

**HARRIS COUNTY, GEORGIA
FINANCIAL STATEMENTS AND
OTHER FINANCIAL INFORMATION
FOR THE YEAR ENDED JUNE 30, 2021**

Harris County, Georgia
Annual Financial Report
For The Year Ended June 30, 2021

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Independent Auditor's Report

Harris County Board of Commissioners
Harris County, Georgia

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Harris County Health Department, which represent 22 percent, 16 percent and 92 percent, respectively, of the assets, net position, and revenues of the discretely presented component units. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Harris County Health Department, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 – 16 and other required supplementary information on pages 62 – 64 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund financial statements and schedules and the Schedule of Expenditures of Federal Awards (page 129), 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.

The combining and individual fund financial statements and schedules and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and the other auditors. In our opinion, the combining and individual fund financial statements and schedules and the Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated December 28, 2021 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the County's internal control over financial reporting and compliance.

Robinson, Dierree + Company, P.C.

Certified Public Accountants

December 28, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

Within this section of Harris County, Georgia's (the County) annual financial report, the County's management is pleased to provide this narrative discussion and analysis of the financial activities of the County for the fiscal year ended June 30, 2021. The County's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

Financial Highlights

- The County's assets exceeded its liabilities by \$102,483,089 (net position) for the fiscal year reported.
- Total net position are comprised of the following:
 - (1) Net investment in capital assets, of \$70,283,593 include property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets.
 - (2) Net position of \$6,551,281 is restricted by constraints imposed from outside the County such as debt covenants, grantors, laws, or regulations.
 - (3) Unrestricted net position of \$25,648,215 represent the portion available to maintain the County's continuing obligations to citizens and creditors.
- The County's governmental funds reported total ending fund balance of \$27,114,667 this year. This compares to the prior year ending fund balance of \$23,094,676 showing an increase of \$4,019,991 during the current year. Unrestricted fund balance of \$20,575,761 at June 30, 2021 shows a \$4,004,849 increase from the prior year.
- At the end of the current fiscal year, unrestricted fund balance for the general fund was \$20,330,335 or 75.5% of total General Fund 2022 budgeted expenditures, as compared to 65.5% at June 30, 2020.
- Overall, the County continues to maintain a strong financial position amidst an unsteady economy.

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

Overview of the Financial Statements

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

Government-wide Financial Statements

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

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

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

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

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

Fund Financial Statements

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

The County has two kinds of funds:

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

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

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

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

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

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

Notes to the Basic Financial Statements

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

Required Supplementary Information

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

Supplementary Information

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

Financial Analysis of the County as a Whole

The County's net position at fiscal year-end is \$102,483,089, as compared to \$96,586,524 at June 30, 2020. The following table provides a summary of the County's net position:

Summary of Net Position

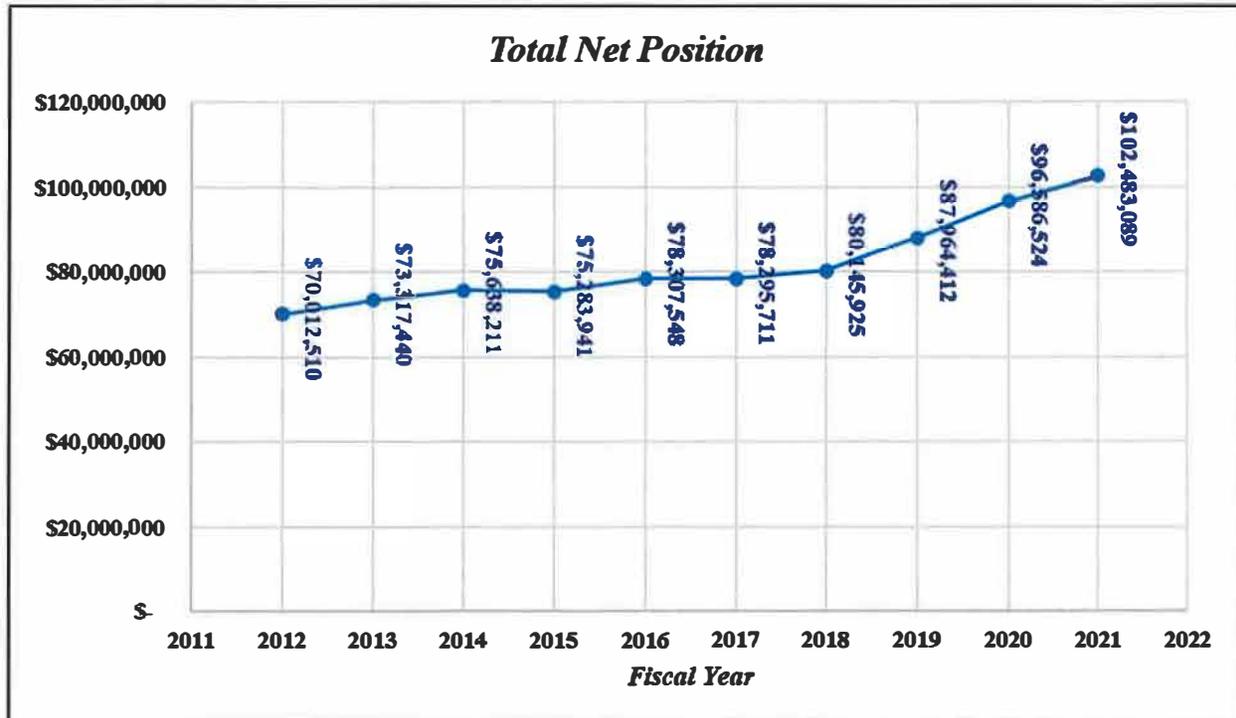
	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Assets:						
Current assets	\$ 33,914,030	\$26,220,258	\$ 9,221,502	\$ 8,431,966	\$ 43,135,532	\$34,652,224
Noncurrent assets	51,609,013	50,801,968	33,020,343	33,212,007	84,629,356	84,013,975
Total assets	85,523,043	77,022,226	42,241,845	41,643,973	127,764,888	118,666,199
Deferred outflows	2,037,778	2,476,028	353,297	430,694	2,391,075	2,906,722
Liabilities:						
Current liabilities	7,841,363	3,360,096	1,504,712	1,675,361	9,346,075	5,035,457
Long-term liabilities	8,322,647	9,637,453	7,468,845	7,829,526	15,791,492	17,466,979
Total liabilities	16,164,010	12,997,549	8,973,557	9,504,887	25,137,567	22,502,436
Deferred inflows	2,178,501	2,134,467	356,806	349,494	2,535,307	2,483,961
Net position:						
Net investment in capital assets	44,653,782	43,735,674	25,629,811	25,573,602	70,283,593	69,309,276
Restricted	6,233,946	6,016,340	317,335	312,369	6,551,281	6,328,709
Unrestricted	18,330,582	14,614,224	7,317,633	6,334,315	25,648,215	20,948,539
Total net position	\$ 69,218,310	\$64,366,238	\$33,264,779	\$32,220,286	\$ 102,483,089	\$96,586,524

The County continues to maintain a high current ratio. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for governmental activities is 4.3 to 1 as compared to 7.8 to 1 at June 30, 2021. The current ratio for business-type activities is 6.1 to 1 as compared to 5.0 to 1 at June 30, 2021.

The County reported positive balances in net position for both governmental and business-type activities. Net position increased \$4,852,072 or 7.0% for governmental activities, and increased \$1,044,493 or 3.2% for business-type activities. The County's overall financial position increased during fiscal year 2021 by \$5,896,565.

Note that approximately 64.8% of the governmental activities' net position is tied up in capital. The County uses these capital assets to provide services to its citizens. However, with business type activities, the County has spent approximately 77.0% of its net position on capital.

The following chart reports the total net position balances from June 30, 2012 – 2021.



Since 2012, the total net position has increased \$32,470,579 or 46.4%.

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

	Summary of Changes in Net Position					
	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program:						
Charges for services & fines	\$ 5,782,132	\$ 5,291,908	\$ 8,036,087	\$ 7,615,056	\$ 13,818,219	\$ 12,906,964
Operating grants	1,312,574	1,139,944			1,312,574	1,139,944
Capital grants	1,045,132	2,271,142	627,656	843,888	1,672,788	3,115,030
General:						
Taxes	26,007,811	23,794,319			26,007,811	23,794,319
Other	50,825	193,709	16,362	94,086	67,187	287,795
Total revenues	34,198,474	32,691,022	8,680,105	8,553,030	42,878,579	41,244,052
Program Expenses:						
General government	3,990,008	3,435,172	-	-	3,990,008	3,435,172
Judicial	1,537,477	1,542,358	-	-	1,537,477	1,542,358
Public safety	15,064,791	12,745,720	-	-	15,064,791	12,745,720
Public works	5,191,671	4,332,834	-	-	5,191,671	4,332,834
Health and welfare	308,703	440,342	-	-	308,703	440,342
Culture and recreation	1,622,811	1,752,309	-	-	1,622,811	1,752,309
Housing and development	1,451,450	686,248	-	-	1,451,450	686,248
Interest	179,491	203,442	-	-	179,491	203,442
Water and sewer	-	-	5,026,045	5,071,309	5,026,045	5,071,309
Solid waste	-	-	1,892,162	1,786,830	1,892,162	1,786,830
Airport	-	-	717,405	625,376	717,405	625,376
Total expenses	29,346,402	25,138,425	7,635,612	7,483,515	36,982,014	32,621,940
Revenues over (under) expenses	4,852,072	7,552,597	1,044,493	1,069,515	5,896,565	8,622,112
Transfers in (out)	-	274,422	-	(274,422)	-	-
Net changes in net position	4,852,072	7,827,019	1,044,493	795,093	5,896,565	8,622,112
Beginning net position	64,366,238	56,539,219	32,220,286	31,425,193	96,586,524	87,964,412
Ending net position	\$ 69,218,310	\$ 64,366,238	\$ 33,264,779	\$ 32,220,286	\$ 102,483,089	\$ 96,586,524

GOVERNMENTAL REVENUES

The County is heavily reliant on property taxes and sales taxes to support governmental operations and capital. Property taxes, including vehicle tax, provided 48.0% of the County's total governmental revenues as compared to 46.7% in fiscal year 2021. Sales taxes make up 22.3% of the County's total governmental revenues as compared to 18.8% in fiscal year 2021.

