash and cash equivalents	\$ 15,401,854	\$ 38	\$ 4,599,145
Taxes receivable, net	1,330,289	-	-
Accounts receivable, net	1,303,217	-	-
Intergovernmental receivable, net	332,456	-	-
Prepays	145,847	-	750
Inventories	23,802	-	-
Due from other funds	56,633	-	1,375
Total assets	<u>\$ 18,594,098</u>	<u>\$ 38</u>	<u>\$ 4,601,270</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 561,530	\$ -	\$ 9,682
Salaries and wages payable	201,021	-	-
Due to other funds	5,101,375	-	-
Due to other governments	-	-	-
Total liabilities	<u>5,863,926</u>	<u>-</u>	<u>9,682</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - taxes	783,772	-	-
Unavailable revenue - intergovernmental	-	-	-
Total deferred inflows of resources	<u>783,772</u>	<u>-</u>	<u>-</u>
FUND BALANCES			
Fund balances:			
Nonspendable for:			
Prepays	145,847	-	750
Inventories	23,802	-	-
Long term receivable	1,062,500	-	-
Restricted for:			
General government programs	-	38	-
Judicial programs	-	-	-
Public safety programs	-	-	-
Culture and recreation programs	-	-	-
Promotion and tourism	-	-	-
Capital projects	-	-	4,590,838
Debt service	-	-	-
Committed for:			
Culture and recreation programs	-	-	-
Unassigned	10,714,251	-	-
Total fund balances	<u>11,946,400</u>	<u>38</u>	<u>4,591,588</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 18,594,098</u>	<u>\$ 38</u>	<u>\$ 4,601,270</u>

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

Capital assets, including right to use leased assets, used in governmental activities are not financial resources and, therefore, are not reported in the funds.

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

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Deferred outflows of resources related to pensions are not due and payable in the current period and, therefore, are not reported in the funds.

Deferred inflows of resources related to pensions are not available in the current period and, therefore, are not reported in the funds.

Net position of governmental activities

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

2018 SPLOST Debt Service	Capital Improvement	Grants	Nonmajor Governmental Funds	Total Governmental Funds
\$ 1,278,387	\$ 3,294,347	\$ 1,075,757	\$ 5,880,973	\$ 31,530,501
-	-	-	-	1,330,289
-	-	-	121,924	1,425,141
615,512	-	2,897,005	-	3,844,973
-	-	-	-	146,597
-	-	-	-	23,802
-	5,100,000	19,088	290,877	5,467,973
<u>\$ 1,893,899</u>	<u>\$ 8,394,347</u>	<u>\$ 3,991,850</u>	<u>\$ 6,293,774</u>	<u>\$ 43,769,276</u>

\$ -	\$ 9,495	\$ 19,087	\$ 370,333	\$ 970,127
-	-	-	-	201,021
-	119,088	91,687	155,823	5,467,973
<u>275,281</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>275,281</u>
<u>275,281</u>	<u>128,583</u>	<u>110,774</u>	<u>526,156</u>	<u>6,914,402</u>

-	-	-	-	783,772
-	-	2,897,005	-	2,897,005
-	-	2,897,005	-	3,680,777

-	-	-	-	146,597
-	-	-	-	23,802
-	-	-	-	1,062,500
-	-	984,071	267,631	1,251,740
-	-	-	850,157	850,157
-	-	-	905,910	905,910
-	-	-	177,615	177,615
-	-	-	15,261	15,261
-	8,265,764	-	3,424,588	16,281,190
1,618,618	-	-	-	1,618,618
-	-	-	126,456	126,456
-	-	-	-	10,714,251
<u>1,618,618</u>	<u>8,265,764</u>	<u>984,071</u>	<u>5,767,618</u>	<u>33,174,097</u>
<u>\$ 1,893,899</u>	<u>\$ 8,394,347</u>	<u>\$ 3,991,850</u>	<u>\$ 6,293,774</u>	

73,117,936

3,680,777
(17,446,687)

2,038,662
(53,751)
\$ 94,511,034

BUTTS COUNTY, GEORGIA

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

	General	American Rescue Plan Act ("ARPA")	2018 SPLOST Capital Projects
REVENUES			
Property taxes	\$ 14,642,113	\$ -	\$ -
Insurance premium tax	1,445,694	-	-
Sales taxes	4,835,691	-	-
Other taxes	422,942	-	-
Licenses and permits	833,445	-	-
Intergovernmental	50,000	3,664,312	-
Charges for services	8,891,581	-	-
Fines and forfeitures	671,630	-	-
Investment earnings	45,437	695	1,236
Contributions and donations	-	-	-
Miscellaneous	931,020	-	-
Total revenues	<u>32,769,553</u>	<u>3,665,007</u>	<u>1,236</u>
EXPENDITURES			
Current:			
General government	5,592,801	1,553,638	-
Judicial	1,937,026	-	-
Public safety	13,602,443	-	-
Public works	1,850,936	-	-
Health and welfare	139,882	-	-
Culture and recreation	1,347,919	-	-
Economic opportunity	7,500	-	-
Housing and development	968,817	-	-
Intergovernmental	-	-	-
Capital outlay	-	-	548,231
Debt service:			
Principal	295,047	-	82,350
Interest and fiscal charges	55,339	-	2,219
Issuance costs	-	-	-
Total expenditures	<u>25,797,710</u>	<u>1,553,638</u>	<u>632,800</u>
Excess (deficiency) of revenues over (under) expenditures	<u>6,971,843</u>	<u>2,111,369</u>	<u>(631,564)</u>
OTHER FINANCING SOURCES (USES) NET			
Transfers in	2,117,883	-	3,174,719
Transfers out	<u>(7,736,357)</u>	<u>(2,111,386)</u>	<u>-</u>
Total other financing sources (uses) Net	<u>(5,618,474)</u>	<u>(2,111,386)</u>	<u>3,174,719</u>
Net change in fund balances	1,353,369	(17)	2,543,155
FUND BALANCES, beginning of year,	<u>10,593,031</u>	<u>55</u>	<u>2,048,433</u>
FUND BALANCES, end of year	<u><u>\$ 11,946,400</u></u>	<u><u>\$ 38</u></u>	<u><u>\$ 4,591,588</u></u>

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

2018 SPLOST Debt Service	Capital Improvement	Grants	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ 14,642,113
-	-	-	-	1,445,694
7,578,226	-	-	-	12,413,917
-	-	-	264,508	687,450
-	-	-	-	833,445
-	-	501,255	91,687	4,307,254
-	-	-	3,485,531	12,377,112
-	-	-	647,039	1,318,669
30,602	992	-	1,928	80,890
-	-	-	15,146	15,146
-	120,903	-	-	1,051,923
<u>7,608,828</u>	<u>121,895</u>	<u>501,255</u>	<u>4,505,839</u>	<u>49,173,613</u>
-	-	-	106,256	7,252,695
-	-	-	33,864	1,970,890
-	-	-	2,066,397	15,668,840
-	-	-	-	1,850,936
-	-	9,163	-	149,045
-	-	-	34,878	1,382,797
-	-	-	-	7,500
-	-	-	165,317	1,134,134
3,080,374	-	3,767,303	-	6,847,677
-	522,207	-	167,325	1,237,763
1,175,000	-	-	-	1,552,397
144,000	-	-	-	201,558
2,900	-	-	-	2,900
<u>4,402,274</u>	<u>522,207</u>	<u>3,776,466</u>	<u>2,574,037</u>	<u>39,259,132</u>
<u>3,206,554</u>	<u>(400,312)</u>	<u>(3,275,211)</u>	<u>1,931,802</u>	<u>9,914,481</u>
-	3,466,063	3,645,323	724,161	13,128,149
(3,174,719)	-	-	(105,687)	(13,128,149)
<u>(3,174,719)</u>	<u>3,466,063</u>	<u>3,645,323</u>	<u>618,474</u>	<u>-</u>
31,835	3,065,751	370,112	2,550,276	9,914,481
<u>1,586,783</u>	<u>5,200,013</u>	<u>613,959</u>	<u>3,217,342</u>	<u>23,259,616</u>
<u>\$ 1,618,618</u>	<u>\$ 8,265,764</u>	<u>\$ 984,071</u>	<u>\$ 5,767,618</u>	<u>\$ 33,174,097</u>

BUTTS COUNTY, GEORGIA

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

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

Net change in fund balances - total governmental funds	\$	9,914,481
--	----	-----------

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation and amortization expense. This is the amount by which depreciation and amortization expense exceeded capital outlay in the current period.

Capital outlay	\$	3,108,053	
Depreciation/amortization expense		<u>(4,543,837)</u>	(1,435,784)

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net position.		(122,160)
--	--	-----------

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		2,740,974
--	--	-----------

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

		1,603,255
--	--	-----------

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Compensated absences	\$	(24,565)	
Landfill post-closure costs		(4,105)	
Accrued interest		14,210	
Net pension liability and related accounts		<u>(166,699)</u>	<u>(181,159)</u>

Change in net position - governmental activities	\$	<u>12,519,607</u>
--	----	-------------------

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

BUTTS COUNTY, GEORGIA

GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Budget		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Property taxes	\$ 12,411,875	\$ 14,661,379	\$ 14,642,113	\$ (19,266)
Insurance premium tax	1,350,000	1,445,694	1,445,694	-
Sales taxes	3,600,000	4,835,691	4,835,691	-
Other taxes	361,780	388,441	422,942	34,501
Licenses and permits	540,800	822,594	833,445	10,851
Intergovernmental	-	-	50,000	50,000
Charges for services	6,921,300	8,780,093	8,891,581	111,488
Fines and forfeitures	575,547	575,547	671,630	96,083
Investment earnings	5,000	45,437	45,437	-
Miscellaneous	476,592	762,099	931,020	168,921
Total revenues	<u>26,242,894</u>	<u>32,316,975</u>	<u>32,769,553</u>	<u>452,578</u>
EXPENDITURES				
Current				
General government:				
Board of commissioners	142,162	142,162	140,956	1,206
Board of equalization	18,017	18,017	5,857	12,160
Board of elections	244,418	244,418	214,994	29,424
General administration	1,830,223	1,830,223	1,618,134	212,089
Human resources	2,171,028	2,171,028	2,156,461	14,567
Tax commissioner	393,947	393,947	351,317	42,630
Tax assessor	560,508	560,508	536,550	23,958
Building maintenance	727,657	727,657	568,532	159,125
Total general government	<u>6,087,960</u>	<u>6,087,960</u>	<u>5,592,801</u>	<u>495,159</u>
Judicial:				
Towaliga judicial circuit	835,688	835,688	833,238	2,450
Clerk of court	420,840	420,840	357,537	63,303
Magistrate court	295,781	295,781	290,211	5,570
Probate court	348,524	348,524	347,144	1,380
Juvenile court	109,037	109,037	108,896	141
Total judicial	<u>2,009,870</u>	<u>2,009,870</u>	<u>1,937,026</u>	<u>72,844</u>

(Continued)

BUTTS COUNTY, GEORGIA

GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Budget			Variance With
	Original	Final	Actual	Final Budget
EXPENDITURES (CONTINUED)				
Current (Continued)				
Public safety:				
Sheriff	\$ 7,314,968	\$ 8,150,894	\$ 8,150,894	\$ -
Jail	1,275,961	1,352,441	1,352,441	-
Emergency services	4,056,786	4,056,786	3,943,559	113,227
Coroner	80,430	80,430	78,962	1,468
Animal control	69,456	70,421	70,421	-
Homeland security	8,768	8,768	6,166	2,602
Total public safety	12,806,369	13,719,740	13,602,443	117,297
Public works:				
Public works	2,160,744	1,929,838	1,850,936	78,902
Total public works	2,160,744	1,929,838	1,850,936	78,902
Health and welfare:				
Health department	105,775	105,775	105,775	-
Department of family and children services	20,332	20,332	20,332	-
McIntosh trail	4,250	4,250	4,250	-
M.R. service center	5,525	5,525	5,525	-
Council on aging	4,000	4,000	4,000	-
Total health and welfare	139,882	139,882	139,882	-
Culture and recreation:				
Leisure services	912,671	912,671	860,855	51,816
Historical society	10,200	10,200	10,200	-
Senior citizens' center	280,926	311,475	311,475	-
Library	185,403	185,403	165,389	20,014
Total culture and recreation	1,389,200	1,419,749	1,347,919	71,830
Economic opportunity:				
McIntosh Trail ECDC	7,500	7,500	7,500	-
Total economic opportunity	7,500	7,500	7,500	-
Housing and development:				
USDA	15,100	15,100	6,525	8,575
Forest resources	6,270	6,270	6,270	-
Community development	659,205	689,366	689,366	-
Development authority	115,000	115,000	115,000	-
Cooperative extension service	82,073	82,073	39,111	42,962
Code enforcement	127,270	127,270	112,545	14,725
Total housing and development	1,004,918	1,035,079	968,817	66,262

(Continued)

BUTTS COUNTY, GEORGIA

GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Budget		Actual	Variance With Final Budget
	Original	Final		
EXPENDITURES (CONTINUED)				
Current (Continued)				
Debt service:				
Principal	\$ 94,948	\$ 295,047	\$ 295,047	\$ -
Interest and fiscal charges	24,532	55,339	55,339	-
Total debt service	<u>119,480</u>	<u>350,386</u>	<u>350,386</u>	<u>-</u>
Total expenditures	<u>25,725,923</u>	<u>26,700,004</u>	<u>25,797,710</u>	<u>902,294</u>
Excess of revenues over expenditures	<u>516,971</u>	<u>5,616,971</u>	<u>6,971,843</u>	<u>1,354,872</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	8,000	8,000	2,117,883	2,109,883
Transfers out	<u>(524,971)</u>	<u>(5,624,971)</u>	<u>(7,736,357)</u>	<u>(2,111,386)</u>
Total other financing uses, net	<u>(516,971)</u>	<u>(5,616,971)</u>	<u>(5,618,474)</u>	<u>(1,503)</u>
Net change in fund balances	-	-	1,353,369	1,353,369
FUND BALANCES, beginning of year	<u>10,593,031</u>	<u>10,593,031</u>	<u>10,593,031</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 10,593,031</u>	<u>\$ 10,593,031</u>	<u>\$ 11,946,400</u>	<u>\$ 1,353,369</u>

