

**EMANUEL COUNTY, GEORGIA**

**FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED  
SEPTEMBER 30, 2022**

**EMANUEL COUNTY, GEORGIA**  
**FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

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**TABLE OF CONTENTS**

**Page**

**FINANCIAL SECTION**

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

**Basic Financial Statements:**

**Government-wide Financial Statements:**

Statement of Net Position .....	4
Statement of Activities .....	5 and 6

**Fund Financial Statements:**

Balance Sheet – Governmental Funds .....	7 and 8
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds .....	9 and 10
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities .....	11
General Fund – Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual.....	12 and 13
ARPA – Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual.....	14
Statement of Net Position – Proprietary Funds .....	15
Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds .....	16
Statement of Cash Flows – Proprietary Funds .....	17
Statement of Fiduciary Net Position – Fiduciary Funds .....	18
Statement of Changes in Fiduciary Net Position – Fiduciary Funds .....	19
Notes to Financial Statements .....	20 – 42

**Supplementary Information:**

**Combining and Individual Fund Statements and Schedules:**

Combining Balance Sheet – Nonmajor Governmental Funds .....	43
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds .....	44
Combining Balance Sheet – Nonmajor Governmental Special Revenue Funds .....	45 and 46
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Special Revenue Funds .....	47 and 48
Combining Balance Sheet – Nonmajor Capital Project Funds .....	49
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Project Funds .....	50
Combining Statement of Fiduciary Net Position – Custodial Funds .....	51
Combining Statement of Changes in Fiduciary Net Position – Custodial Funds .....	52

**EMANUEL COUNTY, GEORGIA**  
**FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

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**TABLE OF CONTENTS (CONTINUED)**

**Page**

**FINANCIAL SECTION (CONTINUED)**

**Supplementary Information (Continued):**

Schedule of Expenditures of Special Purpose Local Option Sales Tax Proceeds – 2010 Issue .....	53
Schedule of Expenditures of Special Purpose Local Option Sales Tax Proceeds – 2018 Issue .....	54

**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 .....	55 and 56
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance.....	57 – 59
Schedule of Expenditures of Federal Awards .....	60
Notes to Schedule of Expenditures of Federal Awards .....	60
Schedule of Findings and Questioned Costs .....	61 – 67
Summary Schedule of Prior Year Findings .....	68 – 69



## INDEPENDENT AUDITOR'S REPORT

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**Board of Commissioners  
of Emanuel County, Georgia  
Swainsboro, Georgia**

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of **Emanuel County, Georgia** (the "County"), as of and for the year ended September 30, 2022, 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 business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the County as of September 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund and the American Rescue Plan Act ("ARPA") Fund for the year then ended in accordance with generally accepted accounting principles ("GAAP").

We did not audit the financial statements of the Emanuel County Board of Health which represents 100% of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Emanuel County Board of Health, is based solely on the report of the other auditors.

#### ***Basis for Opinions***

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

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***Responsibilities of Management for the Financial Statements***

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

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

***Auditor's Responsibility 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 generally accepted auditing standards 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 generally accepted auditing standards 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.

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**Supplementary Information**

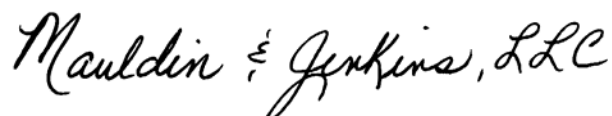
Management has omitted the Management's Discussion and Analysis ("MD&A") that GAAP requires to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board ("GASB") 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. Our opinion on the basic financial statements is not affected by this missing information.

**Required Supplementary Information**

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

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated September 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 Emanuel County, Georgia's internal control over financial reporting and compliance.



Macon, Georgia  
September 28, 2023

## **BASIC FINANCIAL STATEMENTS**

# EMANUEL COUNTY, GEORGIA

## STATEMENT OF NET POSITION SEPTEMBER 30, 2022

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Board of Health
<b>ASSETS</b>				
Cash and cash equivalents	\$ 16,408,895	\$ 506,156	\$ 16,915,051	\$ 1,189,305
Investments	5,953,847	-	5,953,847	-
Taxes receivable	746,506	-	746,506	-
Sales tax receivable	530,719	-	530,719	-
Accounts receivable, net of allowances	108,479	398,200	506,679	42,697
Due from other governments	901,602	-	901,602	-
Inventories	60,695	-	60,695	-
Notes receivable	-	390,877	390,877	-
Land and building held for resale	-	1,562,932	1,562,932	-
Capital assets, non-depreciable	1,906,723	1,996,301	3,903,024	-
Capital assets, depreciable, net of accumulated depreciation	17,449,166	5,840,496	23,289,662	61,288
Net OPEB asset	-	-	-	160,176
Total assets	44,066,632	10,694,962	54,761,594	1,453,466
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension and OPEB	-	-	-	309,955
<b>LIABILITIES</b>				
Accounts payable	1,056,839	598,271	1,655,110	8,501
Accrued liabilities	151,942	-	151,942	-
Unearned revenues	80,682	398,200	478,882	-
Financed purchases due within one year	340,014	-	340,014	-
Financed purchases due in more than one year	1,759,356	-	1,759,356	-
Compensated absences due within one year	195,358	-	195,358	59,562
Compensated absences due in more than one year	48,837	-	48,837	-
Bonds payable due within one year	-	37,869	37,869	-
Bonds payable due in more than one year	-	2,708,906	2,708,906	-
Landfill closure and post-closure care costs due in more than one year	1,142,833	-	1,142,833	-
Net pension liability	-	-	-	441,328
Net OPEB liability	-	-	-	45,873
Total liabilities	4,775,861	3,743,246	8,519,107	555,264
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pension and OPEB	-	-	-	688,693
	-	-	-	688,693
<b>NET POSITION</b>				
Net investment in capital assets	17,256,519	5,892,644	23,149,163	61,288
Restricted for:				
Public safety	645,072	-	645,072	-
Economic development	443,371	-	443,371	-
Capital projects	7,362,416	-	7,362,416	-
Health and welfare programs - PYPI	-	-	-	946,082
HBI Road Map Strategist Initiative - PYPI	-	-	-	8,583
Unrestricted	13,583,393	1,059,072	14,642,465	(496,489)
Total net position	\$ 39,290,771	\$ 6,951,716	\$ 46,242,487	\$ 519,464

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



# EMANUEL COUNTY, GEORGIA

## STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary government:</b>				
Governmental activities:				
General government	\$ 1,601,615	\$ 2,227,097	\$ 304,907	\$ -
Judicial	1,227,027	693,621	-	-
Public safety	5,646,248	1,119,096	-	4,398,720
Public works	4,822,972	-	-	2,619,242
Health and welfare	339,022	-	-	-
Culture and recreation	610,715	-	-	-
Housing and development	1,151,131	-	-	-
Interest on long-term debt	30,853	-	-	-
Intergovernmental	1,911,342	-	-	-
Capital outlay	3,010,828	-	-	-
Total governmental activities	<u>20,351,753</u>	<u>4,039,814</u>	<u>304,907</u>	<u>7,017,962</u>
Business-type activities:				
Development Authority of Emanuel County and the City of Swainsboro	1,064,360	12,000	1,271,518	-
Emanuel County Revolving Loan	-	3,219	-	-
Total business-type activities	<u>1,064,360</u>	<u>15,219</u>	<u>1,271,518</u>	<u>-</u>
Total primary government	<u>\$ 21,416,113</u>	<u>\$ 4,055,033</u>	<u>\$ 1,576,425</u>	<u>\$ 7,017,962</u>
<b>Component units:</b>				
Board of Health	\$ 812,133	\$ 670,593	\$ 474,897	\$ -
Total component units	<u>\$ 812,133</u>	<u>\$ 670,593</u>	<u>\$ 474,897</u>	<u>\$ -</u>
General revenues:				
Property taxes				
Sales taxes				
Insurance premium tax				
Alcoholic beverages taxes				
Other taxes				
Unrestricted investment earnings				
Miscellaneous				
Total general revenues				
Change in net position				
Net position, beginning of year as restated				
Net position, end of year				

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

Net (Expenses) Revenues and Changes in Net Position			
Governmental Activities	Business-type Activities	Total	Component Units Board of Health
\$ 930,389	\$ -	\$ 930,389	\$ -
(533,406)	-	(533,406)	-
(128,432)	-	(128,432)	-
(2,203,730)	-	(2,203,730)	-
(339,022)	-	(339,022)	-
(610,715)	-	(610,715)	-
(1,151,131)	-	(1,151,131)	-
(30,853)	-	(30,853)	-
(1,911,342)	-	(1,911,342)	-
(3,010,828)	-	(3,010,828)	-
(8,989,070)	-	(8,989,070)	-
-	219,158	219,158	-
-	3,219	3,219	-
-	222,377	222,377	-
(8,989,070)	222,377	(8,766,693)	-
-	-	-	333,357
-	-	-	333,357
7,008,154	-	7,008,154	-
7,194,019	-	7,194,019	-
901,602	-	901,602	-
51,386	-	51,386	-
520,355	-	520,355	-
13,749	751	14,500	-
-	-	-	1,166
15,689,265	751	15,690,016	1,166
6,700,195	223,128	6,923,323	334,523
32,590,576	6,728,588	39,319,164	184,941
\$ 39,290,771	\$ 6,951,716	\$ 46,242,487	\$ 519,464

# EMANUEL COUNTY, GEORGIA

## BALANCE SHEET GOVERNMENTAL FUNDS SEPTEMBER 30, 2022

	General	American Rescue Plan Fund	LMIG Fund	TSPLOST Fund
<b>ASSETS</b>				
Cash and cash equivalents	\$ 7,673,200	\$ -	\$ 1,114,311	\$ 1,556,820
Investments	5,953,847	-	-	-
Property taxes receivable	673,877	-	-	-
Sales taxes receivable	150,256	-	-	70,556
Accounts receivable	92,545	-	-	-
Due from other governments	901,602	-	-	-
Inventories	60,695	-	-	-
Total assets	<u>\$ 15,506,022</u>	<u>\$ -</u>	<u>\$ 1,114,311</u>	<u>\$ 1,627,376</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 500,613	\$ -	\$ 58,680	\$ 386,580
Accrued liabilities	135,469	-	-	-
Unearned revenue	75,271	-	-	-
Total liabilities	<u>711,353</u>	<u>-</u>	<u>58,680</u>	<u>386,580</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues:				
Property taxes	614,349	-	-	-
Total deferred inflows of resources	<u>614,349</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>				
Fund balances:				
Nonspendable:				
Inventories	60,695	-	-	-
Restricted for:				
Public safety	-	-	-	-
Economic development	-	-	-	-
Capital projects	-	-	1,055,631	1,240,796
Assigned for:				
Jail commissary activities	-	-	-	-
Unassigned	14,119,625	-	-	-
Total fund balances	<u>14,180,320</u>	<u>-</u>	<u>1,055,631</u>	<u>1,240,796</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 15,506,022</u>	<u>\$ -</u>	<u>\$ 1,114,311</u>	<u>\$ 1,627,376</u>

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

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

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

Accrued Interest on long-term liabilities are not due and payable in the current period and, therefore,  
are not reported in the funds.