Operating contribution type revenue was reported in fiscal year 2021 for general government, public safety and culture and recreation:

General government:

- HAVA grant (\$10,000)
- Bulletproof vest program grant (\$3,000)
- TIA interest (\$1,481)
- Callaway debt interest (\$11,214)

Public safety:

- CARES Act (\$550,279)
- Emergency medical service trauma grant (\$4,722)

Culture and Recreation

- Community Center debt payment (\$731,878)

Capital grant and capital contribution type revenue was reported in fiscal year 2021 for public safety (\$8,210), public works (\$785,079), health and welfare (\$79,000) and culture and recreation functions (\$172,843), included the following:

Public safety:

- Emergency management agency grant (\$8,210)

Public works:

- Georgia LMIG grant for roads (\$783,579)
- GSWCC Watershed Dam (\$1,500)

Health and Welfare:

- Donations (\$79,000)

Culture and Recreation:

- Donations (\$111,100)
- Rails to trails project (\$61,743)

In total, charges for services and fines for the governmental user charges increased by \$490,224. The County realized increases in real property taxes, local option sales tax and motor vehicle title ad valorem tax of \$566,282, \$506,744 and \$369,262 respectively.

The County's unrestricted interest earnings to support governmental activities decreased by \$110,803 due to a drop in interest rates related to the COVID-19 pandemic. Also, note that program revenues cover 26.5% of governmental operating expenses. This means that the government's taxpayers and the County's other general governmental revenues funded 73.5% of the governmental activities.

GOVERNMENTAL FUNCTIONAL EXPENSES

The general government and the public safety functions make up approximately 64.9% of the total governmental activities expenses as compared to 64.4% in fiscal year 2020. Public works totals 17.7% of the total governmental activities expenses as compared to 17.2% in fiscal year 2020.

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

Governmental Activities

	<u>Total Cost of Services</u>	<u>%</u>	<u>Net Cost of Services</u>	<u>%</u>
General government	\$ 3,990,008	13.6%	\$ (2,949,048)	13.7%
Judicial	1,537,477	5.2%	(1,537,477)	7.1%
Public safety	15,064,791	51.3%	(11,011,543)	51.1%
Public works	5,191,671	17.7%	(4,102,349)	19.0%
Health and welfare	308,703	1.1%	(192,193)	0.9%
Culture and recreation	1,622,811	5.5%	(604,326)	2.8%
Housing and development	1,451,450	4.9%	(988,586)	4.6%
Interest	179,491	0.7%	(179,491)	0.8%
Total	<u>\$ 29,346,402</u>	<u>100.0%</u>	<u>\$ (21,565,013)</u>	<u>100.0%</u>

The public safety function totals 51.1% of the net cost of services and public works totals 19.0% of these costs.

Overall Analysis – For all enterprise funds, total operating revenues increased \$421,031 or 5.5%. Operating expenses increased \$163,561 or 2.2%. In total, the operating income increased \$257,470 or 93.7%.

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

	<u>Amount</u>
Water works	\$ 626,763
Solid waste	332,630
Airport	(427,066)

The following includes an analysis of the fiscal year 2021 financial activities for each enterprise.

Water Works - The operating income of \$626,763 in fiscal year 2021 compares to operating income of \$252,615 in fiscal year 2020. The fiscal year 2021 operating revenues of \$5,520,956 were \$340,285 or 6.6% over fiscal year 2020 due to a water rate increase. Operating expenses decreased \$33,863 or 0.7% due to a decrease to costs related to water purchases from Columbus.

Solid Waste - The operating income of \$332,630 in fiscal year 2021 compares to operating income of \$391,628 in fiscal year 2020. The fiscal year 2021 operating revenues of \$2,224,792 were \$46,397 or 2.1% over fiscal year 2020. Operating expenses increased \$105,395 or 5.9% due mostly to increases to costs related to personnel, increased tipping fees expenses and depreciation.

Airport - The operating loss of \$427,066 in fiscal year 2021 compares to an operating loss of \$369,386 in fiscal year 2020. The fiscal year 2021 operating revenues of \$290,339 were \$34,349 or 13.4% above fiscal year 2020 relating to increased fuel sales and hangar rental fees. Operating expenses increased \$92,029 or 14.7% mostly due to increases to costs related to personnel and depreciation.

Financial Analysis of the County's Funds

Governmental Funds

As discussed, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$27,114,667 as compared to the 2020 fiscal year amount of \$23,094,676. Of this year-end total, \$20,575,761 is unrestricted indicating availability for continuing County service requirements. Fund balance includes \$6,056,448 restricted for capital projects, \$24,560 restricted for debt service, \$16,110 restricted for unclaimed property, \$11,107 restricted for public safety-EMS and \$125,721 restricted for nonmajor special revenue fund purposes. Fund balance includes assets not available for current expenditure of \$304,960, which is tied up in inventory and prepaid assets.

The total ending fund balances of governmental funds show an increase of \$4,019,991 or an increase of 17.4% over the prior year.

Major Governmental Funds

General Fund - The General Fund is the County's primary operating fund and the largest source of day-to-day service delivery. The General Fund's fund balance increased \$3,807,492 in fiscal year 2021 or an increase of 22.6%. In fiscal year 2020, the fund balance increased \$5,868,929.

Total revenues increased \$2,204,322 or 8.7% from that of fiscal year 2020 due to increases in the property tax digest, TAVT, LOST and intangibles.

Total expenditures increased \$4,044,526 or 21.4% above fiscal year 2020 total due mostly to a portion of public safety salaries and benefits being covered by CARES Act funding during fiscal year 2020.

The general government function costs are up \$950,957 or 32.4% over the fiscal year 2020 amount. This amount is related to the implementation of the employee compensation study.

In the judicial function, the total expenditure increased \$147,407 or 9.6% over the fiscal year amount. This amount also related to the implementation of the employee compensation study.

The total public safety costs increased \$2,131,323 or 23.0% due to a combination of the implementation of the employee compensation study and a portion of public safety salaries and benefits being covered by CARES Act funding in fiscal year 2020.

Total public works costs increased \$686,116 or 24.6% due mostly to a combination of the implementation of the employee compensation study and the Melody Lakes dam improvements.

The housing and development function costs are up \$137,522 or 24.1% above the prior year due to community development hiring a professional company to update and modernize the county's land use and development codes and the implementation of the employee compensation study.

In fiscal year 2021, the general fund's ending unrestricted fund balance increased by \$3,998,849 above the June 30, 2020 balance due mainly to the increase in the property tax digest, a large increase in motor vehicle-TAVT revenues, local option sales tax and intangibles tax. This unrestricted balance of \$20,330,335 is considered adequate. This unrestricted portion represents the equivalent of 75.5% of 2022 budgeted expenditures, as compared to 65.5% last year.

Callaway Debt Service Fund - This fund is used to account for the debt service on a GEFA loan. The Callaway Foundation reimburses the County for the cost of this debt service.

The Proprietary Funds

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

Budgetary Highlights

The General Fund – During fiscal year 2021, the Board of Commissioners amended the general fund budget.

The total budgeted revenues and other financing sources were amended upward by \$1,099,830 or 4.4% due mainly to the full implementation of the employee compensation study. The County recognized \$1,709,918 more than anticipated total revenues and other financing sources, related to real property taxes, motor vehicle ad valorem taxes and local option sales taxes.

The total budgeted expenditures were amended upward by the same \$1,099,830.

The total budgeted expenditures and other financing uses came in at \$2,097,574 under the final amended budget for the general fund.

Capital Assets and Debt Administration

Capital Assets

The County's investment in capital assets, net of accumulated depreciation, for governmental and business-type activities as of June 30, 2021, was \$50,952,034 and \$33,020,343 and for June 30, 2020, was \$50,786,961 and \$33,212,007 respectively. The increase in net investment was \$165,073 or 0.3% for governmental activities and was a decrease of \$191,664 or 0.6% for business-type activities. See Note 3-E for additional information about changes in capital assets during the fiscal year and outstanding at the end of the year.

The following table provides a summary of capital asset activity.