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

BUTTS COUNTY, GEORGIA

AMERICAN RESCUE PLAN ACT FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Budget		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ 3,665,008	\$ 3,664,312	\$ (696)
Investment earnings	-	-	695	695
Total revenues	-	3,665,008	3,665,007	(1)
EXPENDITURES				
Current:				
General government	-	3,665,008	1,553,638	2,111,370
Total expenditures	-	3,665,008	1,553,638	2,111,370
Excess of revenues over expenditures	-	-	2,111,369	2,111,369
OTHER FINANCING USES				
Transfers out	-	-	(2,111,386)	(2,111,386)
Total other financing uses	-	-	(2,111,386)	(2,111,386)
Net change in fund balances	-	-	(17)	17
FUND BALANCES, beginning of year	55	55	55	-
FUND BALANCES, end of year	\$ 55	\$ 55	\$ 38	\$ 17

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

BUTTS COUNTY, GEORGIA

GRANTS FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Budget		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ 3,776,466	\$ 501,255	\$ (3,275,211)
Total revenues	-	3,776,466	501,255	(3,275,211)
EXPENDITURES				
Current:				
Health and welfare	-	9,163	9,163	-
Intergovernmental	-	3,767,303	3,767,303	-
Total expenditures	-	3,776,466	3,776,466	-
Deficiency of revenues under expenditures	-	-	(3,275,211)	(3,275,211)
OTHER FINANCING USES				
Transfers in	-	-	3,645,323	3,645,323
Total other financing uses	-	-	3,645,323	3,645,323
Net change in fund balances	-	-	370,112	370,112
FUND BALANCES, beginning of year	613,959	613,959	613,959	-
FUND BALANCES, end of year	\$ 613,959	\$ 613,959	\$ 984,071	\$ 370,112

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

BUTTS COUNTY, GEORGIA

STATEMENT OF FIDUCIARY NET POSITION FIDUCIARY FUNDS JUNE 30, 2023

		Custodial Funds
ASSETS		
Cash and equivalents		\$ 2,552,107
Taxes receivable		1,760,187
Total assets		4,312,294
LIABILITIES		
Due to others		1,118,669
Uncollected taxes		1,760,187
Total liabilities		2,878,856
NET POSITION		
Restricted for individuals, organizations and other governments		\$ 1,433,438

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

BUTTS COUNTY, GEORGIA

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

	ADDITIONS	Custodial Funds
Taxes collected		\$ 17,963,685
Fines and fees collected		7,622,088
Total additions		<u>25,585,773</u>
	DEDUCTIONS	
Taxes disbursed		18,040,728
Fines and fees disbursed		<u>7,210,315</u>
Total deductions		<u>25,251,043</u>
Change in net position		334,730
Net position, beginning of year		<u>1,098,708</u>
Net position, end of year		<u><u>\$ 1,433,438</u></u>

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

NOTES TO FINANCIAL STATEMENTS

BASIC FINANCIAL STATEMENTS

GUIDE TO NOTES

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BUTTS COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Butts County, Georgia (the “County”) was chartered by an act of the General Assembly of the State of Georgia. The County operates under a Commission/Manager form of government and provides the following services: Public safety, roads, courts, health and sanitation, recreation, fire protection and general and administrative services.

The financial statements of the County and its discretely presented component units, the Butts County Department of Health (the “Health Department”), the Butts County Industrial Development Authority (the “Authority”) and the Development Authority of Butts County (the “Development Authority”), have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the County are described below.

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 elected constitutional 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Brief descriptions of the discretely presented component units follow:

The Butts County Board of Health (the “Board of Health”) was created by a legislative act. The Board was established to provide various health related programs such as immunization, family planning, dental treatment, and nutrition services. During the fiscal year ended June 30, 2023, the Health Department operated under a seven-member board comprised of a Butts County Commission representative, the Butts County School Superintendent, a licensed physician practicing in Butts County, a City of Jackson council representative, two members appointed by the Butts County Board of Commissioners and one member appointed by the City of Jackson Council. The Board is a component unit of Butts County, Georgia because it is fiscally dependent on the County. The Health Department is presented as a governmental fund type component unit. The Health Department financial statements have been presented separately and can be obtained by writing to:

Butts County Department of Public Health
463 Kennedy Drive
Jackson, Georgia 30233

The Butts County Industrial Development Authority (the “Authority”) was created by referendum in 1968. The entity is governed by five board members appointed by the Butts County Board of Commissioners. The Authority can participate in land acquisition, lease agreements on land owned by the Authority, and tax abatements on land owned by the Authority. The Authority is responsible for making its own operating decisions. The Authority cannot issue tax abatements without the consent by the Butts County Board of Commissioners. The Authority is fiscally dependent on the County. The Authority is presented as a governmental fund type component unit. The Authority’s financial statements have been presented separately and can be obtained by writing to:

Butts County Industrial Development Authority
625 West Third Street
Jackson, Georgia 30233

The Development Authority of Butts County (the “Development Authority”) was created in 1977 by local ordinance in accordance with the Development Authorities Act. It is governed by a seven-member board appointed by the Butts County Board of Commissioners. The Development Authority is responsible for making its own operating decisions. The County provides substantially all funding for the Development Authority’s annual budget. The Development Authority cannot issue bonded debt without approval by the County; therefore, the Development Authority is fiscally dependent on the County. The Development Authority is presented as a governmental fund type component unit. The Development Authority’s financial statements have been presented separately and can be obtained by writing to:

Development Authority of Butts Count
625 West Third Street
Jackson, Georgia 30233

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the government. For the most part, the effect of interfund activity has been removed from these statements. However, interfund services provided and used are not eliminated in the process of consolidation. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

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

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

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

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service principal and interest expenditures on long term debt, include lease liabilities, as well as expenditures related to compensated absences and claims and judgments and environmental obligations, are recorded only when payment is due.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

General capital asset acquisitions, including entering into contracts giving the County the right to use leased assets, are reported as expenditures in governmental funds. Issuance of long-term debt and financing through leases are reported as other financing sources.

Property taxes, sales taxes, and intergovernmental grants associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the County.

The County reports the following major governmental funds:

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

The **American Rescue Plan Act ("ARPA") Fund** is a special revenue fund that accounts for the financial resources provided and subsequently expended from the ARPA grant received from the federal government.

The **2018 Special Purpose Local Option Sales Tax ("SPLOST") Capital Projects Fund** accounts for all transactions relating to 2018 SPLOST capital projects.

The **2018 Special Purpose Local Option Sales Tax ("SPLOST") Debt Service Fund** accounts for the accumulation of enough proceeds from the collection of SPLOST to make the semi-annual bond payment. The additional monies collected beyond the bond payment are then remitted to the County Capital Projects Fund and to municipalities in the County in accordance with the 2017 SPLOST referendum.

The **Capital Improvement Fund** is a capital projects fund that accounts for all transactions relating to several specific capital projects at the County.

The **Grants Fund** is a special revenue fund that accounts for grant revenues and expenditures related to various short-term projects.

Additionally, the County reports the following fund types:

The **Special Revenue Funds** account for revenue sources that are legally restricted to expenditure for specific purposes.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The **Capital Project Funds** are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

The **Custodial Funds** are used to account for the collection and disbursement of monies by the County on behalf of other governments and individuals. Custodial Funds account for Tax Commissioner, Magistrate Court, Probate Court, Clerk of Superior Court, and Sheriff.

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

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

D. Cash, Cash Equivalents and Investments

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

Investments are recorded at fair value based on quoted market prices as of the Balance Sheet date. Increases or decreases in the fair value during the year are recognized as a component of interest income.

E. Interfund Receivables, Payables and Transfers

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year as well as all other outstanding balances between funds are reported as "due to/from other funds". These amounts are eliminated in the governmental activities column of the Statement of Net Position.

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. 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 of the Statement of Activities are eliminated.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. These items are accounted for using the consumption method.

G. Inventories

Inventories are valued at cost using the first-in/first-out ("FIFO") method and consist of fuel which is recorded as an asset at the time of purchase. The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased. Inventories of other expendable supplies are not considered material and the cost of such items is recorded as expenditures/expenses when purchased.

H. Capital Assets

General capital assets and right to use lease 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 and reported at historical cost and updated for additions and retirements during the year (except for right to use lease assets, the measurement of which is discussed in Note 1.P). Donated capital assets or donated works of art and similar items are recorded at acquisition value at the date of donation. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential on the date of the donation. Capital assets received in a service concession arrangement are also reported at acquisition value. The County maintains a capitalization threshold of \$5,000. 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. Infrastructure was added to capital assets to comply with requirements of GASB 34 in the fiscal year ended June 30, 2007. The County estimated the value of all paved County roads based on indexes provided by the Georgia Department of Transportation. Since that time, all major construction projects related to roads have been capitalized.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Capital Assets (Continued)

All reported capital assets and right to use leased assets are depreciated except for land and construction in progress. It is the County's policy not to charge infrastructure depreciation in the year of construction. 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. Capital assets and right to use leased assets of the County are depreciated/amortized using the straight-line method over the following useful lives:

<u>Asset Category</u>	<u>Years</u>
Land improvements	39
Buildings	39
Machinery and equipment	5 – 10
Right to use leased equipment	5 – 10
Vehicles and road equipment	5
Infrastructure	39
Intangibles	39

I. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has three items that qualify for reporting in this category. These items relate to the County's Retirement Plan and are reported in the government-wide Statement of Net Position. Certain changes in the net pension liability are recognized as pension expense over time instead of all being recognized in the year of occurrence. The difference between projected investment return on pension investments and actual return on those investments is deferred and amortized against pension expense over a five-year period. Changes in actuarial assumptions, which adjust the net pension liability, are also recorded as deferred outflows of resources and are amortized into pension expense over the expected remaining service lives of plan members. Experience 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. These experience losses are recorded as deferred outflows of resources and are amortized into pension expense over the expected remaining service lives of the plan members.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the Statement of Net Position and the governmental funds Balance Sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has three items that qualify for reporting in this category. One of these items relate to the County's Retirement Plan and the recording of changes in its net pension liability. Experience gains 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. These experience gains are recorded as deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of the plan members. Additionally, the County has unavailable revenues that arise only under a modified accrual basis of accounting. Accordingly, they are reported only in the governmental funds Balance Sheet. The governmental funds report unavailable revenues from property taxes due to the period of availability and will be recognized as an inflow of resources in the period in which the amounts become available.

J. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are recognized during the current period.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Compensated Absences

Vacation benefits 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.

All compensated absence liabilities include salary-related payments, where applicable. All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Under the current policy, employees receive personal leave that includes annual leave. Employees accumulate personal leave in the following amounts:

- Completed 0-1 Years of Service: 4 hours per pay period
- Completed 1-5 Years of Service: 5 hours per pay period
- Completed 6-10 Years of Service: 6 hours per pay period
- Completed 11+ Years of Service: 7 hours per pay period

Up to 160 hours of personal leave can be carried over at the end of the calendar year.

L. Fund Balance

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".

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

- **Non-spendable** – Fund balances are reported as non-spendable when amounts cannot be spent because they are either: a) not in spendable form (i.e., items that are not expected to be converted to cash), or b) legally or contractually required to be maintained intact.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Fund Balance (Continued)

- **Restricted** – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- **Committed** – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the County Commission through the adoption of a resolution. Only the Board of Commissioners may modify or rescind the commitment.
- **Assigned** – Fund balances are reported as assigned when amounts are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the County Commission has authorized the County's management to assign fund balances.
- **Unassigned** – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The County reports positive unassigned fund balance only in the General Fund. Negative unassigned fund balances may be reported in all funds.

Flow Assumptions – When both restricted and unrestricted amounts of fund balances are available for use for expenditures incurred, it is the County's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the County's policy to use fund balance in the following order: 1) committed, 2) assigned, and 3) unassigned.

M. Net Position

For government-wide reporting as well as in proprietary funds, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called net position. Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation, outstanding balances of bonds, notes, and other debt that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Net Position (Continued)

Net position is reported as restricted using the same definition as used for restricted fund balance as described in the section above.

Unrestricted net position is reported as the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

N. Use of Estimates

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

O. Pensions

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Leases

Lessee

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

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

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

- The County uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for leases.

The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option prices that the County is reasonably certain to exercise.

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

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the Statement of Net Position.

NOTES TO FINANCIAL STATEMENTS

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

A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position

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

General obligation bonds payable	\$ (2,425,000)
Plus: Issuance premium (to be amortized against interest expense)	(51,562)
Lease liability	(875,634)
Financed purchase	(832,299)
Landfill post-closure costs	(584,229)
Net pension liability	(12,098,939)
Compensated absences	(533,724)
Accrued interest	(45,300)
Net adjustment to reduce <i>fund balance – total governmental funds</i> to arrive at <i>net position – governmental activities</i>	<u>\$ (17,446,687)</u>

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-wide Statement of Activities

The governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances includes a reconciliation between the net change in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government-wide Statement of Activities. One element of the reconciliation states that “the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.” The details of this difference are as follows:

Premium on bond issuance	\$ 50,858
Principal repayments:	
Lease liability	200,099
General bonds payable	1,175,000
Financed purchase	177,298
Net adjustment to increase <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ 1,603,255</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 3. BUDGETS AND BUDGETARY ACCOUNTING

The County adopts an annual balanced budget for the General Fund and all Special Revenue Funds. The budget resolution reflects the total of each department's appropriation in each fund.

The General Fund budget is adopted on a basis consistent with generally accepted accounting principles ("GAAP").

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 County Commissioners.

The County Manager and Chief Financial Officer may approve budget transfers within departments.

All unexpended annual appropriations lapse at year-end.

NOTE 4. DEPOSITS AND INVESTMENTS

Total deposits as of June 30, 2023 are summarized as follows:

Balances per statement of net position:

Cash and cash equivalents - Primary Government	\$ 31,530,501
Cash - Custodial funds	2,552,107
	<u>\$ 34,082,608</u>

Balances by type:

Cash deposited with financial institutions	\$ 34,082,608
	<u>\$ 34,082,608</u>

Credit Risk. State statutes authorize the County to invest in obligations of the State of Georgia or other states; obligations issued by the U.S. government; obligations fully insured or guaranteed by the U.S. government or by a government agency of the United States; obligations of any corporation of the U.S. government; prime bankers' acceptances; the local government investment pool established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia. The County has no investment policy that would further limit its investment choices.