Long-term liabilities are not due and payable 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.

<b>SPLOST 6</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 3,860,418	\$ 2,204,146	\$ 16,408,895
-	-	5,953,847
-	72,629	746,506
309,907	-	530,719
-	15,934	108,479
-	-	901,602
-	-	60,695
<u>\$ 4,170,325</u>	<u>\$ 2,292,709</u>	<u>\$ 24,710,743</u>

\$ 88,231	\$ 22,735	\$ 1,056,839
-	14,286	149,755
-	5,411	80,682
<u>88,231</u>	<u>42,432</u>	<u>1,287,276</u>

-	42,965	657,314
-	42,965	657,314

-	-	60,695
-	645,072	645,072
-	443,371	443,371
4,082,094	983,895	7,362,416
-	134,974	134,974
-	-	14,119,625
<u>4,082,094</u>	<u>2,207,312</u>	<u>22,766,153</u>
<u>\$ 4,170,325</u>	<u>\$ 2,292,709</u>	

19,355,889

657,314

(2,187)

(3,486,398)

\$ 39,290,771

# EMANUEL COUNTY, GEORGIA

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

	General Fund	American Rescue Plan Fund	LMIG Fund	TSPLOST Fund
<b>Revenues</b>				
Property taxes	\$ 6,455,253	\$ -	\$ -	\$ -
Sales taxes	1,724,515	-	-	-
Timber taxes	352,075	-	-	-
Motor vehicle taxes	1,415,215	-	-	-
Mobile home taxes	55,931	-	-	-
Franchise taxes	71,289	-	-	-
Insurance premium taxes	901,602	-	-	-
Other taxes	571,741	-	-	-
Licenses and permits	37,410	-	-	-
Intergovernmental	304,907	4,398,720	1,059,807	820,746
Charges for services	1,811,915	-	-	-
Fines and forfeitures	610,790	-	-	-
Interest income	2,332	-	-	-
Miscellaneous	594,581	-	-	5,945
Total revenues	<u>14,909,556</u>	<u>4,398,720</u>	<u>1,059,807</u>	<u>826,691</u>
<b>Expenditures</b>				
Current:				
General government	3,022,752	-	-	-
Judicial	1,227,027	-	-	-
Public safety	5,084,070	-	-	-
Public works	3,421,251	-	68,885	198,196
Health and welfare	339,022	-	-	-
Culture and recreation	613,977	-	-	-
Housing and development	601,131	-	-	-
Intergovernmental	-	-	-	-
Capital outlay	-	-	942,898	28,584
Debt service:				
Principal	-	-	-	356,154
Interest and fiscal charges	-	-	-	30,853
Total expenditures	<u>14,309,230</u>	<u>-</u>	<u>1,011,783</u>	<u>613,787</u>
Excess (deficiency) of revenues over (under) expenditures	<u>600,326</u>	<u>4,398,720</u>	<u>48,024</u>	<u>212,904</u>
<b>Other financing sources (uses)</b>				
Sale of assets	-	-	-	-
Transfers in	4,398,720	-	110,000	540,000
Transfers out	(1,580,000)	(4,398,720)	-	(110,000)
Total other financing sources (uses)	<u>2,818,720</u>	<u>(4,398,720)</u>	<u>110,000</u>	<u>430,000</u>
Net change in fund balances	3,419,046	-	158,024	642,904
<b>Fund balances, beginning of year</b>	<u>10,761,274</u>	<u>-</u>	<u>897,607</u>	<u>597,892</u>
<b>Fund balances, end of year</b>	<u>\$ 14,180,320</u>	<u>\$ -</u>	<u>\$ 1,055,631</u>	<u>\$ 1,240,796</u>

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

SPLOST 6 Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ 563,637	\$ 7,018,890
3,574,994	-	5,299,509
-	-	352,075
-	-	1,415,215
-	-	55,931
-	-	71,289
-	-	901,602
-	-	571,741
-	-	37,410
-	738,689	7,322,869
-	757,808	2,569,723
-	147,716	758,506
7,501	3,916	13,749
-	73,649	674,175
<u>3,582,495</u>	<u>2,285,415</u>	<u>27,062,684</u>
-	-	3,022,752
-	-	1,227,027
-	1,007,043	6,091,113
48,562	101,700	3,838,594
-	-	339,022
-	-	613,977
-	550,000	1,151,131
1,911,342	-	1,911,342
263,766	1,775,580	3,010,828
-	-	356,154
-	-	30,853
<u>2,223,670</u>	<u>3,434,323</u>	<u>21,592,793</u>
<u>1,358,825</u>	<u>(1,148,908)</u>	<u>5,469,891</u>
-	112,590	112,590
-	1,040,000	6,088,720
-	-	(6,088,720)
-	1,152,590	112,590
1,358,825	3,682	5,582,481
<u>2,723,269</u>	<u>2,203,630</u>	<u>17,183,672</u>
<u>\$ 4,082,094</u>	<u>\$ 2,207,312</u>	<u>\$ 22,766,153</u>

## EMANUEL 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 SEPTEMBER 30, 2022

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

Net change in fund balances - total governmental funds	\$ 5,582,481
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 expense. This is the amount by which capital outlay exceeded depreciation in the current period.	811,139
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	(10,736)
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.	356,154
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	<u>(38,843)</u>
Change in net position of governmental activities	<u>\$ 6,700,195</u>

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

# EMANUEL COUNTY, GEORGIA

## GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues</b>				
Property taxes	\$ 6,000,614	\$ 6,000,614	\$ 6,455,253	\$ 454,639
Sales taxes	1,325,000	1,325,000	1,724,515	399,515
Timber taxes	210,000	210,000	352,075	142,075
Motor vehicle taxes	1,182,000	1,182,000	1,415,215	233,215
Mobile home taxes	55,000	55,000	55,931	931
Franchise taxes	72,500	72,500	71,289	(1,211)
Insurance premium taxes	865,000	900,000	901,602	1,602
Other taxes	507,500	507,500	571,741	64,241
Licenses and permits	30,542	30,542	37,410	6,868
Intergovernmental	192,875	213,875	304,907	91,032
Charges for services	1,744,700	1,744,700	1,811,915	67,215
Fines and forfeitures	1,160,000	1,160,000	610,790	(549,210)
Investment income	20,000	20,000	2,332	(17,668)
Miscellaneous	215,000	215,000	594,581	379,581
Total revenues	13,580,731	13,636,731	14,909,556	1,272,825
<b>Expenditures</b>				
<b>Current:</b>				
<b>General government:</b>				
Elections	122,160	130,160	124,486	5,674
General administration	435,000	456,000	495,246	(39,246)
Computer equipment	126,420	126,420	111,651	14,769
Financial administration	614,600	625,600	690,241	(64,641)
Tax commissioner	313,700	347,100	336,933	10,167
Tax assessor	387,850	387,850	368,752	19,098
Board of equalization	1,500	1,500	4,543	(3,043)
Public buildings	799,200	1,043,200	890,900	152,300
Total general government	2,800,430	3,117,830	3,022,752	95,078
<b>Judicial:</b>				
Superior court	437,983	437,983	487,382	(49,399)
Clerk of superior court	92,150	92,150	94,364	(2,214)
District attorney	200,000	200,000	199,000	1,000
Magistrate court	122,367	122,367	120,497	1,870
Probate court	177,100	177,100	173,480	3,620
Public defender	115,000	115,000	115,169	(169)
Juvenile court	36,885	36,885	37,135	(250)
Total judicial	1,181,485	1,181,485	1,227,027	(45,542)
<b>Public safety:</b>				
Sheriff	1,925,800	1,925,800	2,284,891	(359,091)
Jail	1,530,000	1,700,000	1,886,555	(186,555)
Special details	58,350	58,350	53,910	4,440
Inmates	60,000	60,000	43,083	16,917
Fire	199,565	212,565	234,161	(21,596)
Coroner	41,960	41,960	51,555	(9,595)
Animal control	85,000	85,000	80,759	4,241
Emergency management	19,435	19,435	22,207	(2,772)
Emergency medical services	372,500	372,500	426,949	(54,449)
Total public safety	4,292,610	4,475,610	5,084,070	(608,460)
<b>Public works:</b>				
Highways and streets	1,715,850	1,715,850	1,796,355	(80,505)
Solid waste collection	1,238,690	1,238,690	1,327,624	(88,934)
Maintenance and shop	263,700	322,300	297,272	25,028
Total public works	3,218,240	3,276,840	3,421,251	(144,411)

(Continued)



# EMANUEL COUNTY, GEORGIA

## GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

	Budget			Variance With
	Original	Final	Actual	Final Budget
<b>Expenditures (Continued)</b>				
<b>Current (Continued):</b>				
<b>Health and welfare:</b>				
Health department buildings	\$ 349,920	\$ 349,920	\$ 339,022	\$ 10,898
Total health and welfare	349,920	349,920	339,022	10,898
<b>Culture and recreation:</b>				
Recreation	570,000	570,000	613,977	(43,977)
Total culture and recreation	570,000	570,000	613,977	(43,977)
<b>Housing and development:</b>				
Agricultural resources	111,146	111,146	98,998	12,148
Georgia Forestry Commission	30,450	30,450	30,469	(19)
Code enforcement	104,372	104,372	106,766	(2,394)
Economic development	52,000	127,000	143,218	(16,218)
Airport	150,000	150,000	221,680	(71,680)
Total housing and development	447,968	522,968	601,131	(78,163)
Total expenditures	12,860,653	13,494,653	14,309,230	(814,577)
Excess of revenues over expenditures	720,078	142,078	600,326	458,248
<b>Other financing sources (uses)</b>				
Transfers in	-	278,000	4,398,720	4,120,720
Transfers out	(367,200)	(367,200)	(1,580,000)	(1,212,800)
Total other financing sources (uses)	(367,200)	(89,200)	2,818,720	2,907,920
Net change in fund balance	352,878	52,878	3,419,046	3,366,168
<b>Fund balance, beginning of year</b>	10,761,274	10,761,274	10,761,274	-
<b>Fund balance, end of year</b>	<u>\$ 11,114,152</u>	<u>\$ 10,814,152</u>	<u>\$ 14,180,320</u>	<u>\$ 3,366,168</u>

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

EMANUEL COUNTY, GEORGIA

AMERICAN RESCUE PLAN FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

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	Original	Final	Actual	Variance With Final Budget
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ -	\$ 4,398,720	\$ 4,398,720
Total revenues	-	-	4,398,720	4,398,720
<b>OTHER FINANCING SOURCES</b>				
Transfers out	-	-	(4,398,720)	(4,398,720)
Total other financing sources	-	-	(4,398,720)	(4,398,720)
Fund balance (deficit), end of year	\$ -	\$ -	\$ -	\$ -