	Capital Assets					
	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Non-depreciable assets:						
Land	\$ 15,513,803	\$ 15,513,803	\$ 726,701	\$ 726,701	\$ 16,240,504	\$ 16,240,504
Construction in progress	2,408,501	924,363	1,163,357	1,681,383	3,571,858	2,605,746
Total non-depreciable assets:	17,922,304	16,438,166	1,890,058	2,408,084	19,812,362	18,846,250
Depreciable assets:						
Buildings and improvements	27,602,967	27,503,270	8,303,457	7,135,136	35,906,424	34,638,406
Machinery and equipment	25,881,690	24,752,127	8,317,985	7,555,520	34,199,675	32,307,647
Water system and water lines	-	-	36,629,897	36,629,897	36,629,897	36,629,897
Infrastructure	29,540,758	29,540,758	-	-	29,540,758	29,540,758
Total depreciable assets	83,025,415	81,796,155	53,251,339	51,320,553	136,276,754	133,116,708
Less accumulated depreciation	49,995,685	47,447,360	22,121,054	20,516,630	72,116,739	67,963,990
Book value - depreciable assets	33,029,730	34,348,795	31,130,285	30,803,923	64,160,015	65,152,718
Percentage depreciated	60%	58%	42%	40%	53%	51%
Book value - all assets	\$ 50,952,034	\$ 50,786,961	\$ 33,020,343	\$ 33,212,007	\$ 83,972,377	\$ 83,998,968

At June 30, 2021, the depreciable capital assets for governmental activities were 60% depreciated. This compares to 58% at the June 30, 2020 percentage. Indicating an aging asset inventory, 60% depreciated is a relatively high rate for a Georgia government.

With the County's business type activities, 42% of the asset values were depreciated at June 30, 2021, which compares to 40% at June 30, 2020.

In governmental activities, the primary additions to the machinery and equipment account include two new ambulances totaling \$386,978, eight new sheriff vehicles at a total cost of \$389,487, two new vehicles and a road widener for public works totaling \$133,190, \$106,730 for new vehicles for tax assessor, facilities maintenance and community development and the correctional institution. A new server and new audio/visual systems for several courtrooms totaled \$146,370. The primary addition to buildings and improvements was for a soccer field lighting at a cost of \$99,697.

In the business type activities, additions to the machinery and equipment account include three new garbage trucks totaling \$537,198. Water works purchased 4 new work trucks and a dump truck totaling \$211,034. The primary addition to buildings and improvements was for a wildlife fencing project for the airport at a cost of \$1,104,271.

Long-term Debt

At the end of this fiscal year, the County reported \$5,248,142 of outstanding revenue bonds relating to the community center. The water and sewer fund reported \$4,061,780 in revenue bonds relating to water and sewer system improvements.

During the year, the County retired \$615,000 related to the community center revenue bonds. The water and sewer fund retired \$532,745 of the water revenue bonds.

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

	Outstanding Borrowings						% Change
	Governmental Activities		Business-type Activities		Totals		
	2021	2020	2021	2020	2021	2020	
GEFA loans	\$ 798,804	\$ 859,205	\$ 3,328,752	\$ 3,043,880	\$ 4,127,556	\$ 3,903,085	6%
Revenue bonds	5,248,142	5,863,142	4,061,780	4,594,525	9,309,922	10,457,667	-10.98%
Capital leases	251,306	328,940	-	-	251,306	328,940	-23.60%
Net pension liability	2,766,179	3,325,070	570,595	663,398	3,336,774	3,988,468	-16.34%
Postclosure	-	-	157,930	173,070	157,930	173,070	-9%
Compensated absences	461,549	367,983	94,080	80,343	555,629	448,326	24%
Total	<u>\$ 9,525,980</u>	<u>\$ 10,744,340</u>	<u>\$ 8,213,137</u>	<u>\$ 8,555,216</u>	<u>\$ 17,739,117</u>	<u>\$ 19,299,556</u>	-8%

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

Economic Conditions Affecting the County

Harris County in General

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

According to the U.S. Census Bureau Quick Facts, the county's current population is 35,236 as of July 2020 and has increased 10.1% since April 2010 as compared to the state's population growth of 9.6%. The county's land area is 464 square miles with a population density of 69 residents per square mile. Approximately 94% of the population resides in the unincorporated area of the county. The county's per capita income is currently \$36,273 as compared to the state at \$31,067. The county's median household income is currently \$76,319 as compared to the state at \$58,700. The county's poverty rate is currently 6.5% as compared to the state at 13.3%.

Other county facts according to the U.S. Census Bureau Quick Facts include the county has 14,529 housing units with a median home value of \$217,200. The states' median home value is \$176,000. In addition, 92.2% of the county's residents over 25 years of age have a high school diploma as compared to the state at 87.1% and 31.4% of the county's residents over 25 years of age have a Bachelor's degree as compared to the state at 31.3%.

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

- Animal control and shelter
- Voter registration and county and city elections
- Judicial and court services
- Parks & recreation services
- Community development services including zoning, building permits, building inspections, and code enforcement.
- 911 and emergency management services
- Emergency medical services
- Law enforcement, jail, and prison services

- Road, bridge, and right-of-way maintenance
- Tax assessments and collections
- Airport services
- Solid waste collection, transportation, and disposal
- Water treatment and distribution
- Sewer collection (treatment by others)

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

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

Harris County Local Financial Condition

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

The construction of single-family homes continues to increase. During FY 2016-17, 166 single-family home permits were issued, 220 permits during FY 2017-18 (32.5% increase), 232 permits during FY 2018-19 (5.5% increase), 236 permits during FY 2019-20 (1.7% increase), and 239 permits during FY 2020-21 (1.3% increase).

Solid waste tonnage collections also continue to increase. During FY 2016-17, 13,349 tons of solid waste were collected, 14,049 tons during FY 2017-18 (5.2% increase), 15,014 tons during FY 2018-19 (6.9% increase), 17,649 tons during FY 2019-20 (17.6% increase), and 18,722 tons during FY 2020-21 (6.1% increase).

The county's local unemployment rate continues to fall. The county's unemployment rate was 5.2% during July 2016, 4.6% during July 2017, 3.5% during July 2018, 3.5% during July 2019, and 5.5% during July 2020. The unemployment rate increase during 2020 was due to the COVID-19 global pandemic. As of July 2021, the county's unemployment rate further decreased to 2.2%. During the same time periods, the state experienced approximately the same unemployment rate trends.

The county's total tax digest values generally declined from 2009 to 2015 when it bottomed out in 2015 at \$1,205,667,300. Since that time, tax digest values have been increasing. During 2016, the tax digest increased to \$1,212,516,034 (0.6% increase), \$1,234,147,076 during 2017 (1.8% increase), \$1,257,523,384 during 2018 (1.9% increase), \$1,296,708,956 during 2019 (3.1% increase), \$1,343,896,008 during 2020 (3.6% increase), and \$1,406,194,451 during 2021 (4.6% increase).

The county increased its millage rate for the first time since 2008 from 6.14 mills to 8.64 mills in 2017 to generate about \$3.2 million in additional property tax revenue. The millage rate remained virtually the same during 2018 at 8.63 mills but increased to 9.38 during 2019 to generate about \$1.3 million in additional property tax revenue to fund county operations. The millage rate has remained the same at 9.38 for the 2020 and 2021 tax years.

The total taxes levied also saw a general decline from 2009 to 2015 when it bottomed out in 2015 at \$7,348,052. Due to a millage rate increase in 2017, total taxes levied increased to \$10,596,360 in 2017, an increase of 44%. During 2018, the total taxes levied increased slightly to \$10,785,159 (1.8% increase) without a millage rate increase. Due to another millage rate increase in 2019, total taxes levied increased to \$12,084,522 (12% increase). During 2020, the total taxes levied increased slightly to \$12,526,856 (3.7% increase) without a millage rate increase. During 2021, the total taxes levied increased again to \$13,108,982 (4.6% increase) without a millage rate increase.

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

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

The transportation SPLOST (TSPLOST) collections are also increasing each year. During FY 2016-17, TSPLOST collections were \$924,617, \$964,357 during FY 2017-18 (4.3% increase), \$1,033,316 during FY 2018-19 (7.1% increase), \$1,085,686 during FY 2019-20 (5.1% increase), and \$1,343,096 during FY 2020-21 (23.7% increase). TSPLOST collections will end December 31, 2022 and voters will be asked to renew this regional sales tax for an additional ten years. That referendum is scheduled for May 2022. All of these sales tax collection amounts are indicative of a rural economy with minimal commercial and retail establishments.

Due to the COVID-19 global pandemic, the county received, one-time revenues of \$1.6M in federal CARES funds for public safety employees' salaries, \$3.4M in federal ARP funds for COVID-19 mitigation measures, and about \$45,000 in federal funds to support the local airport during the pandemic.

The Harris County Development Authority continues to recruit new businesses and industrial prospects by showcasing the county's accessible location along the I-85 and I-185 interstate corridors, moderate climate, skilled workforce, availability of developed land and utilities in the Northwest Harris Business Park and Hamilton Business Park, and offering business incentives. Daesol Materials, a Kia automobile supplier, completed their new industrial facility recently and are already looking to expand.

During the audit period of July 1, 2020 to June 30, 2021, the county embarked on many public projects including historic courthouse renovations, development of Eilerslie Park, converting the old library into a modern medical clinic, road and bridge improvements, technology enhancements, replaced county rolling stock, completed Phase I, II, and III of the long awaited Man O' War Railroad Recreation Trail funded mostly by grant funds and TSPLOST funds, completed and fully implemented an employee compensation plan, and began to modernize and update the county's building codes into one unified development code. In addition, the county began a study to determine the feasibility of implementing impact fees as an additional revenue source.