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

NOTES TO FINANCIAL STATEMENTS

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

Custodial Credit Risk – Deposits. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of June 30, 2023, all of the deposits of the County and the component units were properly insured and collateralized as required by the Official Code of Georgia Annotated (“O.C.G.A.”) §45-8-12(c) and as defined by GASB pronouncements.

The County did not have any investments as of June 30, 2023. All funds were held in cash and cash equivalent accounts as June 30, 2023.

NOTE 5. RECEIVABLES

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

	General	2018 SPLOST Debt Service	Grants	Nonmajor Governmental
Receivables:				
Taxes	\$ 1,330,289	\$ -	\$ -	\$ -
Accounts	1,303,217	-	-	121,924
Intergovernmental	332,456	615,512	2,897,005	-
Gross receivables	2,965,962	615,512	2,897,005	121,924
Less: allowance for uncollectibles	-	-	-	-
Net total receivables	<u>\$ 2,965,962</u>	<u>\$ 615,512</u>	<u>\$ 2,897,005</u>	<u>\$ 121,924</u>

Property taxes are levied on a calendar year basis. Payments are due in two equal installments, the last being in December.

The tax billing cycle for fiscal year 2023 is as follows:

Levy date	July 1, 2022
1st Payment due date	October 05, 2022
2nd Payment due date	December 7, 2022
Lien date	90 days after second half due date

NOTES TO FINANCIAL STATEMENTS

NOTE 6. CAPITAL ASSETS AND LEASED ASSETS

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

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 4,170,805	\$ -	\$ -	\$ -	\$ 4,170,805
Total	4,170,805	-	-	-	4,170,805
Capital assets, being depreciated:					
Buildings	45,991,550	196,618	-	-	46,188,168
Intangible assets	18,529	-	-	-	18,529
Machinery and equipment	7,516,383	872,480	(34,700)	-	8,354,163
Right-to-use leased equipment	1,201,836	-	(108,985)	-	1,092,851
Vehicles and road equipment	9,439,973	2,038,955	(196,828)	-	11,282,100
Infrastructure	119,420,617	-	-	-	119,420,617
Total	183,588,888	3,108,053	(340,513)	-	186,356,428
Less accumulated depreciation for:					
Buildings	(16,997,806)	(1,226,004)	-	-	(18,223,810)
Intangible assets	(16,570)	(1,959)	-	-	(18,529)
Machinery and equipment	(5,636,596)	(370,479)	34,700	-	(5,972,375)
Right-to-use leased equipment	(241,583)	(268,109)	108,985	-	(400,707)
Vehicles and road equipment	(7,202,496)	(999,045)	74,668	-	(8,126,873)
Infrastructure	(82,988,762)	(1,678,241)	-	-	(84,667,003)
Total	(113,083,813)	(4,543,837)	218,353	-	(117,409,297)
Total capital assets, being depreciated, net	70,505,075	(1,435,784)	(122,160)	-	68,947,131
Governmental activities capital assets, net	\$ 74,675,880	\$ (1,435,784)	\$ (122,160)	\$ -	\$ 73,117,936

NOTES TO FINANCIAL STATEMENTS

NOTE 6. CAPITAL ASSETS AND LEASED ASSETS (CONTINUED)

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

Governmental activities:	
General government	\$ 587,880
Judicial	35,082
Public safety	1,473,443
Public works	2,251,399
Culture and recreation	134,085
Housing and development	61,948
Total depreciation/amortization expense - governmental activities	<u>\$ 4,543,837</u>

NOTE 7. LONG-TERM DEBT

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
General obligation bonds	\$ 3,600,000	\$ -	\$ (1,175,000)	\$ 2,425,000	\$ 1,200,000
Bond premium	102,420	-	(50,858)	51,562	-
Net bonds payable	3,702,420	-	(1,225,858)	2,476,562	1,200,000
Financed purchase	1,009,597	-	(177,298)	832,299	120,740
Lease liability	1,075,733	-	(200,099)	875,634	118,363
Landfill post-closure costs	580,124	4,105	-	584,229	36,400
Compensated absences	509,159	530,426	(505,861)	533,724	533,724
Net pension liability	8,531,081	5,584,127	(2,016,269)	12,098,939	-
Governmental activities long-term liabilities	<u>\$ 15,408,114</u>	<u>\$ 6,118,658</u>	<u>\$ (4,125,385)</u>	<u>\$ 17,401,387</u>	<u>\$ 2,009,227</u>

For governmental activities, compensated absences, landfill post-closure costs and the net pension liability are generally liquidated by the General Fund.

Leases. In August 2021, the County entered into a five-year lease agreement as lessee for the acquisition and use of equipment. An initial lease liability was recorded in the amount of \$1,092,851. As of June 30, 2023, the value of the lease liability was \$875,634. The County is required to make monthly principal and interest payments in the amount of \$11,911. The lease has an interest rate of 2.90%. The equipment has a five-year estimated useful life and the value of the right-to-use asset as of the end of the current fiscal year was \$1,092,851 and had accumulated amortization of \$400,707.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

Leases (Continued). The County's total lease debt service requirements to maturity are as follows:

Fiscal year ending June 30,	Principal	Interest
2024	\$ 118,363	\$ 24,567
2025	121,951	20,979
2026	125,648	17,283
2027	509,672	1,270
Total	<u>\$ 875,634</u>	<u>\$ 64,099</u>

General Obligation Sales Tax Bonds. In 2018, the County issued \$7,000,000 Series 2018 general obligation sales tax bonds with \$2,245,000 of the total bonds carrying an interest rate of 3.00% and \$4,755,000 carrying an interest rate of 4% payable over seven years. The bonds will be retired from SPLOST. Bond proceeds were used to fund various capital outlay projects, including courthouse and judicial office improvements, acquiring public safety equipment and public safety vehicles, road, sidewalk and bridge improvements, acquiring and upgrading equipment and acquiring, repairing and improving facilities and paying any debt previously incurred for these projects and to fund various construction projects in the municipalities within the County.

The bonds payable debt service requirements to maturity, including interest, are as follows:

Fiscal year ending June 30,	Principal	Interest
2024	\$ 1,200,000	\$ 97,000
2025	1,225,000	49,000
Total	<u>\$ 2,425,000</u>	<u>\$ 146,000</u>

Financed purchase. In January 2020, the County entered into an agreement with the Association of County Commissioners of Georgia to finance the purchase of one new ambulance at a total cost of \$147,922. Amortization expense for these assets is included with depreciation expense. The total principal of \$147,922 is due and payable in 48 monthly payments with interest of 3.50 %. The first installment was due January 30, 2020 with the final payment due by December 30, 2023. The balance due at June 30, 2022 was \$19,641.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

Financed purchase (Continued). In October 2014, the County entered into an agreement with U.S. Bancorp Government Leasing and Finance, Inc. to finance the purchase of a Building Management System/Energy Retrofit Project from Honeywell International, Inc. for a total cost of \$1,403,710. Amortization expense for this asset is included with depreciation expense. Work was delayed on installation of the system and the work was not completed until fiscal year 2016. The total principal of \$1,403,710 is due and payable in 15 annual payments with interest of 2.67%. The first installment was due July 15, 2015 with the final payment due July 15, 2029. The balance due at June 30, 2023 was \$812,658.

The County's total financed purchase debt service requirements to maturity are as follows:

Fiscal year ending June 30,	Principal	Interest
2024	\$ 120,740	\$ 22,166
2025	107,523	19,233
2026	114,232	16,327
2027	121,237	13,239
2029	128,548	9,962
2030	240,019	9,294
Total	<u>\$ 832,299</u>	<u>\$ 90,221</u>

Landfill Post-closure Costs. During the year ended June 30, 1997, the County closed its landfill and no additional waste has been accepted. According to state and federal laws and regulations, the County must perform certain maintenance and monitoring functions at the site for a minimum of 30 years. As of June 30, 2023, the County has a remaining 15 years of monitoring. Engineering studies estimate post-closure costs of approximately \$584,229 over the 15-year period. These costs are based on the amount that would be paid if all equipment, facilities, and services required to monitor and maintain the landfill were acquired as of June 30, 2023. Actual costs may be higher due to changes in inflation, changes in technology, or changes in regulations. Should any problems occur during this post-closure period, the costs and time period required for the maintenance and monitoring functions may substantially increase.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

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

Receivable Fund	Payable Fund	Amount
General fund	Nonmajor governmental funds	\$ 56,633
Capital improvement fund	General fund	5,100,000
Grants fund	Capital improvement fund	19,088
Nonmajor governmental funds	Capital improvement fund	100,000
Nonmajor governmental funds	Nonmajor governmental funds	99,190
Nonmajor governmental funds	Grants fund	91,687
2018 SPLOST capital projects fund	General Fund	1,375
		<u>\$ 5,467,973</u>

These remaining balances resulted from the time lag between the date that: 1) interfund goods or services are provided or reimbursable expenses occur, 2) transactions are recorded in the accounting period, and 3) payments between funds are made. The County expects to repay all interfund balances within one year.

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

Transfers In	Transfers Out	Amount
Capital improvement fund	General fund	\$ 3,466,063
Nonmajor governmental funds	Nonmajor governmental funds	99,190
Nonmajor governmental funds	General fund	624,971
Grants fund	General fund	3,645,323
2018 SPLOST capital projects fund	2018 SPLOST debt service fund	3,174,719
General fund	ARPA Fund	2,111,386
General fund	Nonmajor governmental funds	6,497
		<u>\$ 13,128,149</u>

Transfers are used to: 1) move revenues from the fund that statute or budget requires to collect them to the fund that the statute or budget requires to expend them, 2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, 3) segregate money for anticipated capital projects, 4) provide additional resources for current operations or debt service, and 5) return money to the fund from which it was originally provided once a project is completed.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. DEFINED BENEFIT PENSION PLAN

Plan Description

The County, as authorized by the County Commission, has established a non-contributory defined benefit pension plan, the Association County Commissioners of Georgia Butts County Defined Benefit Plan (the "Plan"), covering the majority of all of the County's employees. The County's pension plan is administered through the Association County Commissioners of Georgia Third Restated Defined Benefit Plan (the "ACCG Plan"), an agent multiple-employer pension plan administered by GEBCorp and affiliated with the Association of County Commissioners of Georgia ("ACCG"). The Plan 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 establish and amend the benefit provisions and the contribution rates of the County related to the Plan, as provided in §19.03 of the ACCG Plan document. The County has the authority to amend the adoption agreement, which defines the specific benefit provisions of the Plan, as provided in §19.02 of the ACCG Plan document. The County Commission retains this authority. The ACCG Plan issues a publicly available financial report that includes financial statements and required supplementary information for the pension trust. That report may be obtained at www.gebcorp.com or by writing to:

Association County Commissioners of Georgia Retirement Services
191 Peachtree Street, NE
Atlanta, Georgia 30303

Plan Membership

As of January 1, 2022, pension plan membership consisted of the following:

Retirees, Beneficiaries, and Disables receiving benefits	107
Terminated Plan participants entitled to but not receiving benefits	91
Active employees participating in the Plan	<u>167</u>
Total number of Plan participants	<u><u>365</u></u>

NOTES TO FINANCIAL STATEMENTS

NOTE 9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Contributions

The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The Board of Trustees of ACCG has adopted a recommended actuarial funding policy for the Plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the Plan. The funding policy for the Plan, as adopted by the County Board of Commissioners, is to contribute an amount equal to or greater than the actuarially recommended contribution rate. This rate is based on the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. The County is required to contribute to the actuarially determined rate. For the year ended June 30, 2023, the County's contribution rate was 25.5% of annual payroll. County contributions to the Plan were \$2,016,269 for the year ended June 30, 2023.

Net Pension Liability of the County

The County's net pension liability was measured as of December 31, 2023. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as January 1, 2022, with update procedures performed by the actuary to roll forward to the total pension liability measured as of December 31, 2022.

Actuarial Assumptions. The total pension liability in the January 1, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary increases	4.00% – 6.00%, including inflation
Investment rate of return	7.00%, net of pension plan investment expense, including inflation

Mortality rates were based on the Pub – 2010 Amount Weighted Mortality Table with a blend of 50% of the General Employees Table and 50% of the Public Safety Employees with Scale AA to 2022.

The actuarial assumptions used in the January 1, 2022 valuation were based on the results of an actuarial experience study through February 2019.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Net Pension Liability of the County (Continued)

Actuarial Assumptions (Continued). The long-term expected rate of return on pension plan investments was determined through a blend of using a building-block method based on 20-year benchmarks (33.33%) and 30-year benchmarks (33.33%), as well as forward-looking capital market assumptions for a moderate asset allocation (33.34%), as determined by UBS. Expected future rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2022 are summarized in the following table:

Asset Class	Target Allocation	Range
Fixed Income	30.00 %	25% - 35%
Equities:		
Large Cap	30.00	25% - 35%
Mid Cap	5.00	2.5% - 10%
Small Cap	5.00	2.5% - 10%
REIT	5.00	2.5% - 10%
International	15.00	10% - 20%
Multi Cap	5.00	2.5% - 10%
Global Allocation	5.00	2.5% - 10%
Total	100.00 %	

Discount rate. The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that County contributions will be made at rates equal to the actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all of the projected benefit payments to determine the total pension liability.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Net Pension Liability of the County (Continued)

Changes in the Net Pension Liability of the County. The changes in the components of the net pension liability of the County for the fiscal year ended June 30, 2023 were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Beginning balance	\$ 27,215,028	\$ 18,683,947	\$ 8,531,081
<i>Changes for the year:</i>			
Service cost	784,609	-	784,609
Interest	1,868,533	-	1,868,533
Differences between expected and actual experience	147,716	-	147,716
Plan change	(104,423)	-	(104,423)
Contributions - employer	-	2,016,269	(2,016,269)
Net investment income	-	(2,681,239)	2,681,239
Assumption change	42,495	-	42,495
Benefit payments, including refunds of employee contributions	(1,043,394)	(1,043,394)	-
Administrative expense	-	(56,462)	56,462
Other changes	-	(107,496)	107,496
<i>Net changes</i>	1,695,536	(1,872,322)	3,567,858
Ending balance	\$ 28,910,564	\$ 16,811,625	\$ 12,098,939

The required Schedule of Changes in the County's Net Pension Liability and Related Ratios immediately following the notes to the financial statements presents multi-year trend information about whether the value of plan assets is increasing or decreasing over time relative to the total pension liability.