# EMANUEL COUNTY, GEORGIA

## STATEMENT OF NET POSITION PROPRIETARY FUNDS SEPTEMBER 30, 2022

ASSETS	Development Authority of Emanuel County and the City of Swainsboro	Emanuel County Development Authority	Emanuel County Revolving Loan	Totals
<b>CURRENT ASSETS</b>				
Cash	\$ 426,766	\$ -	\$ 79,390	\$ 506,156
Accounts receivable, net of allowances	398,200	-	-	398,200
Total current assets	824,966	-	79,390	904,356
<b>NON-CURRENT ASSETS</b>				
Notes receivable	292,847	-	98,030	390,877
Land and building held for resale	802,622	760,310	-	1,562,932
Capital assets:				
Non-depreciable	1,996,301	-	-	1,996,301
Depreciable, net of accumulated depreciation	5,840,496	-	-	5,840,496
Total capital assets	8,932,266	760,310	98,030	9,790,606
Total non-current assets	8,932,266	760,310	98,030	9,790,606
Total assets	9,757,232	760,310	177,420	10,694,962
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES</b>				
Accounts payable	598,271	-	-	598,271
Unearned revenues	398,200	-	-	398,200
Revenue bonds payable, current portion	37,869	-	-	37,869
Total current liabilities	1,034,340	-	-	1,034,340
<b>LONG-TERM LIABILITIES</b>				
Revenue bonds payable, net of current portion	2,708,906	-	-	2,708,906
Total long-term liabilities	2,708,906	-	-	2,708,906
Total liabilities	3,743,246	-	-	3,743,246
<b>NET POSITION</b>				
Net investment in capital assets	5,892,644	-	-	5,892,644
Unrestricted	121,342	760,310	177,420	1,059,072
Total net position	\$ 6,013,986	\$ 760,310	\$ 177,420	\$ 6,951,716

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

**EMANUEL COUNTY, GEORGIA**

**STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

	Development Authority of Emanuel County and the City of Swainsboro	Emanuel County Development Authority	Emanuel County Revolving Loan	Totals
<b>Operating revenues</b>				
Operating grants	\$ 1,271,518	\$ -	\$ -	\$ 1,271,518
Miscellaneous	12,000	-	3,219	15,219
Total operating revenues	<u>1,283,518</u>	<u>-</u>	<u>3,219</u>	<u>1,286,737</u>
<b>Operating expenses</b>				
Personnel services	210,936	-	-	210,936
Purchased/contracted services	637,334	-	-	637,334
Depreciation	137,696	-	-	137,696
Total operating expenses	<u>985,966</u>	<u>-</u>	<u>-</u>	<u>985,966</u>
Operating income	<u>297,552</u>	<u>-</u>	<u>3,219</u>	<u>300,771</u>
<b>Non-operating revenue (expense)</b>				
Interest income	751	-	-	751
Interest expense	(78,394)	-	-	(78,394)
Total non-operating revenue (expenses)	<u>(77,643)</u>	<u>-</u>	<u>-</u>	<u>(77,643)</u>
Change in net position	<u>219,909</u>	<u>-</u>	<u>3,219</u>	<u>223,128</u>
<b>Net position, beginning of year</b>	(1,042,870)	760,310	174,201	(108,359)
<b>Prior period adjustment</b>	<u>6,836,947</u>	<u>-</u>	<u>-</u>	<u>6,836,947</u>
<b>Net position, beginning of year as restated</b>	<u>5,794,077</u>	<u>760,310</u>	<u>174,201</u>	<u>6,728,588</u>
<b>Net position, end of year</b>	<u>\$ 6,013,986</u>	<u>\$ 760,310</u>	<u>\$ 177,420</u>	<u>\$ 6,951,716</u>

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

# EMANUEL COUNTY, GEORGIA

## STATEMENT OF CASH FLOWS PROPRIETARY FUNDS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

	Development Authority of Emanuel County and the City of Swainsboro	Emanuel County Development Authority	Emanuel County Revolving Loan	Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers	\$ 885,318	\$ -	\$ 39,799	\$ 925,117
Payments to suppliers and service providers	358,724	-	-	358,724
Payments to employees	(210,936)	-	-	(210,936)
Net cash provided by operating activities	<u>1,033,106</u>	<u>-</u>	<u>39,799</u>	<u>1,072,905</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Acquisition of property and equipment	(1,137,546)	-	-	(1,137,546)
Proceeds from the issuance of notes payable	95,711	-	-	95,711
Principal paid on notes payable	(36,976)	-	-	(36,976)
Interest paid on notes payable	(78,394)	-	-	(78,394)
Payments received notes receivable	43,619	-	-	43,619
Net cash used in capital and related financing activities	<u>(1,113,586)</u>	<u>-</u>	<u>-</u>	<u>(1,113,586)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest on investments	751	-	-	751
Net cash provided by investing activities	<u>751</u>	<u>-</u>	<u>-</u>	<u>751</u>
Net increase (decrease) in cash and cash equivalents	(79,729)	-	39,799	(39,930)
<b>Cash and cash equivalents</b>				
Beginning of year	506,495	-	39,591	546,086
End of year	<u>\$ 426,766</u>	<u>\$ -</u>	<u>\$ 79,390</u>	<u>\$ 506,156</u>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>				
Operating income	\$ 297,552	\$ -	\$ 3,219	\$ 300,771
Adjustments to reconcile operating loss to net cash used in operating activities:				
Depreciation	137,696	-	-	137,696
(Increase) decrease in accounts receivable	(398,200)	-	36,580	(361,620)
Increase in accounts payable	597,858	-	-	597,858
Increase in unearned revenues	398,200	-	-	398,200
Net cash provided by operating activities	<u>\$ 1,033,106</u>	<u>\$ -</u>	<u>\$ 39,799</u>	<u>\$ 1,072,905</u>

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

**EMANUEL COUNTY, GEORGIA**

**STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
SEPTEMBER 30, 2022**

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<b>ASSETS</b>	<b>Custodial Funds</b>
Cash	\$ 1,123,653
Taxes receivable	738,254
Total assets	<u>\$ 1,861,907</u>
<b>LIABILITIES</b>	
Due to others	\$ 444,285
Uncollected taxes	738,254
Total liabilities	<u>\$ 1,182,539</u>
<b>NET POSITION</b>	
Restricted for individuals, organizations, and other governments	<u>\$ 679,368</u>

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

# EMANUEL COUNTY, GEORGIA

## STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUNDS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

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ADDITIONS	Custodial Funds
Taxes collected	\$ 21,118,268
Fines and fees collected	3,110,820
Total additions	<u>24,229,088</u>
DEDUCTIONS	
Taxes disbursed	21,061,130
Fines and fees disbursed	2,820,126
Total deductions	<u>23,881,256</u>
Change in fiduciary net position	347,832
Net position, beginning of year, as restated	<u>331,536</u>
Net position, end of year	<u>\$ 679,368</u>

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

## **NOTES TO FINANCIAL STATEMENTS**



**EMANUEL COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**A. The Reporting Entity**

The County is a political subdivision of the State of Georgia and is governed by a five-member Board of County Commissioners. All five members represent a geographical district within the County. There are additional officers elected County-wide. State law pertaining to County government provides for the independent election of these County officials. The officials are all part of the County's legal entity. These elected officials are the Sheriff, Tax Commissioner, Magistrate Court Judge, Probate Court Judge, and Superior Court Clerk. The offices of the independently elected officials are not separate from the County and, therefore, are reported as part of the primary government.

The state constitution and state law pertaining to County government provide for the independent election of the Superior Court Judges and the District Attorney. The cost of operations of the Superior Court Judges and the District Attorney Offices is shared with the State of Georgia and the counties of Candler, Emanuel, Jefferson, and Washington. Only that portion of the cost for which the County is responsible is reported in this financial report.

As required by GAAP, the financial statements of the reporting entity include those of Emanuel County, Georgia (the "Primary Government") and its component units. The component units discussed below are included in the County's reporting entity because of the significance of their operational or financial relationship with the County. In conformity with accounting principles generally accepted in the United States of America, as set forth in GASB Statement No. 14, as amended, by Statements No 39 and 61, the financial statements of the component unit are discretely presented in the government-wide financial statements.

The County's component units are presented either as "blended" or "discretely presented." If blended, it is reported as if it were a fund of the County throughout the year. It is included at both the government-wide and fund financial reporting levels.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### A. The Reporting Entity (Continued)

##### Blended Component Units

##### Development Authority of Emanuel County and the City of Swainsboro

The Development Authority of Emanuel County and the City of Swainsboro (the "Development Authority") promotes business and industry in Emanuel County by providing financing and incentive packages for Emanuel County. A majority of the Board of Directors is appointed by the Emanuel County Commissioners.

##### Emanuel County Development Authority

The Emanuel County Development Authority promotes business and industry in Emanuel County by providing financing and incentive packages for Emanuel County. The Board of Directors is appointed by the Emanuel County Commissioners.

##### Discretely Presented Component Unit

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

A brief description of the discretely presented component unit is as follows:

##### Emanuel County Board of Health (the "Board of Health")

The Emanuel County Board of Health (the "Board of Health") works to promote and preserve the health of the citizens of the County. The Board of Health consists of seven members, four of these members are appointed by the County Commission and three members represent the County Chairman of the Commission, the Mayor of the City of Swainsboro and the Emanuel County School Superintendent. Although the County does not have the authority to approve or modify the Board of Health's budgets, it does have the ability to control the amount of funding it provides to the Board of Health and such funding is significant to the overall operations of the Board of Health. The Board of Health is reported on a June 30 fiscal year.

Separately issued financial statements may be obtained from:

Emanuel County Health Department  
P.O. Box 436  
Swainsboro, Georgia 30401

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### B. Government-wide and Fund Financial Statements

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

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

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

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

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

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

The County reports the following major governmental funds:

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

The **American Rescue Plan Act ("ARPA") Fund** is used to account for grant funds awarded to the County as part of the State and Local Fiscal Recovery Fund under the American Rescue Plan Act of 2021.

The **Local Maintenance Improvement Grant ("LMIG") Fund** is a capital projects fund that accounts for the allocation of monies based on the total centerline road miles for each local road system and the total population of each county or city as compared with the total statewide centerline road miles and total statewide population.

The **Transportation Special Purpose Local Option Sales Tax ("TSPLOST") Fund** is a capital projects fund that accounts for the proceeds of a 1% Special Purpose Local Option Sales Tax. Funds are used for various capital outlay projects included but not limited to water system improvements, public safety and fire department facilities and equipment improvements, recreational facilities improvements, and road improvements.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The ***Special Purpose Local Option Sales Tax ("SPLOST") 6 Capital Projects Fund*** is utilized to account for the proceeds of a 1% Special Purpose Local Option Sales Tax for funding various capital outlay projects including but not limited to water system improvements, public safety and fire department facilities and equipment improvements, recreational facilities improvements, and road improvements.