Contacting the County's Financial Management

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

Harris County, Georgia
Statement of Net Position
June 30, 2021

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Assets				
Current Assets				
Cash and cash equivalents (Note 3A)	\$ 9,495,283	\$ 2,378,607	\$ 11,873,890	\$ 1,510,565
Restricted cash	9,512,723	779,516	10,292,239	-
Investments	10,799,134	7,072,076	17,871,210	-
Receivables:				
Accounts	167,276	553,220	720,496	28,372
Interest	315	454	769	-
Property taxes	547,695	-	547,695	-
TAVT	235,107	-	235,107	-
Sales taxes	686,330	-	686,330	-
Intergovernmental	219,740	2,525	222,265	-
Notes	136,745	-	136,745	-
Interfund	1,790,678	(1,790,678)	-	-
Inventory	172,355	196,954	369,309	-
Prepaid items	150,649	28,828	179,477	-
Total Current Assets	33,914,030	9,221,502	43,135,532	1,538,937
Non-current Assets				
Notes receivable (net of current portion)	656,979	-	656,979	-
Capital assets (Note 3E)				
Nondepreciable	17,922,304	1,890,058	19,812,362	34,341
Depreciable, net	33,029,730	31,130,285	64,160,015	5,587,681
Total Non-current Assets	51,609,013	33,020,343	84,629,356	5,622,022
Total Assets	85,523,043	42,241,845	127,764,888	7,160,959
Deferred Outflows of Resources (Note 3-F)	2,037,778	353,297	2,391,075	252,072
Total Assets and Deferred Outflows of Resources	87,560,821	42,595,142	130,155,963	7,413,031
Liabilities				
Current Liabilities				
Accounts payable	1,852,718	152,896	2,005,614	2,462
Retainage payable	234,029	-	234,029	-
Accrued expenses payable	1,076,202	116,072	1,192,274	-
Accrued interest payable	50,483	8,169	58,652	-
Unearned revenue	3,422,090	-	3,422,090	-
Customer deposits payable	2,508	483,283	485,791	-
Compensated absences payable	369,239	75,264	444,503	11,742
Closure and postclosure care liability	-	24,159	24,159	-
GEFA loan payable	123,472	114,869	238,341	-
Revenue bonds payable	630,000	530,000	1,160,000	-
Capital lease payable	80,622	-	80,622	-
Total Current Liabilities	7,841,363	1,504,712	9,346,075	14,204
Long-Term Liabilities (Note 3H) (net of current portion)				
Compensated absences payable	92,310	18,816	111,126	22,547
Closure and postclosure care liability	-	133,771	133,771	-
Net OPEB liability	-	-	-	83,916
Net pension liability	2,766,179	570,595	3,336,774	466,259
GEFA loan payable	675,332	3,213,883	3,889,215	-
Capital leases payable	170,684	-	170,684	-
Revenue bonds payable	4,618,142	3,531,780	8,149,922	-
Total Long-Term Liabilities	8,322,647	7,468,845	15,791,492	572,722
Total Liabilities	16,164,010	8,973,557	25,137,567	586,926
Deferred Inflows of Resources (Note 3-F)	2,178,501	356,806	2,535,307	179,183
Total Liabilities and Deferred Inflows of Resources	18,342,511	9,330,363	27,672,874	766,109
Net Position				
Net investment in capital assets (Note 3J)	44,653,782	25,629,811	70,283,593	5,622,022
Restricted for:				
Capital projects	6,056,448	-	6,056,448	-
Debt service	24,560	317,335	341,895	-
Tax Commissioner	16,110	-	16,110	196,570
Public safety	71,178	-	71,178	-
Law library	65,650	-	65,650	-
Unrestricted	18,330,582	7,317,633	25,648,215	828,330
Total Net Position	\$ 69,218,310	\$ 33,264,779	\$ 102,483,089	\$ 6,646,922

See accompanying notes to the basic financial statements

Harris County, Georgia
Statement of Activities
For the Year Ended June 30, 2021

Function/Program	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Units
		Charges for Services and Fines	Operating Grants, Contributions and Interest	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-type Activities	Total	
Primary Government								
Governmental Activities								
General government	\$ 3,990,008	\$ 1,015,265	\$ 25,695	\$ -	\$ (2,949,048)	\$ -	\$ (2,949,048)	\$ -
Judicial	1,537,477	-	-	-	(1,537,477)	-	(1,537,477)	-
Public safety	15,064,791	3,848,486	555,001	8,210	(10,653,094)	-	(10,653,094)	-
Public works	5,191,671	304,243	-	785,079	(4,102,349)	-	(4,102,349)	-
Health and welfare	308,703	37,510	-	79,000	(192,193)	-	(192,193)	-
Culture and recreation	1,622,811	113,764	731,878	172,843	(604,326)	-	(604,326)	-
Housing and development	1,451,450	462,864	-	-	(988,586)	-	(988,586)	-
Interest	179,491	-	-	-	(179,491)	-	(179,491)	-
Total Governmental Activities	29,346,402	5,782,132	1,312,574	1,045,132	(21,206,564)	-	(21,206,564)	-
Business-type Activities								
Water works	5,026,045	5,520,956	-	621,593	-	1,116,504	1,116,504	-
Solid waste	1,892,162	2,224,792	-	-	-	332,630	332,630	-
Airport	717,405	290,339	-	6,063	-	(421,003)	(421,003)	-
Total Business-type Activities	7,635,612	8,036,087	-	627,656	-	1,028,131	1,028,131	-
Total Primary Government	\$ 36,982,014	\$ 13,818,219	\$ 1,312,574	\$ 1,672,788	(21,206,564)	1,028,131	(20,178,433)	-
Component Units								
Department of Public Health	538,454	321,180	491,668	-	-	-	-	274,394
Development Authority	154,617	-	-	69,943	-	-	-	(84,674)
Total - Component Units	\$ 693,071	\$ 321,180	\$ 491,668	\$ 69,943	-	-	-	189,720
		General Revenues						
		Property taxes levied for general government purposes			16,424,155	-	16,424,155	-
		Sales taxes			7,614,669	-	7,614,669	-
		Insurance premium tax			2,035,599	-	2,035,599	-
		Other taxes			(66,612)	-	(66,612)	-
		Unrestricted investment earnings			7,853	16,362	24,215	679
		Miscellaneous			42,972	-	42,972	-
		Total General Revenues			26,058,636	16,362	26,074,998	679
		Change in Net Position			4,852,072	1,044,493	5,896,565	190,399
		Net Position Beginning of Year			64,366,238	32,220,286	96,586,524	6,456,523
		Net Position End of Year			\$ 69,218,310	\$ 33,264,779	\$ 102,483,089	\$ 6,646,922

See accompanying notes to the basic financial statements

Harris County, Georgia
Balance Sheet
Governmental Funds
June 30, 2021
(With Comparative Totals at June 30, 2020)

	2021				2020	
	General	2019 SPLOST	ARP Act Grant Fund	Other Governmental Funds	Total Governmental Funds	Total Governmental Funds
Assets						
Cash and cash equivalents	\$ 9,137,156	\$ -	\$ -	\$ 358,127	\$ 9,495,283	\$ 2,575,168
Investments	10,474,792	324,342	-	-	10,799,134	\$ 13,303,519
Restricted cash	-	2,678,889	3,422,090	3,411,744	9,512,723	4,008,965
Receivables:						
Accounts	62,604	-	-	104,671	167,275	226,108
Property taxes	547,695	-	-	-	547,695	684,258
TAVT	235,107	-	-	-	235,107	195,891
Sales taxes	241,469	331,684	-	113,177	686,330	566,716
Interest	-	-	-	315	315	414
Intergovernmental	209,278	-	-	10,462	219,740	1,635,466
Notes	-	-	-	793,724	793,724	847,580
Interfund	1,887,598	-	-	391,539	2,279,137	3,236,447
Inventory	172,355	-	-	-	172,355	161,699
Prepaid items	132,605	-	-	18,044	150,649	362,596
Total Assets	\$ 23,100,659	\$ 3,334,915	\$ 3,422,090	\$ 5,201,803	\$ 35,059,467	\$ 27,804,827
Liabilities, Deferred Inflows of Resources and Fund Balances						
Liabilities						
Accounts payable	\$ 1,223,098	\$ 106,549	\$ -	\$ 523,069	\$ 1,852,716	\$ 1,612,621
Accrued expenditures payable	1,027,115	-	-	49,087	1,076,202	484,208
Retainage payable	95,347	-	-	138,682	234,029	96,655
Deposit payable	2,508	-	-	-	2,508	2,508
Interfund payable	-	-	-	488,459	488,459	1,569,562
Unearned revenue	-	-	3,422,090	778,717	4,200,807	839,482
Total Liabilities	2,348,068	106,549	3,422,090	1,978,014	7,854,721	4,605,036
Deferred Inflows of Resources	90,079	-	-	-	90,079	105,115
Total Liabilities and Deferred Inflows of Resources	2,438,147	106,549	3,422,090	1,978,014	7,944,800	4,710,151
Fund Balances						
Nonspendable	304,960	-	-	-	304,960	507,424
Restricted	27,217	3,228,366	-	2,978,363	6,233,946	6,016,340
Assigned	2,500,000	-	-	245,426	2,745,426	4,330,426
Unassigned	17,830,335	-	-	-	17,830,335	12,240,486
Total Fund Balances	20,662,512	3,228,366	-	3,223,789	27,114,667	23,094,676
Total Liabilities, Deferred Inflow of Resources and Fund Balances	\$ 23,100,659	\$ 3,334,915	\$ 3,422,090	\$ 5,201,803	\$ 35,059,467	\$ 27,804,827

See accompanying notes to the basic financial statements

Harris County, Georgia
Reconciliation of the Balance Sheet of Governmental Funds
to the Government-wide Statement of Net Position
June 30, 2021