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

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
County's net pension liability	\$ 16,037,968	\$ 12,098,939	\$ 8,839,554

NOTES TO FINANCIAL STATEMENTS

NOTE 9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Net Pension Liability of the County (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate (Continued). Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective.

Calculations are based on the substantive plan in effect as of December 31, 2022, and the current sharing pattern of costs between employer and employee. As of June 30, 2023, the County had no contributions subsequent to the measurement date due to all employer contributions being made prior to the measurement date.

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

For the fiscal year ended June 30, 2023, the County recognized pension expense of \$2,182,968. At June 30, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on plan investments	\$ 1,837,446	\$ -
Differences between expected and actual experience	123,163	53,751
Other changes in assumptions	78,053	-
Total	<u>\$ 2,038,662</u>	<u>\$ 53,751</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

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

Year ending June 30,	
2024	\$ 169,292
2025	404,732
2026	606,132
2027	804,755
Total	<u>\$ 1,984,911</u>

NOTE 10. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; natural disasters; injuries to employees; and losses resulting from providing accident and health benefits to employees, retirees, and their dependents.

The County is a member of the Association of County Commissioners of Georgia ("ACCG") Interlocal Risk Management Agency. This membership allows the County to share liability, crime, motor vehicle and property damage risks.

Chapter 85 of Title 36 of the O.C.G.A. authorizes Georgia counties to form interlocal risk management agencies. The ACCG Interlocal Risk Management Agency ("IRMA") is a county interlocal risk management agency to function as an unincorporated nonprofit instrumentality of its member municipalities - ACCG IRMA establishes and administers one or more group self insurance funds and a risk management service to prevent or lessen the incidence and severity of casualty and property losses occurring in the operation of municipal government. ACCG IRMA is to defend and protect in accordance with the member government contract and related coverage descriptions of the County are as follows:

- amounts as shall be established by ACCG IRMA.
- To select a person to serve as a Member representative.

NOTES TO FINANCIAL STATEMENTS

NOTE 10. RISK MANAGEMENT (CONTINUED)

The County must participate at all times in at least one fund which is established by ACCG IRMA. Other responsibilities of the County are as follows:

To pay all contributions, assessments or other sums due to ACCG IRMA at such times and in such.

- To allow ACCG IRMA and its agents reasonable access to all facilities of the County and all records, including but not limited to financial records, which relate to the purposes of ACCG IRMA.
- To allow attorneys appointed by ACCG IRMA 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 fund or funds established by ACCG IRMA.
- To assist and cooperate in the defense and settlement of claims against the County.
- To furnish full cooperation to ACCG IRMA's attorneys, claims adjusters, Service Company, and any agent, employee, officer or independent contractor of ACCG IRMA relating to the purposes of ACCG IRMA.
- To follow all loss reduction and prevention procedures established by ACCG IRMA.
- To furnish to ACCG IRMA such budget, operating and underwriting information as may be requested.
- To report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in ACCG IRMA or any fund established by ACCG IRMA being required to pay claim for loss or injuries to municipal property or injuries to persons or property when such loss or injury is within the scope of the protection of a fund or funds in which the County participates.

The County retains the first \$5,000 of each risk of loss in the form of a deductible. The County files all claims with ACCG IRMA. ACCG IRMA bills the County for any risk of loss up to the \$5,000 deductible.

The County has contracted with Key Risk to fully insure on workers' compensation. This plan has various deductibles the County is responsible for meeting.

Settled claims in the past three years have not exceeded the coverages.

NOTES TO FINANCIAL STATEMENTS

NOTE 11. COMMITMENTS AND CONTINGENT LIABILITIES

Litigation

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

Grant Contingencies

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

NOTE 12. JOINT VENTURE

Under Georgia law, the County, in conjunction with other cities and counties in a ten-county central Georgia area, is a member of the Three Rivers Regional Commission ("RC") and is required to pay annual dues thereto. During its year ended June 30, 2023, the County paid \$19,222 in such dues. Membership in an RC is required by the O.C.G.A. §50-8-34 which provides for the organizational structure of the RC. The RC Board membership is made up of representatives appointed by each County seat and respective County government member and also includes private citizen and minority representatives. O.C.G.A. §50-8-39.1 provides that the member governments are liable for any debts or obligations of a Regional Commission. Information concerning the financial statements may be obtained from:

Three Rivers Regional Commission
P.O. Box 818
Griffin, Georgia 30224.

NOTE 13. HOTEL/MOTEL LODGING TAX

During the fiscal year ended June 30, 2023, the County levied an 8.00% hotel/motel tax on lodging facilities within the County. The County allocates 3.50% of this tax for the promotion of tourism, conventions, or trade shows as required by O.C.G.A. §48-13-51. Additionally, 1.50% of this tax is allocated towards tourism product development purposes including the designation of a Destination Marketing Organization, the provision and support of a County/City Visitor and Tourism Center, development of signage to promote tourism efforts, promotion of arts, and branding and promotion of museums. The remaining 3.00% of this tax is allocated to the General Fund of Butts County and specifically dedicated to the maintenance and operation of the Historic Butts County Courthouse facility as a Visitor and Tourism Center, Exhibit Hall and Meeting Space. For the fiscal year ended June 30, 2023, the County collected \$264,508 in hotel/motel taxes.

NOTES TO FINANCIAL STATEMENTS

NOTE 14. TAX ABATEMENT PROGRAMS

The County enters into property tax abatement programs with local businesses for the purpose of attracting and retaining business within their jurisdictions. The tax abatements can be granted to any business located within the County. These tax abatement programs are issued on a case-by-case basis for individual businesses for both real and personal property from the Development Authority of Butts County and the Joint Development Authority of Butts County and Spalding County.

During the fiscal year ended June 30, 2023, the County abated property taxes totaling \$654,267 and \$170,625 for real property tax abatements and personal property tax abatements, respectively. Tax abatements during the current year range from 0% to 100% of assessed property values over a time period up to twenty years.

NOTE 15. NET INVESTMENT IN CAPITAL ASSETS

Net investment in capital assets of the government-wide Statement of Net Position as of June 30, 2023 is as follows:

	Governmental Activities
Capital assets, net of accumulated depreciation/amortization	\$ 73,117,936
Lease liabilities	(875,634)
Bonds payable	(2,476,562)
Financed purchase	(832,299)
Total net investment in capital assets	<u>\$ 68,933,441</u>

REQUIRED SUPPLEMENTARY INFORMATION

BUTTS COUNTY, GEORGIA

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

	2023	2022	2021	2020
Total pension liability				
Service cost	\$ 784,609	\$ 706,762	\$ 684,520	\$ 466,173
Interest on total pension liability	1,868,533	1,771,047	1,710,787	1,323,907
Changes of benefit terms	-	-	-	3,466,685
Differences between expected and actual experience	147,716	(86,421)	(42,166)	507,376
	(104,423)	-	-	-
Changes of assumptions	42,495	39,311	36,954	708,882
Benefit payments, including refunds of employee contributions	(1,043,394)	(1,032,679)	(1,012,900)	(946,172)
Net change in total pension liability	1,695,536	1,398,020	1,377,195	5,526,851
Total pension liability - beginning	27,215,028	25,817,008	24,439,813	18,912,962
Total pension liability - ending (a)	28,910,564	27,215,028	25,817,008	24,439,813
Plan fiduciary net position				
Contributions - employer	2,016,269	1,932,741	1,865,907	1,361,167
Net investment income	(2,681,239)	2,354,606	1,875,404	2,079,384
Benefit payments, including refunds of employee contributions	(1,043,394)	(1,032,679)	(978,647)	(914,176)
Administrative expenses	(56,462)	(50,472)	(48,607)	(49,100)
Other	(107,496)	(121,939)	(115,149)	(85,460)
Net change in fiduciary net position	(1,872,322)	3,082,257	2,598,908	2,391,815
Plan fiduciary net position - beginning	18,683,947	15,601,690	13,002,782	10,610,967
Plan fiduciary net position - ending (b)	16,811,625	18,683,947	15,601,690	13,002,782
County's net pension liability - ending (a) - (b)	\$ 12,098,939	\$ 8,531,081	\$ 10,215,318	\$ 11,437,031
Plan fiduciary net position as a percentage of total pension liability	58.15%	68.65%	60.43%	53.20%
Covered payroll	\$ 7,917,883	\$ 7,050,984	\$ 6,728,644	\$ 6,534,675
County's net pension liability as a percentage of covered payroll	152.81%	120.99%	151.82%	175.02%

Notes to the Schedule:

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

<u>2019</u>	<u>2018</u>
\$ 407,763	\$ 377,847
1,125,569	1,041,922
-	-
928,619	264,980
-	-
1,630,062	17,678
<u>(704,143)</u>	<u>(548,672)</u>
3,387,870	1,153,755
<u>15,525,092</u>	<u>14,371,337</u>
<u>18,912,962</u>	<u>15,525,092</u>
1,018,320	595,490
(466,828)	1,474,558
(679,511)	(529,478)
(37,335)	(33,691)
<u>(74,790)</u>	<u>(99,508)</u>
(240,144)	1,407,371
<u>10,851,111</u>	<u>9,443,740</u>
<u>10,610,967</u>	<u>10,851,111</u>
<u>\$ 8,301,995</u>	<u>\$ 4,673,981</u>
56.10%	69.89%
\$ 6,826,757	\$ 6,484,065
121.61%	72.08%

BUTTS COUNTY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF COUNTY CONTRIBUTIONS FOR THE FISCAL YEAR ENDED JUNE 30,

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Actuarially determined contribution	\$ 1,851,079	\$ 1,779,088	\$ 1,732,374	\$ 1,248,694
Contributions in relation to the actuarially determined contribution	<u>2,016,269</u>	<u>1,932,741</u>	<u>1,865,907</u>	<u>1,361,167</u>
Contribution deficiency/(excess)	<u>\$ (165,190)</u>	<u>\$ (153,653)</u>	<u>\$ (133,533)</u>	<u>\$ (112,473)</u>
Covered payroll	\$ 8,260,523	\$ 7,917,883	\$ 6,898,814	\$ 6,631,660
Contributions as a percentage of covered payroll	24.41%	24.41%	27.05%	20.53%

Notes to the Schedule:

Valuation Date	January 1, 2022
Cost Method	Entry Age Normal
Actuarial Asset	
Valuation Method	Smoothed market value with a five-year smoothing period
Assumed Rate of Return on Investments	7.00%
Projected Salary Increases	5.00% Per year with an age based scale
Amortization Method	Closed level dollar for unfunded liability
Remaining Amortization Period	None remaining

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 1,115,035	\$ 974,741	\$ 870,793	\$ 833,403	\$ 754,785	\$ 766,159
<u>1,018,320</u>	<u>595,490</u>	<u>908,115</u>	<u>868,297</u>	<u>799,561</u>	<u>809,174</u>
<u>\$ 96,715</u>	<u>\$ 379,251</u>	<u>\$ (37,322)</u>	<u>\$ (34,894)</u>	<u>\$ (44,776)</u>	<u>\$ (43,015)</u>
\$ 6,680,716	\$ 6,484,065	\$ 6,330,510	\$ 6,066,322	\$ 5,721,346	\$ 5,640,339
15.24%	9.18%	14.35%	14.31%	13.98%	14.35%

NONMAJOR GOVERNMENTAL FUNDS

BUTTS COUNTY, GEORGIA

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

Courthouse Maintenance Fund – To account for the revenues and expenditures restricted for the maintenance and operation of the Historic Butts County Courthouse facility as a Visitors and Tourism Center.

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

Drug Abuse Treatment and Education Fund – To account for collection of additional penalties for certain drug related crimes and for expenditures of those funds solely and exclusively for drug abuse treatment and education programs.

E-911 Fund – To account for emergency services which are provided to all County taxpayers. Financing is provided through user fees and charges and contributions from the General Fund.

Clerk of Superior Court Fund – This fund is used to account for intergovernmental funds collected by the Superior Court Clerk's office which are restricted for handling habeas corpus cases in the Superior Court of Butts County and for storing and retaining court records related to specific inmates at the County.

Sheriff Fund – To account for monies related to the inmate commissary at the County and to account for monies collected from seizures and forfeitures.

Library Fund – To account for the revenues and expenditures from the operation of the Library.

Recreation Department Improvement Fund – To account for the revenues and expenditures applicable to the recreation department that have been committed.

Opioid Settlement Fund – To account for the opioid settlement payments collected from distributors and manufacturers of opioids.

Hotel/Motel Tax Fund – To account for the collection of hotel/motel tax collected by the County.

CAPITAL PROJECTS FUND

Impact Fees Fund – To account for the capital projects activity funded by developmental impact fees.