The ***Proprietary Fund*** reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. The three proprietary funds are all blended component units and classified as enterprise funds. All enterprise funds are reported as major.

The ***Fiduciary Funds*** reporting focuses on assets and liabilities. The County's fiduciary funds are all custodial funds. The County has five custodial funds which account for the receipts and disbursements of funds by the Tax Commissioner, Sheriff, Magistrate Court Judge, Probate Court Judge, and Clerk of Superior Court.

#### Revenues - Exchange Transactions

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

#### Revenues - Non-Exchange Transactions

Non-exchange transactions in which the County receives value without directly giving equal value in return, include sales taxes, property taxes, grants and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale takes place. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied (Note 3-D). Revenue from grants and donations is recognized in the year in which all eligibility requirements have been satisfied.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

##### Revenues - Non-Exchange Transactions (Continued)

Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the County must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the County on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions also must be available (i.e., collected within 60 days) before it can be recognized.

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

##### Expenses/Expenditures

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

#### D. Cash and Cash Equivalents

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

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

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

- Obligations of the State of Georgia or of any other states;
- Obligations of the United States Government;
- Obligations fully insured or guaranteed by the United States Government or Government agency;
- Obligations of any corporation of the United States Government;
- Prime bankers' acceptances;
- The State of Georgia local government investment pool (i.e., Georgia Fund 1);
- Repurchase agreements; and
- Obligations of the other political subdivisions of the State of Georgia.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### **E. Receivables**

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

#### **F. Interfund Receivables and Payables**

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables." These amounts are eliminated in the governmental and business-type activities columns of the Statement of Net Position, except for any net residual amounts due between governmental and business-type activities, which are reclassified and presented as internal balances.

#### **G. Inventory**

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

On the fund financial statements, inventories of governmental funds are stated at cost. Cost is determined on a first-in/first-out ("FIFO") basis. The cost of inventory items is recorded as an expenditure in the governmental fund types when purchased (i.e., the purchases method). At year-end, fund balance is set-aside as nonexpendable in a like amount of inventory on hand.

#### **H. Restricted Assets**

Certain amounts are classified as restricted in the General Fund because their use has been restricted to the purpose of a property tax.

#### **I. Capital Assets**

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

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### I. Capital Assets (Continued)

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition value as of the date received. The County maintains a capitalization threshold of \$5,000. The County's infrastructure consists of roads and bridges. The County's infrastructure has been reported retroactively in 2003. Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed.

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

Depreciation for both governmental and business-type assets are computed using the straight-line method over the following useful lives:

<u>Asset Category</u>	<u>Years</u>
Buildings	25 – 50
Vehicles and equipment	5 – 20
Furniture and fixtures	5 – 10
Infrastructure	20 – 40

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

All compensated absences liability includes salary-related payments, where applicable. The total compensated absence liability is reported on the government-wide financial statements. Governmental funds report the compensated absence liability at the fund reporting level only "when due."



## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### K. Long-Term Obligations

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

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

#### L. Fund Equity

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

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

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

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### L. Fund Equity (Continued)

##### Fund Balances (Continued)

- **Unassigned** – Fund balances are reported as unassigned when the balances do not meet any of the above criterion. The County reports positive unassigned fund balance only in the General Fund. Negative unassigned fund balances may be reported in all funds.

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

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."

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

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

#### M. Use of Estimates

The preparation of financial statements in conformity with GAAP 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 expenditures/expenses during the reporting period. Actual results could differ from these estimates.

#### N. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the funds. Operating expenses are necessary costs incurred to provide the good or service that are the primary activity of each fund. Non-operating revenues are investment earnings and operating grants. Non-operating expenses include the loss on the disposition of capital assets.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### O. Interfund Activity

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

#### P. Deferred Inflows of Resources

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. One item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

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

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

Capital outlay	\$ 2,723,838
Depreciation expense	(1,912,699)
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at change in net position - <i>governmental activities</i>	<u>\$ 811,139</u>

## NOTES TO FINANCIAL STATEMENTS

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

#### Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-wide Statement of Activities (Continued)

Another element of the reconciliation states that “the issuance of long-term debt (e.g., bonds, financed purchases) 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”. The details of this difference are as follows:

Financed purchase repayments	\$ 356,154
Net adjustment to decrease <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position - governmental activities</i>	<u>\$ 356,154</u>

Another element of that reconciliation states that “Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.” The details of this difference are as follows:

Change in:	
Compensated absences	\$ 5,759
Landfill closure and Post-closure care	(45,011)
Accrued interest	<u>409</u>
Net adjustment to decrease <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position - governmental activities</i>	<u>\$ (38,843)</u>

### NOTE 3. LEGAL COMPLIANCE – BUDGETS

#### A. Budgets and Budgetary Accounting

##### Budgetary Data

The County adopts an annual operating budget for all governmental funds except the Capital Projects Funds, which have an adopted project budget. The budget resolution reflects the total of each department's appropriation in each fund. Budgets are adopted on a basis consistent with GAAP with the exception of the Capital Projects Funds, which have project length budgets, rather than annual budgets.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 3. LEGAL COMPLIANCE – BUDGETS (CONTINTUED)

#### A. Budgets and Budgetary Accounting (Continued)

##### Budgetary Data (Continued)

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. Department heads have the authority to transfer appropriations within a department (within the same fund) from one line item to another subject to the approval of the County Administrator.

Any change in total to a fund or departmental appropriation within a fund requires approval of the Board of County Commissioners. The Board of County Commissioners also must approve budget transfers within departments.

#### B. Excess Expenditures over Appropriations

For the year ended September 30, 2022, expenditures exceeded budget in the applicable governmental funds, as follows:

<u>Department</u>	<u>Excess</u>
General Fund	
General administration	\$ (39,246)
Financial administration	(64,641)
Board of equalization	(3,043)
Superior court	(49,399)
Clerk of superior court	(2,214)
Public defender	(169)
Juvenile court	(250)
Sheriff	(359,091)
Jail	(186,555)
Fire	(21,596)
Coroner	(9,595)
Emergency management	(2,772)
Emergency medical services	(54,449)
Highways and streets	(80,505)
Solid waste collection	(88,934)
Recreation	(43,977)
Georgia Forestry Commission	(19)
Code enforcement	(2,394)
Economic development	(16,218)
Airport	(71,680)

These over expenditures were funded by additional unanticipated revenues.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 4. DEPOSITS AND INVESTMENTS

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

**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 September 30, 2022, the deposits of the County and its component units were properly insured and collateralized as defined by GASB pronouncements and the Official Code of the State of Georgia.

Primary government cash and cash equivalents reconciliation:

**Balances per Statement of Net Position:**

Cash and Cash Equivalents- Primary government	\$ 16,915,051
Investments - Primary government	5,953,847

**Balances per Statement of Fiduciary Net Position:**

Cash - Custodial funds	1,123,653
	<u>\$ 23,992,551</u>
Cash deposited with financial institutions	\$ 18,038,704
MBS Securities	5,953,847
	<u>\$ 23,992,551</u>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

**Fair Value Measurements.** The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The County has the following recurring fair value measurements as of September 30, 2022:

Investment	Level 1	Level 2	Level 3	Fair Value
U.S. Treasury Securities	\$ 3,427,017	\$ -	\$ -	\$ 3,427,017
 Total investments measured at fair value	 \$ 3,427,017	 \$ -	 \$ -	 3,427,017
 Investments not subject to level disclosure:				
Certificates of deposit				2,526,830
Total investments				\$ 5,953,847

Investments classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those investments. Investments classified as Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

**Custodial Credit Risk – Investments.** Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require all 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.

### NOTE 5. RECEIVABLES

The Board of Commissioners levy property taxes in September of each year. Property taxes were levied on August 25, 2022. Bills are payable on or before December 20, 2022, after which the applicable property is subject to lien, penalties and interest are assessed. Property taxes are attached as an enforceable lien on property as of December 20, 2022. The County bills and collects its own property taxes and also collects for the County Board of Education and the State of Georgia. The County also collects vehicle and mobile home taxes for the cities located in the County and the State of Georgia. Collection of the County's taxes and for the other governmental agencies is the responsibility of the Tax Commissioner's Office, which is accounted for in a custodial fund.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 6. CAPITAL ASSETS

Capital asset activity for the fiscal year ended September 30, 2022 is as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
<b>Governmental activities</b>					
Capital assets, not being depreciated:					
Land	\$ 1,331,422	\$ 7,543	\$ -	\$ -	\$ 1,338,965
Construction in progress	277,427	1,643,793	-	(1,353,462)	567,758
Total	<u>1,608,849</u>	<u>1,651,336</u>	<u>-</u>	<u>(1,353,462)</u>	<u>1,906,723</u>
Capital assets, being depreciated:					
Buildings and improvements	11,186,119	471,824	-	1,353,462	13,011,405
Land Improvements	1,103,777	8,445	-	-	1,112,222
Machinery and equipment	9,762,764	592,233	(284,891)	-	10,070,106
Infrastructure	6,215,450	-	-	-	6,215,450
Total	<u>28,268,110</u>	<u>1,072,502</u>	<u>(284,891)</u>	<u>1,353,462</u>	<u>30,409,183</u>
Less accumulated depreciation for:					
Buildings and improvements	(4,484,707)	(263,802)	-	-	(4,748,509)
Machinery and equipment	(5,548,545)	(1,481,189)	284,891	-	(6,744,843)
Infrastructure	(1,298,957)	(167,708)	-	-	(1,466,665)
Total	<u>(11,332,209)</u>	<u>(1,912,699)</u>	<u>284,891</u>	<u>-</u>	<u>(12,960,017)</u>
Total capital assets, being depreciated, net	<u>16,935,901</u>	<u>(840,197)</u>	<u>-</u>	<u>1,353,462</u>	<u>17,449,166</u>
Governmental activities capital assets, net	<u>\$ 18,544,750</u>	<u>\$ 811,139</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,355,889</u>

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

Governmental activities:	
General government	\$ 244,197
Public safety	419,418
Public works	1,221,266
Culture and recreation	27,818
Total depreciation expense - governmental activities	<u>\$ 1,912,699</u>