Total Governmental Fund Balances	\$	27,114,667
 Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.		
Cost of capital assets	\$	100,947,719
Less accumulated depreciation		<u>(49,995,685)</u>
		50,952,034
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Property taxes		90,079
Long-term note receivable not available to pay current expenditures.		
		778,716
Deferred outflows and inflows for pensions reported on the government-wide statement of position but not reported on the governmental fund balance sheet.		
		(140,723)
Interfund receivables and payables between governmental funds are reported on the governmental fund's balance sheet but eliminated on the government-wide statement of net position.		
Interfund receivables	\$	(488,460)
Interfund payables		<u>488,460</u>
		-
Liabilities not due and payable in the current period and therefore are not reported in the governmental fund balance sheets but are reported on the government-wide statement of net position.		
Revenue bonds payable	\$	(5,248,142)
GEFA loan payable		(798,804)
Capital leases payable		(251,306)
Net pension liability payable		(2,766,179)
Accrued interest payable		(50,483)
Compensated absences payable		<u>(461,549)</u>
		<u>(9,576,463)</u>
Net Position of Governmental Activities	\$	<u>69,218,310</u>

See accompanying notes to the basic financial statements

Harris County, Georgia
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2021
(With Comparative Totals For the Year Ended June 30, 2020)

	2021				2020	
	General	2019 SPLOST	ARP Act Grant Fund	Other Governmental Funds	Total Governmental Funds	Total Governmental Funds
Revenues						
Taxes	\$ 21,570,767	\$ 3,628,252	\$ -	\$ 1,555,345	\$ 26,754,364	\$ 23,807,207
Intergovernmental	811,011	-	-	1,343,900	2,154,911	2,831,810
Licenses and permits	448,199	-	-	-	448,199	341,253
Charges for services	3,770,506	-	-	865,036	4,635,542	4,282,807
Interest	-	-	-	12,695	12,695	39,610
Fines and forfeitures	683,352	-	-	73,319	756,671	777,924
Investment earnings	7,349	360	-	505	8,214	118,657
Contributions and donations	190,100	-	-	-	190,100	103,666
Miscellaneous	16,663	-	-	-	16,663	24,939
Total Revenues	<u>27,497,947</u>	<u>3,628,612</u>	<u>-</u>	<u>3,850,800</u>	<u>34,977,359</u>	<u>32,327,873</u>
Expenditures						
Current:						
General government	3,886,159	-	-	-	3,886,159	2,935,202
Judicial	1,687,085	-	-	7,342	1,694,427	1,546,805
Public safety	11,394,933	-	-	1,604,001	12,998,934	11,461,724
Public works	3,479,504	-	-	-	3,479,504	2,793,388
Health and welfare	276,898	-	-	31,805	308,703	440,342
Culture and recreation	1,409,105	-	-	-	1,409,105	1,363,209
Housing and development	708,618	-	-	763,319	1,471,937	652,408
Intergovernmental	-	580,520	-	-	580,520	468,654
Capital Outlay	-	1,479,106	-	2,783,614	4,262,720	2,842,076
Debt Service:						
Principal retirement	77,634	-	-	675,401	753,035	504,744
Interest and fiscal charges	12,664	-	-	128,455	141,119	154,080
Trustee Fee	-	-	-	-	-	550
Total Expenditures	<u>22,932,600</u>	<u>2,059,626</u>	<u>-</u>	<u>5,993,937</u>	<u>30,986,163</u>	<u>25,163,182</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>4,565,347</u>	<u>1,568,986</u>	<u>-</u>	<u>(2,143,137)</u>	<u>3,991,196</u>	<u>7,164,691</u>
Other Financing Sources (Uses)						
Proceeds from the sale of capital assets	28,795	-	-	-	28,795	56,879
Transfers in	-	-	-	786,650	786,650	867,923
Transfers out	(786,650)	-	-	-	(786,650)	(593,501)
Total Other Financing Sources (Uses)	<u>(757,855)</u>	<u>-</u>	<u>-</u>	<u>786,650</u>	<u>28,795</u>	<u>331,301</u>
Net Change in Fund Balances	3,807,492	1,568,986	-	(1,356,487)	4,019,991	7,495,992
Fund Balances Beginning of Year	<u>16,855,020</u>	<u>1,659,380</u>	<u>-</u>	<u>4,580,276</u>	<u>23,094,676</u>	<u>15,598,684</u>
Fund Balances End of Year	<u>\$ 20,662,512</u>	<u>\$ 3,228,366</u>	<u>\$ -</u>	<u>\$ 3,223,789</u>	<u>\$ 27,114,667</u>	<u>\$ 23,094,676</u>

See accompanying notes to the basic financial statements

Harris County, Georgia
Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Government-wide Statement of Activities
For the Year Ended June 30, 2021

Net Changes In Fund Balances - Total Governmental Funds		\$ 4,019,991
Amounts reported for governmental activities in the statement of activities are different because		
Governmental funds report capital outlays as expenditures on the governmental fund type operating statement. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capitalized capital outlay in the current period.		
Depreciation expense	\$ (2,724,544)	
Capital outlay	<u>2,889,617</u>	165,073
Pension expense is reported on the government-wide statement of activities but not reported at the fund financial reporting level)		
		121,713
Revenues reported in the statement of activities that do not provide current financial resources are not reported as revenues at the fund financial reporting level.		
Property taxes:		
Deferred as of 6/30/21	\$ 90,079	
Deferred as of 6/30/20	<u>(105,115)</u>	(15,036)
Payments of principal on note receivable is a revenue in the governmental funds, but reduces note receivable in the Statement of Net Assets.		
		(60,765)
Transfers between governmental funds are reported in the governmental funds operating statement but are eliminated on the government-wide statement of activities:		
Transfers in	\$ (786,650)	
Transfers out	<u>786,650</u>	-
The amortization of the bond discount and debt issuance costs are reported in the government-wide statement of activities, but does not require the use of financial resources and therefore is not reported as expenditures in governmental funds.		
		(38,372)
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
		753,034
Compensated absences reported in the statement of activities, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Liability @ 6/30/21	\$ (461,549)	
Liability @ 6/30/20	<u>367,983</u>	<u>(93,566)</u>
Change In Net Position of Governmental Activities		<u>\$ 4,852,072</u>

See accompanying notes to the basic financial statements

Harris County, Georgia
Proprietary Funds
Statement of Net Position
June 30, 2021

	Business-type Activities			
	Water Works	Solid Waste	Airport	Total
Assets				
Current Assets:				
Cash and cash equivalents	\$ 1,972,082	\$ 406,525	\$ -	\$ 2,378,607
Restricted cash	779,516	-	-	779,516
Investments	1,270,593	5,801,483	-	7,072,076
Receivables:				
Accounts	516,541	36,679	-	553,220
Interest	454	-	-	454
Intergovernmental	-	-	2,525	2,525
Prepaid items	19,805	8,586	437	28,828
Inventories	141,796	-	55,158	196,954
Total Current Assets	4,700,787	6,253,273	58,120	11,012,180
Capital Assets				
Nondepreciable	1,402,837	199,250	287,971	1,890,058
Depreciable, net	21,909,140	1,036,330	8,184,815	31,130,285
Total Capital Assets	23,311,977	1,235,580	8,472,786	33,020,343
Deferred Outflows of Resources (Note 3-D)	269,209	73,432	10,656	353,297
Total Assets and Deferred Outflows of Resources	28,281,973	7,562,285	8,541,562	44,385,820
Liabilities				
Current Liabilities:				
Accounts payable	103,521	46,994	2,381	152,896
Accrued expenses payable	82,806	28,704	4,562	116,072
Accrued interest payable	8,169	-	-	8,169
Customer deposits payable	483,283	-	-	483,283
Interfund payable	387,040	404,300	999,338	1,790,678
Compensated absences payable	51,575	21,900	1,789	75,264
Closure and postclosure care payable	-	24,159	-	24,159
Revenue bonds payable	530,000	-	-	530,000
GEFA loans payable	114,869	-	-	114,869
Total Current Liabilities	1,761,263	526,057	1,008,070	3,295,390
Long-term Liabilities (Net of current portion):				
Compensated absences payable	12,894	5,475	447	18,816
Closure and postclosure care payable	-	133,771	-	133,771
Revenue bonds payable	3,531,780	-	-	3,531,780
GEFA loans payable	3,213,883	-	-	3,213,883
Net pension liability	405,995	152,431	12,169	570,595
Total Long-term Liabilities:	7,164,552	291,677	12,616	7,468,845
Total Liabilities	8,925,815	817,734	1,020,686	10,764,235
Deferred Inflows of Resources (Note 3-D)	250,281	93,925	12,600	356,806
Total Liabilities and Deferred Inflows of Resources	9,176,096	911,659	1,033,286	11,121,041
Net Position				
Net investment in capital assets	15,921,445	1,235,580	8,472,786	25,629,811
Restricted	317,335	-	-	317,335
Unrestricted	2,867,097	5,415,046	(964,510)	7,317,633
Total Net Position	\$ 19,105,877	\$ 6,650,626	\$ 7,508,276	\$ 33,264,779

See accompanying notes to the basic financial statements

Harris County, Georgia
Proprietary Funds
Statement of Revenues,
Expenses and Changes in Fund Net Position
For the Year Ended June 30, 2021