BUTTS COUNTY, GEORGIA

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS JUNE 30, 2023

	Special Revenue Funds					
	Law Library	Courthouse Maintenance	Jail	Drug Abuse Treatment & Education	E-911	Clerk of Superior Court
ASSETS						
Cash and cash equivalents	\$ 20,398	\$ 79,102	\$ 239,672	\$ 134,874	\$ 511,682	\$ 829,759
Accounts receivable	-	-	-	-	80,330	-
Due from other funds	-	99,190	100,000	-	-	-
Total assets	<u>\$ 20,398</u>	<u>\$ 178,292</u>	<u>\$ 339,672</u>	<u>\$ 134,874</u>	<u>\$ 592,012</u>	<u>\$ 829,759</u>
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts payable	\$ -	\$ 2,348	\$ 303,450	\$ -	\$ 2,441	\$ -
Due to other funds	-	-	4,750	-	45,386	-
Total liabilities	<u>-</u>	<u>2,348</u>	<u>308,200</u>	<u>-</u>	<u>47,827</u>	<u>-</u>
FUND BALANCES						
Restricted for:						
Program purposes						
General government	-	175,944	-	-	-	-
Judicial	20,398	-	-	-	-	829,759
Public safety	-	-	31,472	134,874	544,185	-
Culture and recreation	-	-	-	-	-	-
Promotion and tourism	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-
Committed:						
Culture and recreation	-	-	-	-	-	-
Total fund balances	<u>20,398</u>	<u>175,944</u>	<u>31,472</u>	<u>134,874</u>	<u>544,185</u>	<u>829,759</u>
Total liabilities and fund balances	<u>\$ 20,398</u>	<u>\$ 178,292</u>	<u>\$ 339,672</u>	<u>\$ 134,874</u>	<u>\$ 592,012</u>	<u>\$ 829,759</u>

Special Revenue Funds					Capital Projects Fund	Nonmajor Governmental Funds Total
Sheriff	Library	Recreation Department Improvement	Opioid Settlement	Hotel/Motel	Impact Fees	
\$ 195,379	\$ 184,863	\$ 126,456	\$ -	\$ 103,848	\$ 3,454,940	\$ 5,880,973
-	-	-	-	41,594	-	121,924
-	-	-	91,687	-	-	290,877
<u>\$ 195,379</u>	<u>\$ 184,863</u>	<u>\$ 126,456</u>	<u>\$ 91,687</u>	<u>\$ 145,442</u>	<u>\$ 3,454,940</u>	<u>\$ 6,293,774</u>
\$ -	\$ 751	\$ -	\$ -	\$ 30,991	\$ 30,352	\$ 370,333
-	6,497	-	-	99,190	-	155,823
-	7,248	-	-	130,181	30,352	526,156
-	-	-	91,687	-	-	267,631
-	-	-	-	-	-	850,157
195,379	-	-	-	-	-	905,910
-	177,615	-	-	-	-	177,615
-	-	-	-	15,261	-	15,261
-	-	-	-	-	3,424,588	3,424,588
-	-	126,456	-	-	-	126,456
<u>195,379</u>	<u>177,615</u>	<u>126,456</u>	<u>91,687</u>	<u>15,261</u>	<u>3,424,588</u>	<u>5,767,618</u>
<u>\$ 195,379</u>	<u>\$ 184,863</u>	<u>\$ 126,456</u>	<u>\$ 91,687</u>	<u>\$ 145,442</u>	<u>\$ 3,454,940</u>	<u>\$ 6,293,774</u>

BUTTS COUNTY, GEORGIA

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

	Special Revenue Funds					Clerk of Superior Court
	Law Library	Courthouse Maintenance	Jail	Drug Abuse Treatment & Education	E-911	
REVENUES						
Other taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	479,177	163,245
Fines and forfeitures	17,971	55,751	71,247	35,363	-	-
Investment earnings	-	24	75	99	144	-
Contributions	-	-	-	-	-	-
Total revenues	<u>17,971</u>	<u>55,775</u>	<u>71,322</u>	<u>35,462</u>	<u>479,321</u>	<u>163,245</u>
EXPENDITURES						
Current:						
General government	-	106,256	-	-	-	-
Judicial	16,720	-	-	-	-	17,144
Public safety	-	-	370,961	39,666	903,200	-
Culture and recreation	-	-	-	-	-	-
Housing and development	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	<u>16,720</u>	<u>106,256</u>	<u>370,961</u>	<u>39,666</u>	<u>903,200</u>	<u>17,144</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,251</u>	<u>(50,481)</u>	<u>(299,639)</u>	<u>(4,204)</u>	<u>(423,879)</u>	<u>146,101</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	99,190	100,000	-	524,971	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>99,190</u>	<u>100,000</u>	<u>-</u>	<u>524,971</u>	<u>-</u>
Net change in fund balances	1,251	48,709	(199,639)	(4,204)	101,092	146,101
FUND BALANCES, beginning of year	<u>19,147</u>	<u>127,235</u>	<u>231,111</u>	<u>139,078</u>	<u>443,093</u>	<u>683,658</u>
FUND BALANCES, end of year	<u>\$ 20,398</u>	<u>\$ 175,944</u>	<u>\$ 31,472</u>	<u>\$ 134,874</u>	<u>\$ 544,185</u>	<u>\$ 829,759</u>

Special Revenue Funds					Capital Projects Fund	
Sheriff	Library	Recreation Department Improvement	Opioid Settlement	Hotel/Motel	Impact Fees	Total
\$ -	\$ -	\$ -	\$ -	\$ 264,508	\$ -	\$ 264,508
-	-	-	91,687	-	-	91,687
358,512	6,497	-	-	-	2,478,100	3,485,531
466,707	-	-	-	-	-	647,039
-	429	45	-	26	1,086	1,928
882	14,264	-	-	-	-	15,146
<u>826,101</u>	<u>21,190</u>	<u>45</u>	<u>91,687</u>	<u>264,534</u>	<u>2,479,186</u>	<u>4,505,839</u>
-	-	-	-	-	-	106,256
-	-	-	-	-	-	33,864
752,570	-	-	-	-	-	2,066,397
-	7,779	27,099	-	-	-	34,878
-	-	-	-	165,317	-	165,317
-	-	-	-	-	167,325	167,325
<u>752,570</u>	<u>7,779</u>	<u>27,099</u>	<u>-</u>	<u>165,317</u>	<u>167,325</u>	<u>2,574,037</u>
<u>73,531</u>	<u>13,411</u>	<u>(27,054)</u>	<u>91,687</u>	<u>99,217</u>	<u>2,311,861</u>	<u>1,931,802</u>
-	-	-	-	-	-	724,161
<u>-</u>	<u>(6,497)</u>	<u>-</u>	<u>-</u>	<u>(99,190)</u>	<u>-</u>	<u>(105,687)</u>
<u>-</u>	<u>(6,497)</u>	<u>-</u>	<u>-</u>	<u>(99,190)</u>	<u>-</u>	<u>618,474</u>
73,531	6,914	(27,054)	91,687	27	2,311,861	2,550,276
<u>121,848</u>	<u>170,701</u>	<u>153,510</u>	<u>-</u>	<u>15,234</u>	<u>1,112,727</u>	<u>3,217,342</u>
<u>\$ 195,379</u>	<u>\$ 177,615</u>	<u>\$ 126,456</u>	<u>\$ 91,687</u>	<u>\$ 15,261</u>	<u>\$ 3,424,588</u>	<u>\$ 5,767,618</u>

BUTTS COUNTY, GEORGIA

SPECIAL REVENUE FUNDS SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Law Library		
	Final Budget	Actual	Variance With Final Budget
REVENUES			
Fines and forfeitures	\$ 16,720	\$ 17,971	\$ 1,251
Investment earnings	-	-	-
Total revenues	16,720	17,971	1,251
EXPENDITURES			
Current:			
General government	-	-	-
Judicial	16,720	16,720	-
Public safety	-	-	-
Total expenditures	16,720	16,720	-
Excess (deficiency) of revenues over (under) expenditures	-	1,251	1,251
OTHER FINANCING SOURCES			
Transfers in	-	-	-
Total other financing sources	-	-	-
Net change in fund balances	-	1,251	1,251
FUND BALANCES, beginning of year	19,147	19,147	-
FUND BALANCES, end of year	\$ 19,147	\$ 20,398	\$ 1,251

Courtthouse Maintenance			Jail		
Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget
\$ 106,256	\$ 55,751	\$ (50,505)	\$ 370,961	\$ 71,247	\$ (299,714)
-	24	24	-	75	75
106,256	55,775	(50,481)	370,961	71,322	(299,639)
106,256	106,256	-	-	-	-
-	-	-	-	-	-
-	-	-	370,961	370,961	-
106,256	106,256	-	370,961	370,961	-
-	(50,481)	(50,481)	-	(299,639)	(299,639)
-	99,190	99,190	-	100,000	100,000
-	99,190	99,190	-	100,000	100,000
-	48,709	48,709	-	(199,639)	(199,639)
127,235	127,235	-	231,111	231,111	-
\$ 127,235	\$ 175,944	\$ 48,709	\$ 231,111	\$ 31,472	\$ (199,639)

(Continued)

BUTTS COUNTY, GEORGIA

SPECIAL REVENUE FUNDS SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Drug Abuse Treatment and Education		
	Final Budget	Actual	Variance With Final Budget
REVENUES			
Charges for services	\$ -	\$ -	\$ -
Fines and forfeitures	39,666	35,363	(4,303)
Investment earnings	-	99	99
Total revenues	39,666	35,462	(4,204)
EXPENDITURES			
Current:			
Judicial	-	-	-
Public safety	39,666	39,666	-
Total expenditures	39,666	39,666	-
Excess (deficiency) of revenues over (under) expenditures	-	(4,204)	(4,204)
OTHER FINANCING SOURCES			
Transfers in	-	-	-
Total other financing sources	-	-	-
Net change in fund balances	-	(4,204)	(4,204)
FUND BALANCES, beginning of year	139,078	139,078	-
FUND BALANCES, end of year	\$ 139,078	\$ 134,874	\$ (4,204)

E-911			Clerk of Superior Court		
Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget
\$ 469,729	\$ 479,177	\$ 9,448	\$ 146,101	\$ 163,245	\$ 17,144
-	-	-	-	-	-
26	144	118	-	-	-
469,755	479,321	9,566	146,101	163,245	17,144
-	-	-	146,101	17,144	128,957
944,726	903,200	41,526	-	-	-
944,726	903,200	41,526	146,101	17,144	128,957
(474,971)	(423,879)	51,092	-	146,101	146,101
524,971	524,971	-	-	-	-
524,971	524,971	-	-	-	-
50,000	101,092	51,092	-	146,101	146,101
443,093	443,093	-	683,658	683,658	-
\$ 493,093	\$ 544,185	\$ 51,092	\$ 683,658	\$ 829,759	\$ 146,101

(Continued)

BUTTS COUNTY, GEORGIA

SPECIAL REVENUE FUNDS SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2023

		Sheriff	
	Final Budget	Actual	Variance With Final Budget
REVENUES			
Charges for services	\$ 358,512	\$ 358,512	\$ -
Fines and forfeitures	394,058	466,707	72,649
Investment earnings	-	-	-
Contributions	-	882	882
Total revenues	<u>752,570</u>	<u>826,101</u>	<u>73,531</u>
EXPENDITURES			
Current:			
Public safety	752,570	752,570	-
Culture and recreation	-	-	-
Total expenditures	<u>752,570</u>	<u>752,570</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>73,531</u>	<u>73,531</u>
OTHER FINANCING USES			
Transfers out	-	-	-
Total other financing uses	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	73,531	73,531
FUND BALANCES, beginning of year	<u>121,848</u>	<u>121,848</u>	<u>-</u>
FUND BALANCES, end of year	<u><u>\$ 121,848</u></u>	<u><u>\$ 195,379</u></u>	<u><u>\$ 73,531</u></u>

Library			Recreation Department Improvement		
Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget
\$ -	\$ 6,497	\$ 6,497	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	429	429	30,000	45	(29,955)
7,779	14,264	6,485	-	-	-
7,779	21,190	13,411	30,000	45	(29,955)
-	-	-	-	-	-
7,779	7,779	-	30,000	27,099	2,901
7,779	7,779	-	30,000	27,099	2,901
-	13,411	13,411	-	(27,054)	(27,054)
-	(6,497)	(6,497)	-	-	-
-	(6,497)	(6,497)	-	-	-
-	6,914	6,914	-	(27,054)	(27,054)
170,701	170,701	-	153,510	153,510	-
\$ 170,701	\$ 177,615	\$ 6,914	\$ 153,510	\$ 126,456	\$ (27,054)

(Continued)

BUTTS COUNTY, GEORGIA

SPECIAL REVENUE FUNDS SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Opioid Settlement		
	Final Budget	Actual	Variance With Final Budget
REVENUES			
Other taxes	\$ -	\$ -	\$ -
Intergovernmental	-	91,687	91,687
Investment earnings	-	-	-
Total revenues	-	91,687	91,687
EXPENDITURES			
Current:			
Health and welfare	-	-	-
Housing and development	-	-	-
Total expenditures	-	-	-
Excess of revenues over expenditures	-	91,687	91,687
OTHER FINANCING USES			
Transfers out	-	-	-
Total other financing uses	-	-	-
Net change in fund balances	-	91,687	91,687
FUND BALANCES, beginning of year	-	-	-
FUND BALANCES, end of year	\$ -	\$ 91,687	\$ 91,687

Hotel/Motel		
Final Budget	Actual	Variance With Final Budget
\$ 264,508	\$ 264,508	\$ -
-	-	-
-	26	26
264,508	264,534	26
-	-	-
264,508	165,317	99,191
264,508	165,317	99,191
-	99,217	99,217
-	(99,190)	(99,190)
-	(99,190)	(99,190)
-	27	27
15,234	15,234	-
\$ 15,234	\$ 15,261	\$ 27

BUTTS COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS - 2018 ISSUE FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Estimated Cost	Current Estimated Cost	Expenditures		
			Prior Years	Current Year	Total
Capital Outlay Projects					
A. City of Jackson	\$ 5,500,000	\$ 5,500,000	\$ 3,211,527	\$ 1,571,620	\$ 4,783,147
B. City of Flovilla	1,650,000	1,650,000	513,844	251,459	765,303
C. City of Jenkinsburg	825,000	825,000	513,845	251,459	765,304
D. Butts County et al. Water Sewer Authority	9,098,885	9,098,885	2,055,378	1,005,837	3,061,215
E. Judicial wing addition	4,000,000	4,000,000	5,930,786	-	5,930,786
F. Courthouse rehabilitation	2,000,000	2,000,000	2,725,051	-	2,725,051
G. Fire services ladder truck	1,000,000	1,000,000	834,750	-	834,750
H. Roads, streets and bridges	4,000,000	4,000,000	1,477,300	73,066	1,550,366
I. Public safety and equipment	1,250,000	1,250,000	533,614	358,112	891,726
J. Tourism and historic sites	100,000	100,000	-	-	-
K. Library	38,500	38,500	-	-	-
L. Animal control rehabilitation	150,000	150,000	-	2,625	2,625
M. Leisure services	350,000	350,000	6,331	152,564	158,895
N. E-911 repeaters	100,000	100,000	-	-	-
O. Administration technology upgrades	250,000	250,000	64,115	32,432	96,547
P. Facilities (HVAC, Infrastructure)	3,000,000	3,000,000	96,596	14,000	110,596
Debt service - interest/issuance costs on SPLOST bonds	-	-	192,000	146,900	338,900
	<u>\$ 33,312,385</u>	<u>\$ 33,312,385</u>	<u>\$ 18,155,137</u>	<u>\$ 3,860,074</u>	<u>\$ 22,015,211</u>

Expenditures per Statement of Revenues,
Expenditures and Changes in Fund Balance:

SPLOST Debt Service Fund	\$ 4,402,274
SPLOST Capital Projects Fund	632,800
Principal payments	(1,175,000)
	<u>\$ 3,860,074</u>

CUSTODIAL FUNDS

BUTTS COUNTY, GEORGIA

CUSTODIAL FUNDS

Tax Commissioner – To account for tax billings, collections and remittances made by property owners of record on behalf of other governmental agencies.