## NOTES TO FINANCIAL STATEMENTS

### NOTE 6. CAPITAL ASSETS (CONTINUED)

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
<b>Business-type activities</b>					
Capital assets, not being depreciated:					
Construction in process	\$ 858,755	\$ 1,137,546	\$ -	\$ -	\$ 1,996,301
Total	<u>858,755</u>	<u>1,137,546</u>	<u>-</u>	<u>-</u>	<u>1,996,301</u>
Capital assets, being depreciated:					
Building and Improvements	6,884,777	-	-	-	6,884,777
Furniture	1,785	-	-	-	1,785
Machinery and equipment	10,997	-	-	-	10,997
Total	<u>6,897,559</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,897,559</u>
Less accumulated depreciation for:					
Buildings	(906,585)	(137,696)	-	-	(1,044,281)
Furniture	(1,785)	-	-	-	(1,785)
Machinery and equipment	(10,997)	-	-	-	(10,997)
Total	<u>(919,367)</u>	<u>(137,696)</u>	<u>-</u>	<u>-</u>	<u>(1,057,063)</u>
Total capital assets, being depreciated, net	<u>5,978,192</u>	<u>(137,696)</u>	<u>-</u>	<u>-</u>	<u>5,840,496</u>
Business-type activities capital assets, net	<u>\$ 6,836,947</u>	<u>\$ 999,850</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,836,797</u>

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

Business-type activities:	
Development Authority of Emanuel	
County and the City of Swainsboro	\$ 137,696
Total depreciation expense -	
business-type activities	<u>\$ 137,696</u>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 7. LONG-TERM DEBT

#### Primary Government

The following is a summary of long-term debt activity for the Primary Government for the year ended September 30, 2022:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental activities:</b>					
Financed purchases	\$ 2,455,524	\$ -	\$ 356,154	\$ 2,099,370	\$ 340,014
Compensated absences	249,954	118,116	123,875	244,195	195,358
Landfill closure and Post-closure care	1,097,822	45,011	-	1,142,833	-
Governmental activities Long-term liabilities	<u>\$ 3,803,300</u>	<u>\$ 163,127</u>	<u>\$ 480,029</u>	<u>\$ 3,486,398</u>	<u>\$ 535,372</u>
<b>Business-type activities:</b>					
Notes payable	\$ 2,688,040	\$ 95,711	\$ 36,976	\$ 2,746,775	\$ 37,869
Business-type activities Long-term liabilities	<u>\$ 2,688,040</u>	<u>\$ 95,711</u>	<u>\$ 36,976</u>	<u>\$ 2,746,775</u>	<u>\$ 37,869</u>

For governmental activities, compensated absences are generally liquidated by the General Fund.

#### Governmental Activities:

**2021 John Deere Financed Purchase** - On September 21, 2021, the County entered into a financed purchase of ten Motorgraders for \$2,801,571 at an interest rate of 1.25%. The financed purchase matures September 21, 2026. The current outstanding balance as of September 30, 2022 was \$2,099,370.

The annual requirements for debt service on the financed purchases at September 30, 2022 are as follows:

Fiscal Year Payable	Principal	Interest	Total
2023	\$ 340,014	\$ 26,393	\$ 366,407
2024	344,289	22,118	366,407
2025	348,617	17,790	366,407
2026	1,066,450	13,407	1,079,857
	<u>\$ 2,099,370</u>	<u>\$ 79,708</u>	<u>\$ 2,179,078</u>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 7. LONG-TERM DEBT (CONTINUED)

#### Primary Government (Continued)

##### Business-type Activities:

**GEFA loan GF2017004** - On November 14, 2017, the County issued a note for \$920,000 at an interest rate of 2.39%. The note will be used to finance the costs of acquiring, constructing, and installing a water tank, treatment building, and water lines for the I-16 Park. The note matures December 11, 2040. The current outstanding balance as of September 30, 2022 was \$855,865.

**GEFA loan GF2017004** - On October 16, 2018, the County issued a note for \$3,000,000 at an interest rate of 2.75%. The note will be used to finance the costs of acquiring, constructing, and installing pump stations and sewer lines for the I-16 Park. Currently the note is still in the draw down phase. The current outstanding balance as of September 30, 2022 was \$1,890,910, and is excluded from the maturity schedule below.

The annual requirements for debt service on the Development Authority of Emanuel County and City of Swainsboro GEFA Loans at September 30, 2022 are as follows:

<u>Fiscal Year Payable</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 37,869	\$ 20,042	\$ 57,911
2024	38,784	19,127	57,911
2025	39,721	18,189	57,910
2026	40,681	17,230	57,911
2027	41,664	16,247	57,911
2028 – 2032	223,919	65,638	289,557
2033 – 2037	252,331	37,246	289,577
2038 – 2041	180,896	7,298	188,194
	<u>\$ 855,865</u>	<u>\$ 201,017</u>	<u>\$ 1,056,882</u>

### NOTE 8. LANDFILL CLOSURE AND POST-CLOSURE COSTS

State and federal laws and regulations required the County to place a final cover on the Emanuel County Landfill site when it stopped accepting waste in 1998 and to perform certain maintenance and monitoring functions at the site for 30 years after closure. The landfill's final cover was completed in 2000 and the final closure certificate was issued January 12, 2001. The estimated post-closure cost of \$46,000 per year plus inflation for the 30 years is based on engineers' estimates at November 1, 1995. This represents all the post-closure cost liability (none remaining to be recognized) but it must be updated annually to adjust for inflation or deflation, and changes in technology, or applicable laws or regulations. The County has estimated a \$1,142,833 liability for closure and post-closure.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 9. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund receivable and payable balances as of September 30, 2022 represent charges for services or reimbursable expenses. These remaining balances resulted from the time lag between the dates that: 1) interfund goods or services are provided or reimbursable expenditures occur, or 2) transactions are recorded in the accounting period, and 3) no payments between funds are made in the current year.

Interfund transfers as of September 30, 2022 are as follows:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
Nonmajor Governmental Funds	General Fund	\$ 1,040,000
LMIG	TSPLOST	110,000
TSPLOST	General Fund	540,000
General Fund	American Rescue Plan Fund	4,398,720
		<u>\$ 6,088,720</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, and 3) transfer funds for debt service.

### NOTE 10. RETIREMENT PLANS

#### Primary Government

##### Plan Description

The County adopted a non-contributory defined contribution plan on August 31, 1998, and it went into effect on February 3, 1999. All full-time employees with two years of service are eligible for coverage. Coverage begins on the next entry date immediately following the anniversary hire date.

Emanuel County Board of Commissioners Retirement Saving Plan (the "Plan"), is administered by GEBCorp. The County has the authority to establish or amend plan provisions. The investment objective of the Plan is to protect against loss of principal while providing returns more than money market funds and one-year treasury bills.

The County is responsible for establishing or amending the defined contribution plan contribution requirements. The County's defined contribution plan contribution for the fiscal year ended September 30, 2022 was \$324,256 on covered payroll of \$5,278,835.

Employees, at their option, may contribute as much as 25% of their salary to a 457 deferred compensation plan. Employees do not contribute to the 401(a) plan.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 10. RETIREMENT PLANS (CONTINUED)

#### Primary Government (Continued)

##### Plan Description (Continued)

The County makes contributions to a 401(a) plan based on the employee's contributions to the 457 plan as follows:

<u>Employee Contribution</u>	<u>County Contribution</u>
4.00%	4.00%
5.00%	5.00%
6.00%	6.00%
7.00%	7.00%

### NOTE 11. RISK MANAGEMENT

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

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

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

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

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 12. CONTINGENCIES AND COMMITMENTS

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

**Litigation:** The County was a defendant in several lawsuits at September 30, 2022. In the opinion of County management, the outcome of these contingencies will not have a material effect on the financial position of the County.

**Commitments:** The County has entered into a contract with Emanuel County Hospital ("Hospital Authority") wherein the County is obligated to make payments to the Hospital Authority sufficient to pay the principal of and interest on \$4,715,000 Emanuel County Hospital Authority (Georgia), Refunding and Improvement Revenue Anticipation Certificates, Series 1997 and \$10,000,000 Emanuel County Hospital Authority (Georgia) Revenue Anticipation Certificates, Series 2002 as the same become due and payable, to the extent funds of the Hospital Authority pledged to such payment are insufficient for such purposes. The County is obligated under the contract to levy an annual ad valorem tax on all taxable property located within the territorial limits of the County, at such rate within the seven-mil limit or such greater millage limit hereafter authorized to produce in each year revenues which are sufficient to fulfill the County's obligations under the contract. The certificates do not constitute a debt of the County.

### NOTE 13. JOINT VENTURE

Under Georgia law, the County, in conjunction with other cities or counties in the middle Georgia area, is a member of Heart of Georgia Altamaha Regional Commission ("RC") and is required to pay annual dues thereto. Membership in an RC is required by the Official Code of Georgia Annotated ("O.C.G.A.") §50-8-34 which provides for the organizational structure of the RC in Georgia. The RC Board membership includes the chief elected official of each county and municipality of the area. O.C.G.A. §50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC.

Separate financial statements may be obtained from:

Heart of Georgia Altamaha Regional Development Center  
5405 Oak Street  
Eastman, Georgia 31023

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 14. RESTATEMENT OF ERRORS IN PRIOR YEAR REPORTING

During the year, management determined a prior period restatement was necessary to restate the Development Authority of Emanuel County and the City of Swainsboro's capital assets. The effects of the restatement as of September 30, 2022 are as follows.

	<b>Business-type Activities</b>
Net position, as previously reported	\$ (108,359)
Adjustments to beginning net position to reflect corrections of error, net	
Adjustment to capital assets	6,836,947
	<u>\$ 6,728,588</u>

	<b>Development Authority of Emanuel County and the City of Swainsboro</b>
Net position, as previously reported	\$ (1,042,870)
Adjustments to beginning net position to reflect corrections of error, net	
Adjustment to capital assets	6,836,947
	<u>\$ 5,794,077</u>

## **SUPPLEMENTARY INFORMATION**



**COMBINING AND INDIVIDUAL  
FUND STATEMENTS AND SCHEDULES**

# EMANUEL COUNTY, GEORGIA

## COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS SEPTEMBER 30, 2022

	Special Revenue	Capital Projects	Total Nonmajor Governmental Funds
<b>ASSETS</b>			
Cash	\$ 1,213,330	\$ 990,816	\$ 2,204,146
Receivables:			
Property taxes	72,629	-	72,629
Accounts	14,849	1,085	15,934
Total assets	<u>\$ 1,300,808</u>	<u>\$ 991,901</u>	<u>\$ 2,292,709</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ 14,729	\$ 8,006	\$ 22,735
Accrued liabilities	14,286	-	14,286
Unavailable revenue	5,411	-	5,411
Total liabilities	<u>34,426</u>	<u>8,006</u>	<u>42,432</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenues:			
Property taxes	42,965	-	42,965
Total deferred inflows of resources	<u>42,965</u>	<u>-</u>	<u>42,965</u>
<b>FUND BALANCES</b>			
Restricted for:			
Public safety	645,072	-	645,072
Economic development	443,371	-	443,371
Capital projects	-	983,895	983,895
Assigned for:			
Jail commissary activities	134,974	-	134,974
Total fund balances	<u>1,223,417</u>	<u>983,895</u>	<u>2,207,312</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,300,808</u>	<u>\$ 991,901</u>	<u>\$ 2,292,709</u>