	Business-type Activities			Total
	Water Works	Solid Waste	Airport	
Operating Revenues				
Charges for services	\$ 5,520,956	\$ 2,217,593	\$ 290,339	\$ 8,028,888
Intergovernmental revenue	-	4,599	-	4,599
Other financing sources	-	2,600	-	2,600
Total Operating Revenues	<u>5,520,956</u>	<u>2,224,792</u>	<u>290,339</u>	<u>8,036,087</u>
Operating Expenses				
Personal services	1,723,311	724,788	99,541	2,547,640
Purchased services	1,326,529	261,145	36,138	1,623,812
Purchased services - tipping fees	-	503,532	-	503,532
Cost of sales	-	-	139,725	139,725
Materials and supplies	858,634	146,765	62,303	1,067,702
Depreciation	985,719	255,932	379,698	1,621,349
Total Operating Expenses	<u>4,894,193</u>	<u>1,892,162</u>	<u>717,405</u>	<u>7,503,760</u>
Operating Income (Loss)	<u>626,763</u>	<u>332,630</u>	<u>(427,066)</u>	<u>532,327</u>
Non-operating Revenue (Expenses)				
Investment earnings	4,977	11,385	-	16,362
Interest and fiscal charges	(131,852)	-	-	(131,852)
Total Non-operating Revenue (Expenses)	<u>(126,875)</u>	<u>11,385</u>	<u>-</u>	<u>(115,490)</u>
Income (Loss) Before Capital Contributions and Transfers In	499,888	344,015	(427,066)	416,837
Capital Contributions	621,593	-	6,063	627,656
Change in Net Position	1,121,481	344,015	(421,003)	1,044,493
Net Position Beginning of Year	17,984,396	6,306,611	7,929,279	32,220,286
Net Position End of Year	<u>\$ 19,105,877</u>	<u>\$ 6,650,626</u>	<u>\$ 7,508,276</u>	<u>\$ 33,264,779</u>

See accompanying notes to the basic financial statements

Harris County, Georgia
Proprietary Funds
Statement of Cash Flows
For the Year Ended June 30, 2021

	Business-type Activities			
	Water Works	Solid Waste	Airport	Total
Increase (Decrease) in Cash and Cash Equivalents				
Cash Flows from Operating Activities				
Cash received from customers	\$ 5,490,769	\$ 2,195,176	\$ 290,339	\$ 7,976,284
Cash payments for personal services	(1,701,285)	(699,176)	(97,609)	(2,498,070)
Cash payments for goods and services	(2,370,640)	(867,486)	(272,465)	(3,510,591)
Net Cash Provided by (Used in) Operating Activities	<u>1,418,844</u>	<u>628,514</u>	<u>(79,735)</u>	<u>1,967,623</u>
Cash Flows from Noncapital Financing Activities				
Accounts receivable	-	-	(2,525)	(2,525)
Interfund payable	185,244	(138,648)	77,197	123,793
Net Cash Flows from Noncapital Financing Activities	<u>185,244</u>	<u>(138,648)</u>	<u>74,672</u>	<u>121,268</u>
Cash Flows from Capital and Related Financing Activities				
Principal paid on GEFA loans	(113,273)	-	-	(113,273)
Principal paid on revenue bonds	(520,000)	-	-	(520,000)
Interest paid on capital debt	(131,852)	-	-	(131,852)
Acquisition of capital assets	(861,328)	(591,368)	-	(1,452,696)
Capital grants	1,004,110	-	5,063	1,009,173
Net Cash Provided by (Used in) Capital and Related Financing Activities	<u>(622,343)</u>	<u>(591,368)</u>	<u>5,063</u>	<u>(1,208,648)</u>
Cash Flows from Investing Activities				
Investment earnings	5,549	11,385	-	16,934
Net Increase (Decrease) in Cash and Cash Equivalents	987,294	(90,117)	-	897,177
Cash and Cash Equivalents Beginning of Year	<u>3,034,897</u>	<u>6,298,125</u>	<u>-</u>	<u>9,333,022</u>
Cash and Cash Equivalents End of Year	<u>\$ 4,022,191</u>	<u>\$ 6,208,008</u>	<u>\$ -</u>	<u>\$ 10,230,199</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities				
Operating Income (Loss)	\$ 626,763	\$ 332,630	\$ (427,066)	\$ 532,327
Adjustments:				
Depreciation	985,719	255,932	379,698	1,621,349
(Increase) Decrease in Assets:				
Accounts receivable	(40,320)	30,179	-	(10,141)
Prepaid items	1,676	83	269	2,028
Inventories	20,393	-	(26,479)	(6,086)
Increase (Decrease) in Liabilities:				
Accounts payable	(207,546)	(7,658)	(9,546)	(224,750)
Retainage payable	-	-	(654)	(654)
Accrued expenses payable	17,229	8,048	1,608	26,885
Customer deposits payable	10,133	-	-	10,133
Compensated absences payable	4,797	7,008	1,932	13,737
Other	-	2,292	503	2,795
Net Cash Provided by (Used in) Operating Activities	<u>\$ 1,418,844</u>	<u>\$ 628,514</u>	<u>\$ (79,735)</u>	<u>\$ 1,967,623</u>

See accompanying notes to the basic financial statements

Harris County, Georgia
Comparative Statement of Fiduciary Assets and Liabilities
Fiduciary Funds - Agency Funds
June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Assets		
Cash and cash equivalents	\$ 1,641,223	\$ 1,112,251
Due from others	196,719	288,117
Total Assets	<u>\$ 1,837,942</u>	<u>\$ 1,400,368</u>
Liabilities		
Due to others	<u>\$ 1,837,942</u>	<u>\$ 1,400,368</u>

See accompanying notes to the basic financial statements

Harris County, Georgia
Combining Statement of Net Position
Component Units
June 30, 2021

	Department of Public Health	Development Authority	Total
Assets			
Current:			
Cash and cash equivalents	\$ 1,446,280	\$ 64,285	\$ 1,510,565
Accounts receivable	28,372	-	28,372
Total Current	1,474,652	64,285	1,538,937
Noncurrent :			
Capital assets:			
Nondepreciable capital assets	-	34,341	34,341
Depreciable capital assets, net	86,218	5,501,463	5,587,681
Total Noncurrent	86,218	5,535,804	5,622,022
Total Assets	1,560,870	5,600,089	7,160,959
Deferred Outflows of Resources	252,072	-	252,072
Total Assets and Deferred Outflows of Resources	1,812,942	5,600,089	7,413,031
Liabilities			
Current Liabilities:			
Accounts payable	2,462	-	2,462
Compensated absences payable	11,742	-	11,742
Total Current Liabilities:	14,204	-	14,204
Long-term Liabilities: (net of current portion)			
Compensated absences payable	22,547	-	22,547
Net OPEB liability	83,916	-	83,916
Net pension liability	466,259	-	466,259
Total Liabilities	586,926	-	572,722
Deferred Inflows of Resources	179,183	-	179,183
Total Liabilities and Deferred Inflows of Resources	766,109	-	766,109
Net Position			
Net investment in capital assets	86,218	5,535,804	5,622,022
Restricted for:			
Specific health program	196,570	-	196,570
Unrestricted	764,045	64,285	828,330
Total Net Position	\$ 1,046,833	\$ 5,600,089	\$ 6,646,922

See accompanying notes to the basic financial statements

Harris County, Georgia
Combining Statement of Activities
Component Units
For the Year Ended June 30, 2021

	Department of Public Health	Development Authority	Total
Expenses			
Health and welfare	\$ 538,454	\$ -	\$ 538,454
Community development	-	1,645	1,645
Economic development	-	152,972	152,972
Total Expenses	538,454	154,617	693,071
Revenues			
Program revenues:			
Charges for services	321,180	-	321,180
Operating grants and contributions	491,668	-	491,668
Total Program Revenues	812,848	-	812,848
Net Program Revenue (Expense)	274,394	(154,617)	119,777
General Revenues			
Investment earnings	679	-	679
Total General Revenues	679	-	679
Capital Contributions	-	69,943	69,943
Change in Net Position	275,073	(84,674)	190,399
Net Position Beginning of Year	771,760	5,684,763	6,456,523
Net Position End of Year	\$ 1,046,833	\$ 5,600,089	\$ 6,646,922

See accompanying notes to the basic financial statements

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2021

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Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2021

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

Note 1 - Summary of Significant Accounting Policies

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

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

1-A. Reporting Entity

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

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

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

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

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

Brief descriptions of the discretely presented component units follow:

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

Although the County does not have the authority to approve or modify the Health Department's budgets, it does have the ability to control the amount of funding it provides to the Health Department and such funding is significant to the overall operations of the Health Department. The Health Department is reported on a June 30, 2021 fiscal year. Complete financial statements for the Health Department may be obtained from its administrative office at 210 Forest Hill Drive, Hamilton, Georgia 31811 or by calling 706-628-5375.

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2021

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

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

The Authority has continued construction on the Progress Parkway and Water Oak Way projects. The purpose of these projects is to construct a road in the Business Park(s). Construction began during the fiscal year ended June 30, 2009. During the following years, the Authority has continued construction of the roads with funding provided by the County's 2009, 2014 and 2019 SPLOST funds, grant funding and existing Authority funds. Funding provided by the County and grant funding is shown as a capital contribution to the Authority in the government-wide financial statements. Costs of the roads are included in the Authority's capital asset listing as land improvements at June 30, 2021.

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

- Harris County Board of Family and Children's Service

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

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

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

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

1-B. Basis of Presentation

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

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

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2021

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

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

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

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

Major individual governmental funds are reported in separate columns.

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

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

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

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

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

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2021

Note 1 - Summary of Significant Accounting Policies (Continued)

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

The County reports the following major enterprise funds:

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

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

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

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

1-C. Measurement Focus

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

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

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

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

1-D. Basis of Accounting

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

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.

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2021

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

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

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

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

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

1-E. Assets, Liabilities and Fund Equity

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

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

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

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

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

1-E-2 Receivables

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

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2021

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-3 Interfund Balances

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

1-E-4 Consumable Inventories

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

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

The inventory consists primarily of vehicle parts and fuel.