Magistrate Court – To account for the receipt and disbursement of court-ordered fines and fees made on behalf of third parties.

Probate Court – To account for the collection of fees for firearms licenses, certificates, marriage licenses, passports, etc., which are disbursed to other parties.

Clerk of Superior Court – To account for the receipt and disbursement of court-ordered fines and fees made on behalf of third parties.

Sheriff – To account for the collection and remittance of fines, bond forfeitures, and various fees, and to account for the receipt and disbursement of funds held on behalf of County inmates housed in the County detention facility.

BUTTS COUNTY, GEORGIA

COMBINING STATEMENT OF FIDUCIARY NET POSITION FIDUCIARY FUNDS - CUSTODIAL FUNDS JUNE 30, 2023

	Tax Commissioner	Magistrate Court	Probate Court	Clerk of Superior Court	Sheriff	Total
ASSETS						
Cash	\$ 997,647	\$ 29,989	\$ 71,211	\$ 341,262	\$ 1,111,998	\$ 2,552,107
Taxes receivable	<u>1,760,187</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,760,187</u>
Total assets	<u>2,757,834</u>	<u>29,989</u>	<u>71,211</u>	<u>341,262</u>	<u>1,111,998</u>	<u>4,312,294</u>
LIABILITIES						
Due to others	972,312	4,447	70,549	64,394	6,967	1,118,669
Uncollected taxes	<u>1,760,187</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,760,187</u>
Total liabilities	<u>2,732,499</u>	<u>4,447</u>	<u>70,549</u>	<u>64,394</u>	<u>6,967</u>	<u>2,878,856</u>
NET POSITION						
Restricted for individuals, organizations and other governments	<u>\$ 25,335</u>	<u>\$ 25,542</u>	<u>\$ 662</u>	<u>\$ 276,868</u>	<u>\$ 1,105,031</u>	<u>\$ 1,433,438</u>

BUTTS COUNTY, GEORGIA

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

	<u>Tax Commissioner</u>	<u>Magistrate Court</u>	<u>Probate Court</u>	<u>Clerk of Superior Court</u>	<u>Sheriff</u>	<u>Total</u>
ADDITIONS						
Taxes collected	\$ 17,963,685	\$ -	\$ -	\$ -	\$ -	\$ 17,963,685
Fines and fees collected	-	205,410	1,047,728	1,389,127	4,979,823	7,622,088
Total additions	<u>17,963,685</u>	<u>205,410</u>	<u>1,047,728</u>	<u>1,389,127</u>	<u>4,979,823</u>	<u>25,585,773</u>
DEDUCTIONS						
Taxes disbursed	18,040,728	-	-	-	-	18,040,728
Fines and fees disbursed	-	195,625	1,048,625	1,215,470	4,750,595	7,210,315
Total deductions	<u>18,040,728</u>	<u>195,625</u>	<u>1,048,625</u>	<u>1,215,470</u>	<u>4,750,595</u>	<u>25,251,043</u>
Change in net position	(77,043)	9,785	(897)	173,657	229,228	334,730
Net position, beginning of year	<u>102,378</u>	<u>15,757</u>	<u>1,559</u>	<u>103,211</u>	<u>875,803</u>	<u>1,098,708</u>
Net position, end of year	<u>\$ 25,335</u>	<u>\$ 25,542</u>	<u>\$ 662</u>	<u>\$ 276,868</u>	<u>\$ 1,105,031</u>	<u>\$ 1,433,438</u>

III. STATISTICAL SECTION

STATISTICAL SECTION

This part of Butts County, Georgia's Annual Comprehensive Financial Report ("ACFR") presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends.....	76 – 85
<i>These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.</i>	
Revenue Capacity	86 – 91
<i>These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.</i>	
Debt Capacity	92 – 95
<i>These schedules contain information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.</i>	
Demographic and Economic Information.....	96 and 97
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.</i>	
Operating Information	98 – 100
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the government provides and the activities it performs.</i>	

Sources: Unless otherwise noted, the information in these schedules is derived from the ACFR for the relevant year. The County implemented GASB Statement 34 for the year ended June 30, 2003; schedules presenting financial information include information beginning in that year.

BUTTS COUNTY, GEORGIA

NET POSITION BY COMPONENT LAST TEN FISCAL YEARS

	Fiscal Year Ended June 30,				
	2014	2015	2016	2017	2018
Primary government:					
Governmental activities:					
Investment in capital assets	\$ 76,819,883	\$ 75,653,320	\$ 74,262,966	\$ 72,994,651	\$ 72,349,883
Restricted	3,468,839	3,356,858	2,712,526	3,342,906	2,828,711
Unrestricted	6,734,075	2,726,860	253,070	(2,582,677)	(2,124,998)
Total primary government net position	<u>\$ 87,022,797</u>	<u>\$ 81,737,038</u>	<u>\$ 77,228,562</u>	<u>\$ 73,754,880</u>	<u>\$ 73,053,596</u>

Fiscal Year Ended June 30,				
2019	2020	2021	2022	2023
\$ 69,920,221	\$ 68,787,330	\$ 71,929,956	\$ 68,888,130	\$ 68,933,441
3,708,772	6,148,457	5,126,006	12,512,325	21,100,491
(4,720,997)	(5,087,667)	(1,299,376)	590,972	4,477,102
<u>\$ 68,907,996</u>	<u>\$ 69,848,120</u>	<u>\$ 75,756,586</u>	<u>\$ 81,991,427</u>	<u>\$ 94,511,034</u>

BUTTS COUNTY, GEORGIA

CHANGES IN NET POSITION LAST TEN FISCAL YEARS (ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year Ended June 30,				
	2014	2015	2016	2017	2018
Expenses					
Governmental activities:					
General government	\$ 6,143,350	\$ 6,310,560	\$ 7,799,041	\$ 7,098,733	\$ 6,106,208
Public safety	8,566,830	8,514,357	9,115,213	9,465,230	10,300,932
Public works	4,791,653	4,660,531	5,025,145	4,612,015	4,184,571
Judicial	1,452,571	1,592,810	1,536,548	1,648,072	1,711,397
Health and welfare	782,690	794,838	242,690	240,572	230,542
Culture and recreation	1,286,772	1,155,162	1,208,280	1,214,819	1,183,908
Economic opportunity	10,793	11,775	11,775	9,813	11,775
Housing and development	1,595,220	1,527,823	1,701,874	2,020,054	1,798,044
Interest on long-term debt	175,589	154,800	123,994	45,940	141,706
Total primary government expenses	<u>\$ 24,805,468</u>	<u>\$ 24,722,656</u>	<u>\$ 26,764,560</u>	<u>\$ 26,355,248</u>	<u>\$ 25,669,083</u>
Program revenues					
Governmental activities:					
Charges for services	\$ 4,553,412	\$ 4,374,107	\$ 5,366,815	\$ 5,544,793	\$ 6,153,239
Operating grants and contributions	133,496	127,220	134,666	136,466	146,792
Capital grants and contributions	326,571	322,230	320,490	685,289	1,106,566
Total primary government program revenues	<u>\$ 5,013,479</u>	<u>\$ 4,823,557</u>	<u>\$ 5,821,971</u>	<u>\$ 6,366,548</u>	<u>\$ 7,406,597</u>
Net (expense)/revenue					
Total primary government net expense	<u>\$ (19,791,989)</u>	<u>\$ (19,899,099)</u>	<u>\$ (20,942,589)</u>	<u>\$ (19,988,700)</u>	<u>\$ (18,262,486)</u>
General Revenues and Other					
Changes in Net Position					
Governmental activities:					
Taxes					
Property taxes	\$ 9,552,992	\$ 9,472,853	\$ 8,984,945	\$ 8,413,521	\$ 9,378,048
Sales taxes	6,194,278	6,541,956	5,933,741	6,491,306	6,450,837
Insurance premium taxes	816,774	861,867	922,925	982,140	1,051,838
Other taxes	191,202	179,146	171,478	173,836	174,787
Investment revenue	39,599	49,580	22,446	24,799	25,895
Miscellaneous	520,577	882,985	390,237	404,135	413,101
Gain on sale of capital assets	-	-	8,341	25,281	66,696
Total primary government	<u>\$ \$17,315,422</u>	<u>\$ \$17,988,387</u>	<u>\$ \$16,434,113</u>	<u>\$ \$16,515,018</u>	<u>\$ \$17,561,202</u>
Change in Net Position					
Total primary government	<u>\$ (2,476,567)</u>	<u>\$ (1,910,712)</u>	<u>\$ (4,508,476)</u>	<u>\$ (3,473,682)</u>	<u>\$ (701,284)</u>

Fiscal Year Ended June 30,				
2019	2020	2021	2022	2023
\$ 9,954,910	\$ 7,805,569	\$ 7,464,792	\$ 8,381,134	\$ 10,558,704
10,448,663	12,600,416	13,429,161	1,822,723	2,006,473
4,405,744	4,819,827	3,650,099	13,329,307	15,863,231
1,969,000	1,702,429	1,619,245	6,152,944	8,042,764
139,882	130,489	139,882	147,283	149,045
1,105,158	1,266,022	1,240,570	1,215,595	1,380,966
7,500	12,896	36,977	133,715	7,500
1,052,266	573,058	748,256	935,273	1,196,049
266,583	230,195	255,280	268,114	190,248
<u>\$ 29,349,706</u>	<u>\$ 29,140,901</u>	<u>\$ 28,584,262</u>	<u>\$ 32,386,088</u>	<u>\$ 39,394,980</u>
\$ 6,115,083	\$ 8,392,655	\$ 9,429,082	\$ 12,822,974	15,581,149
266,853	391,167	918,925	539,767	608,088
607,435	1,149,964	764,353	1,311,156	3,747,142
<u>\$ 6,989,371</u>	<u>\$ 9,933,786</u>	<u>\$ 11,112,360</u>	<u>\$ 14,673,897</u>	<u>\$ 19,936,379</u>
<u>\$ (22,360,335)</u>	<u>\$ (19,207,115)</u>	<u>\$ (17,471,902)</u>	<u>\$ (17,712,191)</u>	<u>\$ (19,458,601)</u>
\$ 9,151,492	\$ 10,320,741	\$ 12,332,204	\$ 13,439,168	\$ 17,383,087
7,021,544	7,665,054	8,484,594	10,675,834	12,413,917
1,134,164	1,217,235	1,294,927	1,344,698	1,445,694
289,393	321,704	367,267	669,558	687,450
36,501	30,185	69,474	6,930	48,060
581,641	592,320	831,902	-	-
-	-	-	-	-
<u>\$ \$18,214,735</u>	<u>\$ \$20,147,239</u>	<u>\$ \$23,380,368</u>	<u>\$ \$26,136,188</u>	<u>\$ 31,978,208</u>
<u>\$ (4,145,600)</u>	<u>\$ 940,124</u>	<u>\$ 5,908,466</u>	<u>\$ 8,423,997</u>	<u>\$ 12,519,607</u>

BUTTS COUNTY, GEORGIA

PROGRAM REVENUES BY FUNCTION/PROGRAM LAST TEN FISCAL YEARS (ACCRUAL BASIS OF ACCOUNTING)

Function/Program	Fiscal Year Ended June 30,				
	2014	2015	2016	2017	2018
Governmental activities:					
General government	\$ 201,405	\$ 192,303	\$ 276,825	\$ 278,028	\$ 496,369
Public safety	2,210,726	2,068,758	2,932,988	3,269,427	3,457,045
Public works	1,573,798	1,908,078	1,990,786	1,905,050	2,658,426
Judicial	217,708	273,290	244,968	250,904	266,932
Health and welfare	-	-	-	-	-
Culture and recreation	341,494	360,466	340,034	355,050	335,101
Housing and development	8,281	20,752	36,370	308,089	192,654
Total primary government	<u>\$ 4,553,412</u>	<u>\$ 4,823,647</u>	<u>\$ 5,821,971</u>	<u>\$ 6,366,548</u>	<u>\$ 7,406,527</u>

Fiscal Year Ended June 30,				
2019	2020	2021	2022	2023
\$ 275,226	\$ 376,399	\$ 521,403	\$ 2,803,571	\$ 5,397,207
3,694,568	4,913,549	5,427,752	714,538	822,549
1,605,711	2,625,770	2,894,646	4,889,608	5,219,889
196,037	224,940	298,742	5,411,525	8,166,700
-	-	-	498,132	-
323,668	245,031	284,368	356,523	330,034
19,873	6,966	2,171	-	-
<u>\$ 6,115,083</u>	<u>\$ 8,392,655</u>	<u>\$ 9,429,082</u>	<u>\$ 14,673,897</u>	<u>\$ 19,936,379</u>

BUTTS COUNTY, GEORGIA

FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year Ended June 30,				
	2014	2015	2016	2017	2018
General Fund:					
Nonspendable	\$ 1,062,500	\$ 1,062,500	\$ 1,062,500	\$ 1,062,500	\$ 1,062,500
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	-	-	-	-	7,944
Unassigned	6,303,335	5,560,850	4,349,835	2,178,419	2,064,979
Total General Fund	7,365,835	6,623,350	5,412,335	3,240,919	3,135,423
All Other Governmental Funds:					
Nonspendable	-	-	-	-	-
Committed	-	-	-	-	-
Restricted	3,468,839	3,356,858	2,712,526	3,072,622	9,951,338
Total All Other Governmental Funds	\$ 10,834,674	\$ 9,980,208	\$ 2,712,526	\$ 3,072,622	\$ 9,951,338

Fiscal Year Ended June 30,				
2019	2020	2021	2022	2023
\$ 1,062,500	\$ 1,062,500	\$ 1,085,942	\$ 1,119,630	\$ 1,232,149
-	-	-	-	-
-	-	-	-	-
33,636	18,038	-	-	-
1,887,066	3,919,845	8,137,881	9,473,401	10,714,251
2,983,202	5,000,383	9,223,823	10,593,031	11,946,400
-	-	-	750	750
-	-	-	153,510	126,456
10,287,611	6,148,457	5,126,006	12,512,325	21,100,491
\$ 10,287,611	\$ 6,148,457	\$ 5,126,006	\$ 12,666,585	\$ 21,227,697