# EMANUEL COUNTY, GEORGIA

## COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

	Special Revenue	Capital Projects	Total Nonmajor Governmental Funds
<b>Revenues</b>			
Property taxes	\$ 563,637	\$ -	\$ 563,637
Intergovernmental	-	738,689	738,689
Fines and forfeitures	147,716	-	147,716
Charges for services	757,808	-	757,808
Interest income	3,908	8	3,916
Miscellaneous	-	73,649	73,649
Total revenues	<u>1,473,069</u>	<u>812,346</u>	<u>2,285,415</u>
<b>Expenditures</b>			
Current:			
Public safety	1,007,043	-	1,007,043
Housing and economic development	550,000	-	550,000
Public works	-	101,700	101,700
Capital outlay	109,728	1,665,852	1,775,580
Total expenditures	<u>1,666,771</u>	<u>1,767,552</u>	<u>3,434,323</u>
Deficiency of revenues under expenditures	<u>(193,702)</u>	<u>(955,206)</u>	<u>(1,148,908)</u>
<b>Other financing sources</b>			
Sale of assets	-	112,590	112,590
Transfers in	340,000	700,000	1,040,000
Total other financing sources	<u>340,000</u>	<u>812,590</u>	<u>1,152,590</u>
Net change in fund balances	146,298	(142,616)	3,682
<b>Fund balances, beginning of year</b>	<u>1,077,119</u>	<u>1,126,511</u>	<u>2,203,630</u>
<b>Fund balances, end of year</b>	<u><u>\$ 1,223,417</u></u>	<u><u>\$ 983,895</u></u>	<u><u>\$ 2,207,312</u></u>

## EMANUEL COUNTY, GEORGIA

### NONMAJOR GOVERNMENTAL FUNDS

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#### SPECIAL REVENUE FUNDS

**Development Authority Fund** is used to account for monies that serve to improve the quality of life for all who live and work in the County by creating jobs and developing affordable housing.

**Emergency Telephone System Fund** is used to account for the cost of operating and maintaining the County E-911 System. Financing is provided by a charge to each telephone subscriber whose exchange access lines are in the areas served by the County's E-911 system and by a transfer from the General Fund.

**Juvenile Services Fund** is used to account for monies collected under Georgia law for probation services to juvenile offenders. Such monies are restricted to providing treatment to juvenile offenders.

**Jail Fund** is used to account for the expenditures made towards maintenance and operations of the County jail.

**County Drug Abuse and Treatment Education ("DATE") Fund** is used to account for collection of additional penalties for certain drug related crimes and for expenditure of those funds solely and exclusively for drug abuse treatment and education programs.

**Fire Protection and Control Fund** is used to support projects that enhance the safety of the public and firefighters from fire and related hazards.

#### CAPITAL PROJECTS FUNDS

**Major Grants Fund** is used to account for the Community Development Block Grant ("CDBG") funds.

**Special Purpose Local Option Sales Tax ("SPLOST") 5 Fund** is utilized to account for the proceeds of a 1% Special Purpose Local Option Sales Tax for funding various capital outlay projects including but not limited to water system improvements, public safety and fire department facilities and equipment improvements, recreational facilities improvements, and road improvements.

**Local Resources Fund** is used to account for money that the County receives from the sale of assets.

# EMANUEL COUNTY, GEORGIA

## COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL SPECIAL REVENUE FUNDS SEPTEMBER 30, 2022

		Special Revenue Funds				
		Development Authority Fund	Emergency Telephone System Fund	Juvenile Services Fund	Jail Fund	DATE Fund
<b>ASSETS</b>						
Cash		\$ 438,708	\$ 53,469	\$ 18,542	\$ 134,982	\$ 161,179
Receivables:						
Property taxes		47,628	-	-	-	-
Accounts		-	597	-	-	4,712
Due from component unit		-	-	-	-	-
Total assets		<u>\$ 486,336</u>	<u>\$ 54,066</u>	<u>\$ 18,542</u>	<u>\$ 134,982</u>	<u>\$ 165,891</u>
<b>LIABILITIES</b>						
Accounts payable		\$ -	\$ 726	\$ -	\$ -	\$ -
Accrued liabilities		-	14,286	-	-	-
Unavailable revenue		-	-	-	8	1,154
Total liabilities		<u>-</u>	<u>15,012</u>	<u>-</u>	<u>8</u>	<u>1,154</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenues:						
Property taxes		42,965	-	-	-	-
Total deferred inflows of resources		<u>42,965</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>						
Restricted for:						
Public safety		-	39,054	18,542	-	164,737
Economic development		443,371	-	-	-	-
Assigned for:						
Jail commissary activities		-	-	-	134,974	-
Total fund balances		<u>443,371</u>	<u>39,054</u>	<u>18,542</u>	<u>134,974</u>	<u>164,737</u>
Total liabilities, deferred inflows of resources and fund balances		<u>\$ 486,336</u>	<u>\$ 54,066</u>	<u>\$ 18,542</u>	<u>\$ 134,982</u>	<u>\$ 165,891</u>

<u>Fire Protection and Control Fund</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ 406,450	\$ 1,213,330
25,001	72,629
9,540	14,849
-	-
<u>\$ 440,991</u>	<u>\$ 1,300,808</u>
\$ 14,003	\$ 14,729
-	14,286
4,249	5,411
<u>18,252</u>	<u>34,426</u>
-	42,965
-	42,965
422,739	645,072
-	443,371
-	134,974
<u>422,739</u>	<u>1,223,417</u>
<u>\$ 440,991</u>	<u>\$ 1,300,808</u>

# EMANUEL COUNTY, GEORGIA

## COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL SPECIAL REVENUE FUNDS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

	Special Revenue Funds				
	Development Authority Fund	Emergency Telephone System Fund	Juvenile Services Fund	Jail Fund	DATE Fund
<b>Revenues</b>					
Property taxes	\$ 563,637	\$ -	\$ -	\$ -	\$ -
Charges for services	-	417,293	500	-	-
Fines and forfeitures	-	-	-	64,885	82,831
Interest income	2,756	-	86	490	576
Total revenues	<u>566,393</u>	<u>417,293</u>	<u>586</u>	<u>65,375</u>	<u>83,407</u>
<b>Expenditures</b>					
Current:					
Public safety	-	793,490	-	-	-
Housing and economic development	550,000	-	-	-	-
Capital outlay	-	-	-	28,750	-
Total expenditures	<u>550,000</u>	<u>793,490</u>	<u>-</u>	<u>28,750</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>16,393</u>	<u>(376,197)</u>	<u>586</u>	<u>36,625</u>	<u>83,407</u>
<b>Other financing sources</b>					
Transfers in	-	340,000	-	-	-
Total other financing sources	<u>-</u>	<u>340,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	16,393	(36,197)	586	36,625	83,407
<b>Fund balances, beginning of year</b>	<u>426,978</u>	<u>75,251</u>	<u>17,956</u>	<u>98,349</u>	<u>81,330</u>
<b>Fund balances, end of year</b>	<u>\$ 443,371</u>	<u>\$ 39,054</u>	<u>\$ 18,542</u>	<u>\$ 134,974</u>	<u>\$ 164,737</u>

<u>Fire Protection and Control Fund</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ -	\$ 563,637
340,015	757,808
-	147,716
-	3,908
<u>340,015</u>	<u>1,473,069</u>
213,553	1,007,043
-	550,000
80,978	109,728
<u>294,531</u>	<u>1,666,771</u>
<u>45,484</u>	<u>(193,702)</u>
-	340,000
-	340,000
45,484	146,298
<u>377,255</u>	<u>1,077,119</u>
<u>\$ 422,739</u>	<u>\$ 1,223,417</u>



# EMANUEL COUNTY, GEORGIA

## COMBINING BALANCE SHEET NONMAJOR CAPITAL PROJECT FUNDS SEPTEMBER 30, 2022

	Capital Projects Funds			Total Nonmajor Capital Project Funds
	Major Grant Fund	SPLOST 5 Fund	Local Resources Fund	
<b>ASSETS</b>				
Cash	\$ 49,373	\$ 3	\$ 941,440	\$ 990,816
Accounts	-	-	1,085	1,085
Total assets	<u>\$ 49,373</u>	<u>\$ 3</u>	<u>\$ 942,525</u>	<u>\$ 991,901</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ -	\$ -	\$ 8,006	\$ 8,006
Total liabilities	<u>-</u>	<u>-</u>	<u>8,006</u>	<u>8,006</u>
<b>FUND BALANCES</b>				
Restricted for:				
Capital projects	49,373	3	934,519	983,895
Total fund balances	<u>49,373</u>	<u>3</u>	<u>934,519</u>	<u>983,895</u>
Total liabilities and fund balances	<u>\$ 49,373</u>	<u>\$ 3</u>	<u>\$ 942,525</u>	<u>\$ 991,901</u>

# EMANUEL COUNTY, GEORGIA

## COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR CAPITAL PROJECT FUNDS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

	Capital Projects Funds			Total Nonmajor Capital Project Funds
	Major Grant Fund	SPLOST 5 Fund	Local Resources Fund	
<b>Revenues</b>				
Intergovernmental	\$ 738,689	\$ -	\$ -	\$ 738,689
Interest income	-	8	-	8
Miscellaneous	-	-	73,649	73,649
Total revenues	738,689	8	73,649	812,346
<b>Expenditures</b>				
Current:				
Public works	101,700	-	-	101,700
Capital outlay	1,298,966	5,043	361,843	1,665,852
Total expenditures	1,400,666	5,043	361,843	1,767,552
Deficiency of revenues under expenditures	(661,977)	(5,035)	(288,194)	(955,206)
<b>Other financing sources</b>				
Sale of assets	-	-	112,590	112,590
Transfers in	700,000	-	-	700,000
Total other financing sources	700,000	-	112,590	812,590
Net change in fund balances	38,023	(5,035)	(175,604)	(142,616)
<b>Fund balances, beginning of year</b>	11,350	5,038	1,110,123	1,126,511
<b>Fund balances, end of year</b>	\$ 49,373	\$ 3	\$ 934,519	\$ 983,895

## EMANUEL COUNTY, GEORGIA

### CUSTODIAL FUNDS

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**Tax Commissioner** – To account for the collection and payment to the County and other taxing units of the property taxes levied, billed, and collected by the Tax Commissioner on behalf of the County and other taxing units.

**Clerk of Superior Court** – To account for all monies received by the Clerk of Superior Court on behalf of individuals, private organizations, other governmental units, and other funds.

**Probate Court** – To account for all monies received by the Probate Court on behalf of individuals, private organizations, other governmental units, and other funds.

**Magistrate Court** – To account for all monies received by the Magistrate Court on behalf of individuals, private organizations, other governmental units, and other funds.

**Sheriff** – To account for all monies received by the Sheriff's Department on behalf of individuals, private organizations, other governmental units, and other funds.