1-E-5 Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2021, are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed. At the fund reporting level, an equal amount of fund balance is classified as nonexpendable since it is not available for general appropriation.

1-E-6 Restricted Assets

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

1-E-7 Capital Assets

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

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

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

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2021

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

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

1-E-8 Compensated Absences

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

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

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

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

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

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

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

1-E-10 Fund Equity

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

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2021

Note 1 - Summary of Significant Accounting Policies (Continued)

Fund Balance - Fund balances may be classified as follows:

- **Nonspendable** – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.
- **Restricted** – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County Board of Commissioners or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- **Committed** – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the County Board of Commissioners through a motion. The fund balance must result from a specific revenue stream committed for a specific purpose. Only the Board of County Commissioners may modify or rescind the commitment.
- **Assigned** – Fund balances are reported as assigned when amounts are constrained by the Board of County Commissioners' intent to be used for specific purposes, but are neither restricted nor committed. By motion, only the Board of County Commissioners can authorize an assignment of fund balances. Also, any of the fund balance reported at year-end that is included in the subsequent year's budget is reported as assigned.
- **Unassigned** - Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The County reports positive unassigned fund balance only in the general fund.

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

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

- Committed
- Assigned
- Unassigned

Net Position - Net position represent the difference between assets and liabilities. The net invested in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. This net investment amount also is adjusted by any bond issuance deferral amounts. Net position are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net position is reported as unrestricted.

1-E-11 Operating Revenues and Expenses

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

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2021

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-12 Interfund Activity

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

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

1-E-13 Estimates

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

1-E-14 Comparative Data

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

Note 2 – Stewardship, Compliance and Accountability

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

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

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

The original 2021 budget was amended during the year. Most unexpended annual appropriations lapse at year-end. However, encumbered appropriations may be carried forward automatically (i.e., no County Commission action is required), to resolve unusual situations or hardships caused by this policy (i.e., for large equipment orders not received by June 30). Departments desiring the carryover of appropriations shall make their request in writing to the County Manager for approval.

2-B. Excess of Expenditures over Appropriations

No department overspent for the final amended 2021 annual budget.

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2021

Note 3 - Detailed Notes on All Funds

3-A. Deposits

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

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

As of June 30, 2021, all of the County’s deposits were covered, either by FDIC coverage or collateralized with securities held by the County’s agent in the County’s name.

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

Primary government cash and cash equivalents reconciliation:

	Cash and Cash Equivalents
Primary Government - Fund Reporting Level:	
Governmental Funds - Balance Sheet	\$ 9,495,283
Governmental Funds - Balance Sheet - Restricted	9,512,723
Proprietary Fund Type Statement of Net Position	2,378,607
Proprietary Fund Type Statement of Net Position - Restricted	779,516
Statement of Fiduciary Assets and Liabilities	1,641,223
 Total	 \$ 23,807,352

3-B. Receivables

Receivables at June 30, 2021, consisted of taxes, accounts (billings for user charges) and intergovernmental receivables arising from grants.

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

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

	2021	2020
• Water works fund	\$26,167	\$25,064

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2021

Note 3 - Detailed Notes on All Funds (Continued)

Note Receivables:

Note Receivable - Callaway Foundation - During the year ended June 30, 2009, the County, through an agreement, acquired a land conservation easement from the “*Ida Cason Callaway Foundation*” (the “*Foundation*”). In order to fund the acquisition, the Georgia Environmental Finance Authority (“*GEFA*”), provided a \$2,000,000 land conservation grant and a \$2,000,000 loan from the Clean Water State Revolving Fund for Land Conservation (see Note 3-H).

Under the agreement between the County and the Foundation, the Foundation is repaying the loan as follows:

Year	Principal	Interest	Total
2022	124,092	19,865	143,957
2023	127,866	16,091	143,957
2024	131,740	12,217	143,957
2025	135,773	8,184	143,957
2026	139,892	4,065	143,957
2027	119,354	12,734	132,088
	<u>\$ 778,717</u>	<u>\$ 73,156</u>	<u>\$ 851,873</u>

Note Receivable - Hotel/Motel Tax – The County entered into an agreement on May 17, 2018 for a note receivable for delinquent hotel/motel taxes owed by a local public lodging establishment in the amount of \$56,801.63. The agreement provides for 36 monthly installment payments of \$1,702.40 with interest accruing on the principal balance of the note at the rate of 5.0% per annum starting on June 5, 2018 and continuing until the maturity date in FY2022.

Under the agreement between the County and the establishment, the establishment is repaying the note as follows:

Year	Principal	Interest	Total
2022	15,007	315	15,322
	<u>\$ 15,007</u>	<u>\$ 315</u>	<u>\$ 15,322</u>

3-C. Restricted Assets

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

2014 SPLOST fund – construction and capital	\$ 175,257
2019 SPLOST fund – construction and capital	2,678,889
ARP act grant fund – personnel and capital	3,422,090
Capital projects fund – construction and capital	5,009
TIA fund – construction and capital	3,108,616
Special revenue funds – judicial and public safety	<u>122,862</u>
	<u>\$ 9,512,723</u>

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2021

Note 3 - Detailed Notes on All Funds (Continued)

3-D. Property Taxes

The Board of Commissioners levy property taxes by or about September of each year. Property taxes attach as an enforceable lien on property as of January 1. The property taxes were levied on August 16, 2020. Property taxes were billed on September 30, 2020 and are due upon receipt, however, the due date was December 20, 2020 and became delinquent on December 21, 2020.

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

3-E. Capital Assets

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

	Balance 7/1/2020	Additions	Deductions	Balance 6/30/2021
Governmental activities:				
Nondepreciable capital assets:				
Land	\$ 15,513,803	\$ -	\$ -	\$ 15,513,803
Construction in progress	924,363	1,718,801	234,663	2,408,501
Total nondepreciable capital assets	<u>16,438,166</u>	<u>1,718,801</u>	<u>234,663</u>	<u>17,922,304</u>
Depreciable capital assets:				
Buildings and improvements	27,503,270	99,697	-	27,602,967
Machinery and equipment	24,752,127	1,305,782	176,219	25,881,690
Infrastructure	29,540,758	-	-	29,540,758
Total depreciable capital assets	<u>81,796,155</u>	<u>1,405,479</u>	<u>176,219</u>	<u>83,025,415</u>
Total capital assets	<u>98,234,321</u>	<u>3,124,280</u>	<u>410,882</u>	<u>100,947,719</u>
Accumulated depreciation:				
Buildings	8,778,816	797,734	-	9,576,550
Machinery and equipment	19,462,848	1,207,012	176,219	20,493,641
Infrastructure	19,205,696	719,798	-	19,925,494
Total accumulated depreciation	<u>47,447,360</u>	<u>2,724,544</u>	<u>176,219</u>	<u>49,995,685</u>
Governmental activities capital assets, net	<u>\$ 50,786,961</u>	<u>\$ 399,736</u>	<u>\$ 234,663</u>	<u>\$ 50,952,034</u>

Governmental activities depreciation expense

General government	\$ 301,335
Public safety	941,602
Public works	1,173,733
Culture and recreation	<u>307,874</u>
Total governmental activities depreciation expense	<u>\$ 2,724,544</u>

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2021

Note 3 - Detailed Notes on All Funds (Continued)

	Balance 7/1/2020	Additions	Deductions	Balance 6/30/2021
Business-type activities:				
Nondepreciable capital assets:				
Land	\$ 726,701	\$ -	\$ -	\$ 726,701
Construction in progress	1,681,383	586,245	1,104,271	1,163,357
Total nondepreciable capital assets	2,408,084	586,245	1,104,271	1,890,058
Depreciable capital assets:				
Buildings and improvements	7,135,136	1,168,321	-	8,303,457
Machinery and equipment	7,555,520	779,390	16,925	8,317,985
Infrastructure	36,629,897	-	-	36,629,897
Total depreciable capital assets	51,320,553	1,947,711	16,925	53,251,339
Total capital assets	53,728,637	2,533,956	1,121,196	55,141,397
Accumulated depreciation:				
Buildings and improvements	1,349,357	488,274	-	1,837,631
Machinery and equipment	5,730,087	365,200	16,925	6,078,362
Infrastructure	13,437,186	767,875	-	14,205,061
Total accumulated depreciation	20,516,630	1,621,349	16,925	22,121,054
Business-type activities capital assets, net	\$ 33,212,007	\$ 912,607	\$ 1,104,271	\$ 33,020,343

The depreciation expense for the business-type activities relates to the water works fund, \$985,719, the solid waste fund \$255,932 and the airport fund, \$379,698.

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2021

Note 3 - Detailed Notes on All Funds (Continued)

Capital asset activity for the development authority component unit for the year ended June 30, 2021, was as follows:

	Balance 7/1/2020	Additions	Deductions	Balance 6/30/2021
Harris County Development Authority				
Nondepreciable capital assets:				
Land	\$ 34,341	\$ -	\$ -	\$ 34,341
Construction in progress	1,047,950	-	1,047,950	-
Total nondepreciable capital assets	<u>1,082,291</u>	<u>-</u>	<u>1,047,950</u>	<u>34,341</u>
Depreciable capital assets:				
Infrastructure	4,942,136	1,047,950	-	5,990,086
Total depreciable capital assets	<u>4,942,136</u>	<u>1,047,950</u>	<u>-</u>	<u>5,990,086</u>
Total capital assets	<u>6,024,427</u>	<u>1,047,950</u>	<u>1,047,950</u>	<u>6,024,427</u>
Accumulated depreciation:				
Infrastructure	338,871	149,752	-	488,623
Total accumulated depreciation	<u>338,871</u>	<u>149,752</u>	<u>-</u>	<u>488,623</u>
Development Authority capital assets, net	<u>\$ 5,685,556</u>	<u>\$ 898,198</u>	<u>\$ 1,047,950</u>	<u>\$ 5,535,804</u>

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2021

Note 3 - Detailed Notes on All Funds (Continued)

3-F. Deferred Inflows/Outflows of Resources

Fund Financial Reporting Level - In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflow of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The County reports one of these items. This item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues for property taxes (\$90,079). This amount is deferred and recognized as an inflow of resources in the period that the amounts become available.