BUTTS COUNTY, GEORGIA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year Ended June 30,				
	2014	2015	2016	2017	2018
REVENUES					
Taxes	\$ 16,739,351	\$ 17,069,362	\$ 16,023,684	\$ 16,046,932	\$ 17,030,765
Licenses and permits	112,305	106,994	159,310	144,411	444,301
Intergovernmental	410,285	404,850	403,087	767,432	1,180,292
Fines and forfeitures	1,078,091	811,335	982,862	1,030,233	1,077,542
Charges for services	3,329,966	3,416,867	4,178,837	4,326,032	4,596,808
Contributions and donations	80,950	84,211	97,875	97,876	98,436
Investment earnings	12,962	17,918	22,446	25,365	35,113
Miscellaneous	477,844	785,634	383,475	405,728	413,101
Total revenues	<u>22,241,754</u>	<u>22,697,171</u>	<u>22,251,576</u>	<u>22,844,009</u>	<u>24,876,358</u>
EXPENDITURES					
General government	4,653,072	4,742,394	5,030,339	5,122,856	4,805,515
Public safety	8,158,510	7,874,515	8,174,715	8,638,127	9,205,238
Public works	1,785,991	1,884,262	1,972,746	1,787,425	1,983,345
Judicial	1,401,670	1,545,122	1,464,593	1,590,924	1,653,060
Health and welfare	782,690	794,838	242,690	240,572	230,542
Culture and recreation	1,170,540	1,036,962	1,068,586	1,107,295	1,077,467
Economic opportunity	10,793	11,775	11,775	9,813	11,775
Housing and development	1,582,287	1,526,648	2,992,235	1,907,393	1,684,001
Intergovernmental	1,157,905	1,265,794	1,145,983	1,231,292	1,221,904
Debt service:					
Principal	1,272,799	1,289,390	1,439,163	1,398,090	1,439,559
Interest	181,616	160,925	99,695	143,409	110,318
Issuance costs	-	-	-	-	-
Capital outlay	1,028,584	1,420,147	1,943,273	1,503,414	2,030,638
Total expenditures	<u>23,186,457</u>	<u>23,552,772</u>	<u>25,585,793</u>	<u>24,680,610</u>	<u>25,453,362</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(944,703)</u>	<u>(855,601)</u>	<u>(3,334,217)</u>	<u>(1,836,601)</u>	<u>(577,004)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	1,308,465	2,181,675	1,573,860	1,642,548	1,416,296
Transfers out	(1,308,465)	(2,181,675)	(1,573,860)	(1,642,548)	(1,416,296)
Bond proceeds	-	-	-	-	7,000,000
Bond premium	-	-	-	-	364,852
Bond issuance costs	-	-	-	-	(134,425)
Proceeds from sale of property	-	-	68,398	25,281	119,797
Insurance proceeds	-	1,135	6,762	-	-
Capital leases issued	338,455	-	1,403,710	-	-
Lease issued	-	-	-	-	-
Issuance of debt	-	-	-	-	-
Total other financing sources (uses)	<u>338,455</u>	<u>1,135</u>	<u>1,478,870</u>	<u>25,281</u>	<u>7,350,224</u>
Net change in fund balances	<u>\$ (606,248)</u>	<u>\$ (854,466)</u>	<u>\$ (1,855,347)</u>	<u>\$ (1,811,320)</u>	<u>\$ 6,773,220</u>
Debt Service as a percentage of non-capital expenditures	6.80%	6.70%	7.00%	6.70%	6.80%

Fiscal Year Ended June 30,				
2019	2020	2021	2022	2023
\$ 17,555,620	\$ 19,545,942	\$ 22,403,544	\$ 25,983,785	\$ 29,189,174
234,841	278,703	368,624	514,256	833,445
531,232	1,394,406	1,324,380	1,808,679	4,307,254
1,061,199	1,867,207	1,838,156	10,123,615	12,377,112
4,782,095	6,200,352	7,222,302	1,473,319	1,318,669
228,801	69,502	357,434	41,635	15,146
187,704	153,801	10,129	7,539	80,890
613,019	687,336	831,902	711,784	1,051,923
25,194,511	30,197,249	34,356,471	40,664,612	49,173,613
5,237,925	4,560,699	5,002,433	6,368,451	7,252,695
9,512,901	12,068,679	12,774,500	13,512,294	15,668,840
1,529,875	2,442,279	2,422,518	2,950,981	1,850,936
1,673,545	1,653,809	1,678,837	1,780,352	1,970,890
139,882	139,882	139,882	147,283	149,045
1,015,217	1,153,068	1,134,353	1,278,796	1,382,797
7,500	12,896	36,977	7,500	7,500
944,759	474,428	648,615	837,156	1,134,134
1,582,776	1,588,886	1,777,837	3,159,186	6,847,677
836,414	1,314,441	1,293,915	1,453,571	1,552,397
306,038	238,558	263,755	254,354	201,558
-	-	-	1,800	2,900
2,405,717	6,819,519	3,981,860	1,626,918	1,237,763
25,192,549	32,467,144	31,155,482	33,378,642	39,259,132
1,962	(2,269,895)	3,200,989	7,285,970	9,914,481
1,664,580	1,665,745	2,695,435	8,159,665	13,128,149
(1,664,580)	(1,665,745)	(2,695,435)	(8,159,665)	(13,128,149)
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
182,090	-	-	-	-
-	-	-	1,092,851	-
-	147,922	-	-	-
182,090	147,922	-	1,092,851	-
\$ 184,052	\$ (2,121,973)	\$ 3,200,989	\$ 8,378,821	\$ 9,914,481
5.10%	6.50%	6.10%	5.65%	4.84%

BUTTS COUNTY, GEORGIA

TAX REVENUES BY SOURCE OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS

Fiscal Year	General Property	Local Option Sales Tax ("LOST")	Intangible	Cable Franchise	Business Franchise
2014	\$ 8,861,012	\$ 2,432,847	\$ 72,512	\$ 18,418	\$ 23,604
2015	8,840,292	2,568,298	78,494	27,060	23,604
2016	8,266,874	2,314,658	112,023	17,805	12,710
2017	7,759,699	2,522,032	107,806	18,676	26,794
2018	8,662,443	2,527,401	103,787	38,108	26,431
2019	8,602,136	2,736,573	105,577	37,390	26,600
2020	9,726,369	3,030,817	174,377	39,782	36,721
2021	11,601,233	3,309,096	212,270	46,303	33,606
2022	13,293,695	4,170,143	246,446	49,582	66,193
2023	14,642,113	4,835,691	187,124	50,682	79,802

Insurance Premium	Real Estate Transfer	Alcoholic Beverage	Penalties and Interest	Debt Service	Total
\$ 816,774	\$ 20,835	\$ 114,898	\$ 632,915	\$ 3,761,431	\$ 16,755,246
861,867	25,574	109,858	560,657	3,973,658	17,069,362
922,925	39,681	109,270	598,059	3,629,678	16,023,683
982,140	41,461	118,132	514,788	3,955,404	16,046,932
1,051,838	44,333	116,936	560,797	3,898,691	17,030,765
1,134,164	49,926	107,051	512,204	4,243,998	17,555,619
1,217,235	57,857	122,739	484,600	4,655,445	19,545,942
1,294,927	74,757	132,828	598,474	5,100,050	22,403,544
1,344,698	140,353	120,672	620,825	6,505,691	26,558,298
1,445,694	90,984	121,661	769,423	7,578,226	29,801,400

BUTTS COUNTY, GEORGIA

DIRECT AND OVERLAPPING PROPERTY TAX RATES LAST TEN FISCAL YEARS (RATE PER \$1,000 OF ASSESSED VALUE)

	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
County direct rates:										
Basic rate	14.28	13.28	12.71	12.21	12.21	12.21	13.21	12.96	11.96	10.96
Hospital	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Total direct rate	<u>14.28</u>	<u>14.28</u>	<u>13.71</u>	<u>13.21</u>	<u>13.21</u>	<u>13.21</u>	<u>14.21</u>	<u>13.96</u>	<u>12.96</u>	<u>11.96</u>
Overlapping rates:										
School System	19.00	18.90	18.06	17.76	17.22	15.96	15.96	15.09	14.18	13.18
State of Georgia	0.10	0.05	-	-	-	-	-	-	-	-
Total overlapping rate	<u>19.10</u>	<u>18.95</u>	<u>18.06</u>	<u>17.76</u>	<u>17.22</u>	<u>15.96</u>	<u>15.96</u>	<u>15.09</u>	<u>14.18</u>	<u>13.18</u>
Total	33.38	33.23	31.77	30.97	30.43	29.17	30.17	29.05	27.14	25.14

BUTTS COUNTY, GEORGIA

DIRECT AND OVERLAPPING SALES TAX RATES LAST TEN FISCAL YEARS (RATE PER \$1,000 OF ASSESSED VALUE)

	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
County direct rates:										
LOST	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
SPLOST	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Overlapping rates:										
School system	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
State of Georgia	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00

BUTTS COUNTY, GEORGIA

PRINCIPAL PROPERTY TAXPAYERS CURRENT YEAR AND NINE YEARS AGO

Taxpayer	Fiscal Year 2023			Percentage of Total Taxable Assessed Value
	Taxable Assessed Value	Rank	County Tax Levy	
Georgia Power Company	\$ 41,745,255	1	\$ 1,132,716	4.42%
Central Georgia EMC	15,837,664	2	429,739	1.68%
Liberty Property Limited Partnership	12,460,313	3	338,098	1.32%
Salad Time, LLC	9,042,319	4	232,292	0.96%
William B. Jones	8,927,182	5	184,789	0.95%
Hyponex	8,269,313	6	81,918	0.88%
Norfolk Southern Corporation	5,685,438	7	154,269	0.60%
American Woodmark Corporation	5,337,454	8	113,615	0.57%
MAS Georgia LFG, LLC	5,010,218	9	135,947	0.53%
PFJ Southeast, LLC	3,411,765	10	92,575	0.36%
Bellsouth Telecom/AT&T	-		-	-
LKQ of Atlanta	-		-	-
Magnobutt Holdings, LLC	-		-	-
Total	\$ 115,726,921		\$ 2,895,957	12.26%

SOURCE:

Butts County Tax Commissioner's Office

Fiscal Year 2014				
Taxable Assessed Value	Rank	County Tax Levy	Percentage of Total Taxable Assessed Value	
\$ 24,770,945	1	\$ 825,194	3.29%	
10,241,109	2	341,162	1.34%	
-		-	-	
5,730,845	5	179,265	1.28%	
4,681,986	6	80,082	1.28%	
6,206,295	4	132,537	0.79%	
9,479,082	3	315,777	1.28%	
3,426,727	10	90,723	1.28%	
-		-	0.41%	
-		-	-	
2,581,218	9	85,988	0.50%	
3,518,353	7	116,777	0.42%	
3,031,092	8	100,975	1.28%	
<u>\$ 73,667,652</u>		<u>\$ 2,268,480</u>	<u>13.16%</u>	

BUTTS COUNTY, GEORGIA

OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Capital Lease Obligations</u>	<u>Financed Purchase Liability</u>	<u>Leases</u>	<u>Total Debt</u>
2014	\$ 6,163,137	\$ 270,656	\$ -	\$ -	\$ 6,433,793
2015	4,906,475	206,266	-	-	5,112,741
2016	3,624,174	1,483,663	-	-	5,107,837
2017	2,259,455	1,360,573	-	-	3,620,028
2018	8,221,093	1,231,014	-	-	9,452,107
2019	7,364,852	1,336,690	-	-	8,701,542
2020	6,189,043	1,345,980	-	-	7,535,023
2021	4,998,234	1,182,065	-	-	6,180,299
2022	3,702,420	-	1,009,597	1,075,733	5,787,750
2023	2,476,562	-	832,299	875,634	4,184,495

BUTTS COUNTY, GEORGIA

GENERAL BONDED DEBT OUTSTANDING LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total
2014	\$ 6,163,137	\$ 1,208,404	\$ 4,954,733
2015	4,906,475	667,129	4,239,346
2016	3,624,174	581,247	3,042,927
2017	2,259,455	649,497	1,609,958
2018	8,221,093	792,482	7,428,611
2019	7,364,852	786,235	6,578,617
2020	6,189,043	839,062	5,349,981
2021	4,998,234	954,666	4,043,568
2022	3,702,420	1,213,383	2,489,037
2023	2,476,562	1,278,387	1,198,175

BUTTS COUNTY, GEORGIA

LEGAL DEBT MARGIN INFORMATION LAST TEN FISCAL YEARS

	Fiscal Year Ended June 30,				
	2014	2015	2016	2017	2018
Net Assessed Value	\$ 593,786,232	\$ 569,601,381	\$ 554,376,241	\$ 586,987,064	\$ 591,994,360
Debt limit - 10% of Assessed Value	59,378,623	56,960,138	55,437,624	58,698,706	59,199,436
Net debt applicable to limit	6,163,137	4,906,475	3,624,174	2,259,455	8,221,093
Legal debt margin	\$ 53,215,486	\$ 52,053,663	\$ 51,813,450	\$ 56,439,251	\$ 50,978,343
Total net debt applicable to the limit as a percentage of debt limit	10.38%	8.61%	6.54%	3.85%	13.89%

Fiscal Year Ended June 30,				
2019	2020	2021	2022	2023
\$ 567,528,135	\$ 702,536,039	\$ 736,558,123	\$ 816,503,450	\$ 944,213,257
56,752,814	70,253,604	73,655,812	81,650,345	94,421,326
7,364,852	6,189,043	4,998,234	3,702,420	2,476,562
\$ 49,387,962	\$ 64,064,561	\$ 68,657,578	\$ 77,947,925	\$ 91,944,764
12.98%	8.81%	6.79%	4.53%	2.62%