# EMANUEL COUNTY, GEORGIA

## COMBINING STATEMENT OF FIDUCIARY NET POSITION CUSTODIAL FUNDS SEPTEMBER 30, 2022

ASSETS	Tax Commissioner	Clerk of Superior Court	Probate Court	Magistrate Court	Sheriff	Total
Cash	\$ 384,615	\$ 537,093	\$ 97	\$ 26,884	\$ 174,964	\$ 1,123,653
Taxes receivable	738,254	-	-	-	-	738,254
Total assets	<u>\$ 1,122,869</u>	<u>\$ 537,093</u>	<u>\$ 97</u>	<u>\$ 26,884</u>	<u>\$ 174,964</u>	<u>\$ 1,861,907</u>
LIABILITIES						
Due to others	\$ 322,375	\$ 50,693	\$ -	\$ 26,107	\$ 45,110	\$ 444,285
Uncollected taxes	738,254	-	-	-	-	738,254
Total liabilities	<u>\$ 1,060,629</u>	<u>\$ 50,693</u>	<u>\$ -</u>	<u>\$ 26,107</u>	<u>\$ 45,110</u>	<u>\$ 1,182,539</u>
NET POSITION						
Restricted for individuals, organizations and other governments	<u>\$ 62,240</u>	<u>\$ 486,400</u>	<u>\$ 97</u>	<u>\$ 777</u>	<u>\$ 129,854</u>	<u>\$ 679,368</u>

# EMANUEL COUNTY, GEORGIA

## COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION CUSTODIAL FUNDS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

ADDITIONS	Tax Commissioner	Clerk of Superior Court	Probate Court	Magistrate Court	Sheriff	Total
Taxes collected	\$ 21,118,268	\$ -	\$ -	\$ -	\$ -	\$ 21,118,268
Fines and fees collected	-	2,073,039	79,651	344,292	613,838	3,110,820
Total additions	21,118,268	2,073,039	79,651	344,292	613,838	24,229,088
<b>DEDUCTIONS</b>						
Taxes disbursed	21,061,130	-	-	-	-	21,061,130
Fines and fees disbursed	-	1,818,563	80,070	343,515	577,978	2,820,126
Total deductions	21,061,130	1,818,563	80,070	343,515	577,978	23,881,256
Change in net position	57,138	254,476	(419)	777	35,860	347,832
<b>Net position, beginning of year</b>	5,102	231,924	516	-	93,994	331,536
<b>Net position, end of year</b>	<u>\$ 62,240</u>	<u>\$ 486,400</u>	<u>\$ 97</u>	<u>\$ 777</u>	<u>\$ 129,854</u>	<u>\$ 679,368</u>

# EMANUEL COUNTY, GEORGIA

## SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS - 2010 ISSUE FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

Project Description	Original Estimated Cost	Revised Estimated Cost	Expenditures		
			Prior Years	Current Year	Total
General Obligation Bonds	\$ 828,379	\$ 828,379	\$ 1,793,753	\$ -	\$ 1,793,753
Hospital Authority Bonds	4,775,062	4,775,062	4,855,709	-	4,855,709
SPLOST Bond Principal	1,560,000	1,560,000	2,494,326	-	2,494,326
Interest	1,000,000	1,000,000	625,954	-	625,954
City of Adrian	232,996	232,996	241,213	-	241,213
City of Garfield	66,000	66,000	78,515	-	78,515
City of Nunez	63,008	63,008	79,634	-	79,634
City of Oak Park	151,402	151,402	183,486	-	183,486
City of Stillmore	292,832	292,832	270,104	-	270,104
City of Summertown	61,378	61,378	71,034	-	71,034
City of Swainsboro	2,728,866	2,728,866	2,967,983	-	2,967,983
City of Twin City	694,456	694,456	716,167	-	716,167
County Buildings	2,565,621	2,565,621	2,306,878	-	2,306,878
Solid Waste	100,000	100,000	869,426	-	869,426
Airport Hanger and Infrastructure	1,000,000	1,000,000	1,851,366	-	1,851,366
Capital Outlay	-	-	703,496	5,043	708,539
Total	<u>\$ 16,120,000</u>	<u>\$ 16,120,000</u>	<u>\$ 20,109,045</u>	<u>\$ 5,043</u>	<u>\$ 20,114,088</u>

# EMANUEL COUNTY, GEORGIA

## SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS - 2018 ISSUE FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

Project Description	Original Estimated Cost	Revised Estimated Cost	Expenditures		
			Prior Years	Current Year	Total
Hospital Debt	\$ 5,600,000	\$ 5,600,000	\$ 3,620,902	\$ 971,481	\$ 4,592,383
Courthouse	825,000	825,000	102,034	21,202	123,236
Tier 1 Facility Improvements	900,000	900,000	210,700	30,555	241,255
Animal Shelter Improvements	150,000	150,000	84,002	-	84,002
Theatre Improvements	225,000	225,000	-	-	-
Economic Development	225,000	225,000	-	-	-
Recreation Improvements	200,000	200,000	45,547	56,329	101,876
Road Department V&E	1,390,194	1,390,194	865,340	139,698	1,005,038
Road Improvements	250,000	250,000	-	-	-
Solid Waste V&E	325,000	325,000	322,526	30,958	353,484
Rural Fire Facilities V&E	330,000	330,000	38,208	-	38,208
EMS V&E	525,000	525,000	379,885	-	379,885
Gun Range	150,000	150,000	-	-	-
Building Improvements	200,000	200,000	14,960	-	14,960
E-911 Facility and Equipment	350,000	350,000	328,388	5,340	333,728
Public Safety V&E	335,000	335,000	85,017	30,689	115,706
TC Recreation Improvements	60,000	60,000	-	-	-
Technology Equipment	125,000	125,000	78,790	-	78,790
Municipal Payments	<u>3,859,806</u>	<u>3,859,806</u>	<u>2,328,393</u>	<u>937,418</u>	<u>3,265,811</u>
Total	<u>\$ 16,025,000</u>	<u>\$ 16,025,000</u>	<u>\$ 8,504,691</u>	<u>\$ 2,223,670</u>	<u>\$ 10,728,361</u>

## **COMPLIANCE SECTION**





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

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**Board of Commissioners  
of Emanuel County, Georgia  
Swainsboro, Georgia**

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of Emanuel County, Georgia (the "County") as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated September 28, 2023. Our report includes a reference to other auditors who audited the financial statements of the Emanuel County Board of Health (the "Board of Health"), as described in our report on the County's financial statements. This report does not include the results of 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") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the 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.

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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 certain deficiencies in internal control, described in the accompanying Schedule of Findings and Responses as items 2022-001 through 2022-003, 2022-005, and 2022-006 that we consider to be material weaknesses.

#### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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 items 2022-004.

#### **Emanuel County, Georgia's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the Emanuel County, Georgia's response to the findings identified in our audit and described in the accompanying Schedule of Findings and Responses. The County's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

#### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result 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.



Macon, Georgia  
September 28, 2023



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

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**Board of Commissioners  
of Emanuel County, Georgia  
Swainsboro, Georgia**

### **Report on Compliance for Each Major Federal Program**

#### ***Opinion on Each Major Federal Program***

We have audited Emanuel 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 the County's major federal program for the year ended September 30, 2022. The County's major federal program is identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Responses.

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 the major federal program for the year ended September 30, 2022.

#### ***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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States 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 federal program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

#### ***Responsibilities of Management for Compliance***

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

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***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 generally accepted auditing standards, *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 generally accepted auditing standards, *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.

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### **Report on Internal Control over Compliance**

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

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

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

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

*Mauldin & Jenkins, LLC*

Macon, Georgia  
September 28, 2023

# EMANUEL COUNTY, GEORGIA

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Total Expenditures
<b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:</b>			
Passed through Georgia Department of Community Affairs: Georgia Community Development Block Grant Program	14.228	20p-y-053-1-6131	\$ 738,689
Total U. S. Department of Housing and Urban Development			738,689
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN RESOURCES:</b>			
Passed through the Georgia Department of Human Resources, Division of Aging - Title III Congregate Meals: COVID-19 - CMC2 Families First Coronavirus Response Act	93.045	2001GACMC2-000	40,377
Passed through the Georgia Department of Human Resources, Division of Aging - Title III Home Delivered: COVID-19 HDC2 Families First Coronavirus Response Act	93.045	2001GAHDC2-00	60,338
Total U. S. Department of Health and Human Resources			100,715
<b>U.S. DEPARTMENT OF HOMELAND SECURITY</b>			
Hazard Mitigation Grant	97.039	F6-S11	26,790
Total U. S. Department of Homeland Security			26,790
<b>U.S. DEPARTMENT OF TREASURY</b>			
Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	4,398,720
Total U. S. Department of Treasury			4,398,720
<b>U.S. DEPARTMENT OF COMMERCE</b>			
Economic Adjustment Assistance	11.307	04-79-07368	398,044
Total U. S. Department of Commerce			398,044
Total Federal Financial Assistance			\$ 5,662,958

**Note:** The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Emanuel County, Georgia and is presented in the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and the State Single Audit Implementation Act. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**Note:** Federal grant programs which are administered through State agencies (pass-through awards) have been included in this report, including any funds expended for the State funded portion of those same programs.

**Note:** The County elected not to utilize the 10% de minimis indirect cost rate.

**Note:** 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.

# EMANUEL COUNTY, GEORGIA

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

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### SECTION I SUMMARY OF AUDIT RESULTS

#### **Financial Statements**

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

Unmodified

Internal control over financial reporting:  
Material weaknesses identified?

☒ Yes ☐ None Reported

Significant deficiencies identified not considered  
to be material weaknesses?

☐ Yes ☒ None Reported

Noncompliance material to financial statements noted?

☒ Yes ☐ No

#### **Federal Awards**

Internal control over major programs:  
Material weaknesses identified?

☐ Yes ☒ No

Significant deficiencies identified not considered  
to be material weaknesses?

☐ Yes ☒ No

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 ☒ No

Identification of major programs:

Assistance Listing Number

Name of Federal Program or Cluster

21.027

**U.S. Department of Treasury**  
CSLFR Funds

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

\$750,000

Auditee qualified as low-risk auditee?

☐ Yes ☒ No

# EMANUEL COUNTY, GEORGIA

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

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### SECTION II FINANCIAL STATEMENT FINDINGS AND RESPONSES

#### 2022-001 – General Accounting Matters/Close-Out Procedures

**Criteria:** Internal control is a process designed to provide reasonable assurance about the achievement of an entity's objectives with regard to the reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations. Internal control is also a process of safeguarding assets against unauthorized acquisition, use, or disposition, and includes controls related to financial reporting and operations objectives. Generally accepted accounting principles ("GAAP") require assets, liabilities, revenues and expenditures to be recognized in the accounting period in which they become both measurable and available. Further, a fundamental principle in accounting and financial reporting is the notion of timely recognition and recording of financial and non-financial transactions and activities.