BUTTS COUNTY, GEORGIA

PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS AGO

Employer	Fiscal Year 2023		Fiscal Year 2014	
	Employees	Rank	Employees	Rank
Dollar General Distribution Center	650	1	N/A	N/A
Ready PAC Foods	600	2	300	4
American Woodmark	580	3	475	3
MasterBrand Cabinets	540	4	N/A	N/A
Butts County Board of Education	497	5	500	5
Georgia Diagnostic and Classification Prison	396	6	600	1
Butts County Government	251	7	250	5
Westbury Nursing Home	200	8	200	6
Advance Tabco	120	9	N/A	N/A
Scotts Miracle Grow	116	10	N/A	N/A
WellStar Sylvan Grove Hospital	105	11	105	7
LKQ Corporation	83	12	N/A	N/A
	4,138		2,430	

BUTTS COUNTY, GEORGIA

DEMOGRAPHIC AND ECONOMIC STATISTICS (IN THOUSANDS) LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Per Capita Income (1)</u>	<u>Personal Income</u>	<u>Unemployment Rate (2)</u>
2014	22,788	\$ 29	\$ 667,630	8.10%
2015	22,744	31	712,717	6.90%
2016	22,755	32	734,963	5.80%
2017	22,831	34	783,013	5.00%
2018	22,999	36	823,815	4.50%
2019	23,308	38	884,603	3.80%
2020	23,643	41	961,449	8.10%
2021	24,064	45	1,077,266	4.00%
2022	25,781	43	1,109,543	3.10%
2023	26,649	N/A	N/A	3.20%

(1) U.S. Census Bureau

(2) State Department of Labor unemployment rate of the County (not seasonally adjusted)

BUTTS COUNTY, GEORGIA

FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM LAST TEN FISCAL YEARS

Function	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government										
Board of Commissioners	5	5	5	5	5	5	5	5	5	5
Elections	2	2	1	1	1	1	2	2	2	2
Administration	4	5	6	5	6	6	6	7	8	9
Tax Commissioners	3	4	4	5	6	5	5	5	6	6
Tax Assessor	7	8	7	7	7	7	6	6	6	6
Building Maintenance	2	4	4	4	3	4	4	4	5	5
Judicial										
Superior Court	4	4	5	5	6	5	5	5	5	5
Magistrate Court	5	5	4	3	3	3	3	3	4	4
Probate Court	2	4	3	3	3	3	4	4	5	5
Juvenile Court	2	2	2	2	2	2	2	2	2	2
Sheriff										
Law Enforcement	47	49	54	60	63	61	60	60	60	63
Jail	30	29	33	30	39	39	44	43	43	44
Aminal Control	2	2	4	4	5	5	4	4	4	5
Other Public Safety										
Fire Department/EMS	35	36	36	32	31	33	37	41	47	47
Coroner	1	1	1	1	1	1	1	1	1	1
E-911	13	13	13	11	14	14	14	14	14	16
Public works	25	24	24	23	21	20	20	20	20	20
Code enforcement	-	-	-	-	-	-	-	-	1	2
Other Departments										
Recreation	7	7	7	7	7	7	7	7	7	9
Senior Center	1	2	2	2	2	2	2	2	2	2
Library	3	3	3	2	2	2	2	2	2	2
County Extension	3	3	3	3	3	3	3	3	3	3
Planning & Development	13	10	8	9	4	4	3	3	3	3
IDA	1	1	1	1	1	-	-	-	-	-
Total Governmental Funds	217	223	230	225	235	231	239	243	255	266

SOURCE:

Human Resources Department

BUTTS COUNTY, GEORGIA

OPERATING INDICATORS BY FUNCTION/PROGRAM LAST TEN FISCAL YEARS

Function	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government										
Building Permits - Commercial	N/A	N/A	N/A	N/A	N/A	6	10	7	123	86
Building Permits - Residential	N/A	N/A	N/A	N/A	N/A	105	173	101	306	326
Public Safety										
Sheriff:										
Physical arrests	857	621	733	1,045	999	1,097	650	973	1,715	1,531
Traffic violations	3,544	4,933	4,656	6,060	3,216	4,599	4,939	3,865	4,098	3,593
Fire District:										
Fires Extinguished										
Structures	22	24	25	22	27	24	20	18	30	27
Vehicles	29	31	28	39	25	21	12	16	31	28
Brush	80	76	81	71	74	54	35	14	133	55
Calls for Service	82	79	85	74	88	64	40	383	345	510
EMS:										
Medical Responses	2,840	2,951	2,832	3,331	2,950	3,045	3,710	3,511	4,645	4,201
E-911:										
Calls for Service	25,592	24,489	29,889	37,625	39,624	36,678	34,252	34,981	32,396	30,550
Public Works										
County Roads (miles)	319.10	319.10	319.10	320.70	320.70	320.70	320.70	323.06	323.06	323.06

SOURCE:

Various County departments

BUTTS COUNTY, GEORGIA

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM LAST TEN FISCAL YEARS

Function	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Public Safety										
Sheriff:										
Patrol units	43	45	45	49	46	45	47	47	37	35
Fire District:										
Fire stations	3	4	4	4	4	4	4	4	4	4
Fire trucks	6	6	6	6	6	6	6	6	6	6
Fire aerial trucks	-	-	-	-	-	-	-	-	1	1
EMS:										
Ambulances	6	6	6	5	5	5	5	5	5	6
Public Works										
County roads (paved miles)	226	226	228	229	229	229	232	229	229	231
County roads (gravel miles)	93	93	91	91	91	91	89	94	94	92

SOURCE:

Various County departments.

IV. COMPLIANCE SECTION

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

**To the Board of Commissioners
of Butts County, Georgia
Jackson, Georgia**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Butts County, Georgia (the "County") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated December 28, 2023. Our report includes a reference to other auditors who audited the financial statements of Butts County Board of Health, Development Authority of Butts County, and the Butts County Industrial Development Authority, as described in our report of the County's financial statements. The report does not include the results of the other auditors testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2023-002 that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as 2023-001.

Butts County, Georgia's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the County's response 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 the response.

Purpose of This Report

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

Mauldin & Jenkins, LLC

Macon, Georgia
December 28, 2023



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

To the Board of Commissioners
of Butts County, Georgia
Jackson, Georgia

Report on Compliance for Each Major Federal Program

Opinion on the Major Federal Program

We have audited the **Butts County, Georgia's** (the "County") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2023. The County's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

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

Mauldin & Jenkins, LLC

Macon, Georgia
December 28, 2023



BUTTS COUNTY, GEORGIA

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

Federal Grantor/Pass-Through Grantor/Program Title	AL Number	Contract or Project Number	Total Expenditures	Passed Through to Subrecipients
U.S. DEPARTMENT OF TREASURY				
Direct Award:				
COVID-19-Coronavirus Relief Fund	21.019	N/A	\$ 45,203	\$ -
COVID-19-Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	<u>3,664,312</u>	<u>-</u>
Total U.S. Department of Treasury			<u>3,709,515</u>	<u>-</u>
U.S. DEPARTMENT OF HOMELAND SECURITY				
Passed through Georgia Emergency Management Agency:				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-DR-4685-GA	<u>2,733,992</u>	<u>-</u>
Total U.S. Department of Homeland Security			<u>2,733,992</u>	<u>-</u>
Total Expenditures of Federal Awards			<u>\$ 6,443,507</u>	<u>\$ -</u>

BUTTS COUNTY, GEORGIA

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

NOTE 1. BASIS OF PRESENTATION

The Schedule of Expenditures of Federal Awards includes the federal grant activity of Butts County, Georgia (the "County") and is presented on the accrual basis of accounting.

The information in this schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

NOTE 2. DE MINIMIS COST RATE

The County elected not to use the 10% de minimis cost rate for the year ended June 30, 2023.

NOTE 3. NON-CASH AWARDS

There were no federal awards expended in the form of noncash assistance during the fiscal year. There were also no loans or loan guarantees outstanding at year-end.

BUTTS COUNTY, GEORGIA

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

SECTION I SUMMARY OF AUDIT RESULTS

Financial Statements

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

Unmodified

Internal control over financial reporting:
Material weaknesses identified?

 X Yes No

Significant deficiencies identified not considered to be material weaknesses?

 Yes X None Reported

Noncompliance material to financial statements noted?

 Yes X No

Federal Awards

Internal Control over major programs:
Material weaknesses identified?

 Yes X No

Significant deficiencies identified not considered to be material weaknesses?

 Yes X None Reported

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

Unmodified

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

 Yes X No

Identification of major program:

AL Number

Name of Federal Program or Cluster

21.027

U.S. Department of Treasury:

COVID-19 – Coronavirus State and Local Fiscal Recovery Funds

97.036

U.S Department of Homeland Security:

Disaster Grants – Public Assistance (Presidentially Declared Disasters)

BUTTS COUNTY, GEORGIA

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

SECTION I SUMMARY OF AUDIT RESULTS (CONTINUED)

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

\$750,000

Auditee qualified as low-risk auditee?

____ Yes X No

BUTTS COUNTY, GEORGIA

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

SECTION II FINANCIAL STATEMENTS FINDINGS AND RESPONSES

2023-001 – Tax Commissioner (Repeat Finding)

Criteria: Tax Commissioners are required by the Official Code of Georgia Annotated (“O.C.G.A.”) §48-5-141 to remit all taxes collected by them every two weeks in counties with a population under 30,000.

Condition: During the current year, the Tax Commissioner did not properly distribute tax collections to the County as required by state law.

Context: We addressed the matter with the County to determine the appropriate amounts to record as of and for the fiscal year ended June 30, 2023.

Effects: Tax collections were not remitted to the County in a timely manner.

Cause: There was a lack of appropriate controls at the Tax Commissioner’s office during the fiscal year to ensure proper distributions as required by state law.

Recommendation: We recommend the Tax Commissioner implement controls to ensure tax collections are distributed as required by state law.

Views of Responsible Officials and Planned Corrective Action: We concur with the finding. We will continue to review and improve policies and procedures in an effort to eliminate errors and identify deficiencies from both operational and financial perspectives.

BUTTS COUNTY, GEORGIA

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

SECTION II FINANCIAL STATEMENTS FINDINGS AND RESPONSES (CONTINUED)

2023-002 – Segregation of Duties – Elected Officials

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

Condition: There is not appropriate segregation of duties among recording, distribution, and reconciliation of cash accounts and other operational functions at several constitutional offices.

- Sheriff's Office – one individual with the authority to prepare deposits also collects money received, deposits cash at the bank and prepares checks for signature.
- Tax Commissioner Office – one individual with the authority to prepare checks also signs checks. In addition, we noted no independent review of the reconciled bank statements.

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

Effects: Failure to properly segregate duties can lead to misappropriation of funds that is not detected during the normal course of business.

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

Recommendation: We recommend the elected officials review the duties and access to financial data for all employees and implement procedures to ensure adequate segregation of duties.

Views of Responsible Officials and Planned Corrective Action: We concur with the finding. We will continue to review and improve policies and procedures in an effort to eliminate errors and identify deficiencies from both operational and financial perspectives.

BUTTS COUNTY, GEORGIA

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

SECTION III FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None noted.

BUTTS COUNTY, GEORGIA

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

2022-001 – Tax Commissioner

Criteria: Georgia law requires tax commissioners in counties with populations of less than 30,000 to pay over to the proper County officials the county taxes including, but limited to, any interest, penalties, or other amounts due to the County that have been collected during the two weeks.

Condition: During our audit, we noted that on several occasions throughout the year, the payments to the County were not made timely.

Status: Unresolved. See finding 2023-001

2022-002 – Proper Recognition of Receivables and Deferred Inflows of Resources (Restatement)

Criteria: Generally accepted accounting principles and governmental accounting standards require revenues to be recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period.

Condition: During the prior year and under the guidance provided by other third-party professionals, the County did not properly record receivables and deferred inflows of resources – unavailable revenues balances for the General Fund at June 30, 2021.

Status: Resolved.

2022-003 – Proper Recognition of Receivables and Payables – SPLOST (Restatement)

Criteria: Generally accepted accounting principles and governmental accounting standards require revenues to be recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. In addition, generally accepted accounting principles require timely reporting of all current liabilities when goods have been received or services have been performed, regardless of the timing of the related cash flows.

Condition: During the prior year and under the guidance provided by other third-party professionals, the County did not properly record receivables and amounts due to other governments from SPLOST revenues.

Status: Resolved.

BUTTS COUNTY, GEORGIA

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

2022-004 – Proper Recognition of Receivables – LOST (Restatement)

Criteria: Generally accepted accounting principles and governmental accounting standards require revenues to be recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period.

Condition: During the prior year and under the guidance provided by other third-party professionals, the County did not properly record receivables from LOST at the government-wide level (governmental activities).

Status: Resolved.

2022-005 – Proper Recognition of Capital Assets (Restatement)

las

Criteria: Internal controls should be in place to ensure amounts reported for capital assets and related items are appropriate and properly valued and recorded in accordance with GAAP.

Condition: During the prior year and under the guidance provided by other third-party professionals, we noted the costs associated with resurfacing were capitalized in the prior year, but should have been expensed.

Status: Resolved.

2022-006 – Proper Recognition of Compensated Absences (Restatement)

Criteria: Generally accepted accounting principles require that liabilities for vacation leave and other compensated absences, excluding sick leave, be accrued when the benefits are earned by the employee if the leave is attributable to past service and it is probable that the employer will compensate the employee through paid time off or some other means, such as cash payments at termination or retirement.

Condition: During the prior year and under the guidance provided by other third-party professionals, the County did not properly record accrued compensated absences at the government-wide level for governmental activities as of June 30, 2021.

Status: Resolved.

2022-007 – Segregation of Duties – Elected Officials

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

Condition: There is not appropriate segregation of duties among recording, distribution, and reconciliation of cash accounts and other operational functions at several constitutional offices.

Status: Unresolved. See finding 2023-002



BOARD OF COMMISSIONERS

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

2023-001 Tax Commissioner

Name of the Contact Person Responsible for the Corrective Action Plan: Rhonda Blissit, Chief Financial Officer

Corrective Action Plan: We concur. We will do the best we can to comply with the number of employees that we have.

Anticipated Completion Date: June 30, 2024

2023-002 Segregation of Duties – Elected Officials

Name of the Contact Person Responsible for the Corrective Action Plan: Rhonda Blissit, Chief Financial Officer

Corrective Action Plan: We concur. We will do the best we can to comply with the number of employees that we have.

Anticipated Completion Date: June 30, 2024