**Condition:** During our audit, we noted accounting, reporting and reconciling not being properly performed and reviewed consistently during the fiscal year which required a significant effort to close the Development Authority's 2022 fiscal year. Significant adjustments were determined and required to be recorded in the months that followed September 30, 2022. Specifically, we noted a lack of timely and accurate financial and non-financial information needed:

- to properly maintain the accounts payable on a periodic basis throughout the year;
- to accurately maintain and record the Authority's capital assets; and
- to close-out and report activities, events and transactions on a periodic basis.

We believe it is important to note that we observed a genuine interest by the Authority's accounting personnel in their desire to learn and assume greater responsibilities for the Authority's accounting and financial reporting and noticed great improvement throughout the audit.

**Context:** We addressed the matter with the Authority officials who were able to provide all respective details and reconciliations as of and for the year ended September 30, 2022.

**Effects:** The ultimate effect of the above condition is the potential for errors and irregularities to occur and not be detected and corrected in a timely manner.

**Cause:** There was a lack of appropriate controls implemented at the Authority during the fiscal year to properly maintain financial and non-financial information and to properly close out the year-end.



# EMANUEL COUNTY, GEORGIA

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

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### SECTION II FINANCIAL STATEMENT FINDINGS AND RESPONSES (CONTINUED)

#### 2022-001 – General Accounting Matters/Close-Out Procedures (Continued)

**Recommendation:** We recommend the Authority consider a variety of options in addressing the above condition. The Authority needs to continue evaluating its strengths and weaknesses relative to the accounting function, and take appropriate measures to address the concerns noted above with a goal of providing timely recording, reconciling and reporting of Authority operations and financial and non-financial activities. We also recommend the Authority seek the expertise of a software technician to come in and diagnose the issues with the Authority's accounting software related to the accounts receivable and capital assets to improve the overall audit. We have noted the Authority has begun implementing a number of processes/procedures to improve the overall accounting function during the audit fieldwork.

**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 error and identify deficiencies from both operational and financial perspectives.

#### 2022-002 – Restatement – Proper Recognition of Capital Assets

**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, the Development Authority did not properly record capital assets at the government-wide level and at the fund level (Development Authority of Emanuel County and the City of Swainsboro Fund).

**Context:** We addressed the matter with the Development Authority to determine the appropriate amounts to record as of and for the fiscal year ended September 30, 2021.

**Effects:** Prior period restatements were required of the Development Authority to properly record capital assets at the fund level and government-wide level for the correction of an error.

- Fund Level (Development Authority of Emanuel County and the City of Swainsboro) – prior period restatement to increase capital assets by \$7,743,532; increase accumulated depreciation by \$905,585; and increase fund balance by \$6,836,947 as of September 30, 2021.
- Government-wide Level (business-type activities) – prior period restatement to increase capital assets by \$7,743,532; increase accumulated depreciation by \$909,585; and increase fund balance by \$6,836,947 as of September 30, 2021.

**Cause:** There was a lack of appropriate controls implemented at the Authority during the fiscal year to ensure capital assets are properly recorded.

# EMANUEL COUNTY, GEORGIA

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

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### SECTION II FINANCIAL STATEMENT FINDINGS AND RESPONSES (CONTINUED)

#### 2022-002 – Restatement – Proper Recognition of Capital Assets (Continued)

**Recommendation:** We recommend the Authority carefully review all capital assets to ensure transactions are reported in accordance with GAAP.

**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 error and identify deficiencies from both operational and financial perspectives.

#### 2022-003 – Segregation of Duties – Cash Accounts and Other Operational Functions

**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 in various funds administered by the County. Further, we noted a general lack of segregation of duties. We noted bank statements were being reconciled by employees of these elected officials with no consistent review of the reconciled statements being performed. Specifically, we noted the following:

- Tax Commissioner's Office – one individual with the authority to prepare and sign checks also reconciles the bank statements.
- Magistrate Court – one individual has the authority to open mail, receipt monies and prepare the deposits.
- Superior Court – one individual with the authority to prepare and sign checks also reconciles the bank statements.
- Sheriff – one individual with the authority to prepare and sign checks also reconciles the bank statements. In addition, we noted all bank reconciliations are not properly reviewed.

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

**Effect:** 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.

# EMANUEL COUNTY, GEORGIA

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

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### SECTION II FINANCIAL STATEMENT FINDINGS AND RESPONSES (CONTINUED)

#### 2022-003 – Segregation of Duties – Cash Accounts and Other Operational Functions (Continued)

**Recommendation:** We recommend the duties of recording, distributing, and reconciling of accounts be segregated among employees. Also, we recommend greater separation of duties relative to: making deposits, opening the mail, posting receipts, and signing of checks.

**Views of Responsible Officials and Planned Corrective Action:** We agree there is a lack of segregation of duties in the offices of the above mentioned areas due to minimum staffing in those departments. Procedures are continuing to be reviewed and implemented. Currently bank statements are being reconciled in these areas and then sent up to finance for review and approval.

#### 2022-004 – Budgetary Requirements

**Criteria:** Georgia statutes (O.C.G.A. §36-81) establish budgetary requirements for governmental entities that there be a legal level of control at a minimum to be at the department level. In addition, each unit of local government shall adopt and operate under an annually balanced budget for the General Fund and each major Special Revenue Fund in use by the local government. The annually balanced budget shall be adopted by ordinance or resolution and administered in accordance with this article.

**Condition:** For the year ended September 30, 2022, the County was in violation of State budget statutes:

- An annual budget was not adopted for the following fund:
- ARPA Fund

**Context:** We addressed the matter with the County to determine the appropriate actions needed as to be in compliance with state budget requirements at September 30, 2022.

**Effect:** The County did not adopt an annually balanced budget for the fund noted above for the year ended September 30, 2022.

**Cause:** The above conditions were caused by the County not adopting a balanced budget for all necessary funds.

**Recommendation:** We recommend the County adopt balanced budgets for all reported funds.

**Views of Responsible Officials and Planned Corrective Action:** We concur with the finding. We will review budgets to assure balanced budgets are adopted.

# EMANUEL COUNTY, GEORGIA

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

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### SECTION II FINANCIAL STATEMENT FINDINGS AND RESPONSES (CONTINUED)

#### 2022-005 – Schedule of Expenditures of Federal Awards

**Criteria:** 2 CFR 200.302(b)(1) states that all non-federal entities must identify in its accounts all federal awards received and expended. The Schedule of Expenditures of Federal Awards (“SEFA”), as required by 2 CFR 200.510(b), should be derived from, and relate directly to, the underlying accounting and other records used to prepare the financial statements of the County.

**Condition:** During our audit, we noted that internal controls were not in place to accurately prepare the SEFA.

**Context:** We addressed the matter with the County to determine the appropriate classification of grant activity in order to accurately present the Schedule of Expenditures of Federal Awards at September 30, 2022.

**Effects:** The County was not able to timely produce a SEFA and numerous adjustments were needed to appropriately classify grants as state or federal.

**Cause:** There was a lack of appropriate controls implemented at the County during the fiscal year to properly report grant activity and present the SEFA.

**Recommendation:** We recommend the County implement procedures to increase communication between the finance department and the various departments overseeing grant activity. Due to the degree of decentralization of the grant accounting and reporting, multiple hurdles existed in obtaining the correct information for reporting in the County’s financial statements in accordance with the Uniform Guidance.

**Views of Responsible Officials and Planned Corrective Action:** We concur with the finding. We will continue to review and improve policies and procedures to help with timely and accurate financial reporting of the grant activities.

#### 2022-006 – Clerk of Court Duties

**Criteria:** Internal controls should be in place to ensure money received by the Superior Court is deposited and paid out in a timely manner.

**Condition:** During our audit of the Superior Court, we noted several instances where deposits were held for several weeks, before being deposited in the bank. We noted deposit slips were prepared daily, but due to time constraints, were placed in a locked safe for weeks until being deposited. This shows a lack of good cash controls and timely deposits of funds. We also noted several instances where monthly payouts were not made for several months at a time. Per review of activity after year-end, Mauldin & Jenkins noted several payments posted for months prior. These payments were delayed due to time constraints and deposits not being made in a timely manner. This shows a lack of good cash controls and timely payout of funds.

# EMANUEL COUNTY, GEORGIA

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

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### SECTION II FINANCIAL STATEMENT FINDINGS AND RESPONSES (CONTINUED)

#### 2022-006 – Clerk of Court Duties (Continued)

**Context:** We addressed the matter with the County to determine the appropriate actions are taken so as to properly complete the Superior Court Duties at September 30, 2022.

**Effects:** The lack of internal controls over the timely recording of cash can lead to misappropriation of funds that is not detected during the normal course of business.

**Cause:** There was a lack of appropriate controls implemented at the Superior Court during the fiscal year to ensure cash balances were properly recorded.

**Recommendation:** We recommend the Superior Court implement procedures to deposit and pay out funds received in a timely manner.

**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 error and identify deficiencies from both operational and financial perspectives.

# EMANUEL COUNTY, GEORGIA

## SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

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### STATUS OF PRIOR YEAR FINDINGS

#### 2021-001 – Restatement – Proper Recognition of Notes Receivable

**Criteria:** Internal controls should be in place to ensure amounts reported for notes receivable and related items are appropriate and properly valued and recorded in accordance with generally accepted accounting principles.

**Condition:** During the prior year, the County did not properly record notes receivable at the government-wide level and at the fund level (Revolving Loan Fund).

**Status:** Resolved.

#### 2021-002 – Restatement – Proper Recognition of Capital Leases

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

**Condition:** During the prior year, the County did not properly record capital leases at the government-wide level for the primary government.

**Status:** Resolved.

#### 2021-003 – Restatement – Proper Recognition of Interfund Balances

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

**Condition:** During the prior year, the County did not properly record interfund balances across various funds.

**Status:** Resolved.

#### 2021-004 – Segregation of Duties – Cash Accounts and Other Operational Functions

**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 in various funds administered by the County. Further, we noted a general lack of segregation of duties. We noted bank statements were being reconciled by employees of these elected officials with no consistent review of the reconciled statements being performed.

**Status:** Unresolved. See finding 2022-003.

# EMANUEL COUNTY, GEORGIA

## SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

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### STATUS OF PRIOR YEAR FINDINGS (CONTINUED)

#### 2021-005 – Clerk of Court Duties

**Criteria:** Internal controls should be in place to ensure money received by the Superior Court is deposited and paid out in a timely manner.

**Condition:** During our audit of the Superior Court, we noted several instances where deposits were held for several weeks, before being deposited in the bank. We noted deposit slips were prepared daily, but due to time constraints, were placed in a locked safe for weeks until being deposited. This shows a lack of good cash controls and timely deposits of funds. We also noted several instances where monthly payouts were not made for several months at a time. Per review of activity after year-end, Mauldin & Jenkins noted several payments posted for months prior. These payments were delayed due to time constraints and deposits not being made in a timely manner. This shows a lack of good cash controls and timely payout of funds.

**Status:** Unresolved. See finding 2022-006.