Government-wide Financial Reporting Level - The County also has deferred inflows of resources and deferred outflows of resources related to the recording of changes in its net pension liability and an advance refunding debt transaction that results in a defeasance of debt. Certain changes in the net pension liability are recognized as pension expense over time instead of all being recognized in the year of occurrence. Experience gains or losses result from periodic studies by the County's actuary which adjust the net pension liability for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement of Plan members. These experience gains or losses are recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of Plan members. Changes in actuarial assumptions which adjust the net pension liability are also recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of Plan members. The difference between projected investment return on pension investments and actual return on those investments is also deferred and amortized against pension expense over a five-year period. Additionally, any contributions made by the County to the pension plan before fiscal year end but subsequent to the measurement date of the County's net pension liability are reported as deferred outflows of resources.

The following table includes the deferred inflows/outflows of resources at June 30, 2021:

Deferred Outflows of Resources	Primary Government			Component Units
	Governmental Activities	Business Type Activities	Total	
Deferred outflows related to pensions	\$ 1,691,964	\$ 275,543	\$ 1,967,507	\$ 154,710
Deferred outflows related to OPEB	-	-	-	97,362
Deferred amounts from refunding of debt	345,814	77,754	423,568	-
Total	\$ 2,037,778	\$ 353,297	\$ 2,391,075	\$ 252,072

Deferred Inflows of Resources	Primary Government			Component Units
	Governmental Activities	Business Type Activities	Total	
Deferred inflows related to pensions	\$ 2,178,501	\$ 356,806	\$ 2,535,307	\$ 11,132
Deferred inflows related to OPEB	-	-	-	168,051
Total	\$ 2,178,501	\$ 356,806	\$ 2,535,307	\$ 179,183

3-G. Interfund Balances and Transfers

Interfund Balances - Interfund balances at June 30, 2021, consisted of the following amounts and represent charges for services or reimbursable expenses. These remaining balances resulted from the time lag between the dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting period, and (3) payments between funds are made.

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2021

Note 3 - Detailed Notes on All Funds (Continued)

The following table includes the interfund receivables and payables at June 30, 2021:

Payable to:	Receivable from:				Total
	Nonmajor govern.	Water works	Solid waste	Airport	
General	\$ 96,920	\$ 387,040	\$ 404,300	\$ 999,338	\$ 1,887,598
Non-major governmental	391,539	-	-	-	391,539
Total	\$ 488,459	\$ 387,040	\$ 404,300	\$ 999,338	\$ 2,279,137

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

Interfund Transfers - Interfund transfers for the year ended June 30, 2021, consisted of the following:

(Transfers to)	Transfers from	
	General	Total
Non-major governmental	\$ 786,650	\$ 786,650
Total	\$ 786,650	\$ 786,650

The transfer from the general fund to the non-major governmental was for E-911 supplementation. The transfer from SPLOST 2019 to the non-major governmental was for the PIA debt service payment of the community center debt. The remaining non-major governmental transfers related to the Daesol economic development project, Rails to Trails and CARES Act funding to the airport.

3-H. Long-Term Debt

Governmental Activities \GEFA Loan Payable - The County has one outstanding GEFA loan payable at June 30, 2021.

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

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2021

Note 3 - Detailed Notes on All Funds (Continued)

Annual debt service requirements to this loan payable as of June 30, 2021 follow:

Year	Principal	Interest	Total
2022	123,472	20,485	143,957
2023	127,227	16,730	143,957
2024	131,077	12,880	143,957
2025	135,100	8,857	143,957
2026	139,193	4,764	143,957
2027 - 2028	142,735	13,346	156,081
	<u>\$ 798,804</u>	<u>\$ 77,062</u>	<u>\$ 875,866</u>

Governmental Activities \Bonds Payable - The County has one outstanding bond issue outstanding at June 30, 2021.

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

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

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

Annual debt service requirements to this bond payable as of June 30, 2021 follow:

Year	Principal	Interest	Total
2022	630,000	103,868	733,868
2023	645,000	90,544	735,544
2024	655,000	76,959	731,959
2025	670,000	63,113	733,113
2026	655,000	49,267	704,267
2027 - 2029	2,029,750	64,150	2,093,900
	<u>\$ 5,284,750</u>	<u>\$ 447,901</u>	<u>\$ 5,732,651</u>

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2021

Note 3 - Detailed Notes on All Funds (Continued)

Governmental Activities \Capital Leases Payable - The County has six outstanding capital leases payable at June 30, 2021.

Capital Lease Payable #001-1018851-000 – Caterpillar Financial Services – Lease #11 - This lease was entered into on December 5, 2019 in the original amount of \$69,957 to purchase a Caterpillar D5K2XL Track Type Tractor at an interest rate of 3.85% with annual payments (which includes principal and interest) of \$15,648, which began December, 2019. The lease matures December 31, 2024. The equipment acquired by this lease is included in governmental activities general capital assets of the County in the amount of \$48,129 (cost of \$69,957 less accumulated depreciation of \$21,828).

Annual debt service requirements to this lease payable as of June 30, 2021 follow:

Year	Principal	Interest	Total
2022	13,971	1,677	15,648
2023	14,509	1,139	15,648
2024	15,068	580	15,648
2025	1	-	1
Total	<u>\$ 43,549</u>	<u>\$ 3,396</u>	<u>\$ 46,945</u>

Capital Lease Payable #001-1018851-000 – Caterpillar Financial Services – Lease #12 - This lease was entered into on December 5, 2019 in the original amount of \$84,277 to purchase a Caterpillar 12M3 Motor Grader at an interest rate of 3.85% with annual payments (which includes principal and interest) of \$18,851, which began December, 2019. The lease matures December 31, 2024. The equipment acquired by this lease is included in governmental activities general capital assets of the County in the amount of \$57,981 (cost of \$84,277 less accumulated depreciation of \$26,296).

Annual debt service requirements to this lease payable as of June 30, 2021 follow:

Year	Principal	Interest	Total
2022	16,831	2,020	18,851
2023	17,479	1,372	18,851
2024	18,152	699	18,851
2025	1	-	1
Total	<u>\$ 52,463</u>	<u>\$ 4,091</u>	<u>\$ 56,554</u>

Capital Lease Payable #001-1018851-000 – Caterpillar Financial Services – Lease #13 - This lease was entered into on December 5, 2019 in the original amount of \$38,934 to purchase a Caterpillar 926M Wheel Loader at an interest rate of 3.85% with annual payments (which includes principal and interest) of \$8,709, which began December, 2019. The lease matures December 31, 2024. The equipment acquired by this lease is included in governmental activities general capital assets of the County in the amount of \$26,786 (cost of \$38,934 less accumulated depreciation of \$12,148).

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2021

Note 3 - Detailed Notes on All Funds (Continued)

Annual debt service requirements to this lease payable as of June 30, 2021 follow:

Year	Principal	Interest	Total
2022	7,776	933	8,709
2023	8,076	633	8,709
2024	8,386	323	8,709
2025	1	-	1
Total	<u>\$ 24,239</u>	<u>\$ 1,889</u>	<u>\$ 26,128</u>

Capital Lease Payable #001-1018851-000 – Caterpillar Financial Services – Lease #14 - This lease was entered into on December 5, 2019 in the original amount of \$77,438 to purchase a Caterpillar 12M3 Motor Grader at an interest rate of 3.85% with annual payments (which includes principal and interest) of \$17,321, which began December, 2019. The lease matures December 31, 2024. The equipment acquired by this lease is included in governmental activities general capital assets of the County in the amount of \$53,276 (cost of \$77,438 less accumulated depreciation of \$24,162).

Annual debt service requirements to this lease payable as of June 30, 2021 follow:

Year	Principal	Interest	Total
2022	15,465	1,856	17,321
2023	16,060	1,261	17,321
2024	16,679	642	17,321
2025	1	-	1
Total	<u>\$ 48,205</u>	<u>\$ 3,759</u>	<u>\$ 51,964</u>

Capital Lease Payable #001-1018851-000 – Caterpillar Financial Services – Lease #15 - This lease was entered into on December 5, 2019 in the original amount of \$38,875 to purchase a Caterpillar 308-07CR Hydraulic Excavator at an interest rate of 3.85% with annual payments (which includes principal and interest) of \$8,696, which began December, 2019. The lease matures December 31, 2024. The equipment acquired by this lease is included in governmental activities general capital assets of the County in the amount of \$26,745 (cost of \$38,875 less accumulated depreciation of \$12,130).

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2021

Note 3 - Detailed Notes on All Funds (Continued)

Annual debt service requirements to this lease payable as of June 30, 2021 follow:

Year	Principal	Interest	Total
2022	7,764	932	8,696
2023	8,063	633	8,696
2024	8,374	322	8,696
2025	1	-	1
Total	\$ 24,202	\$ 1,887	\$ 26,089

Capital Lease Payable #001-1018851-000 – Caterpillar Financial Services – Lease #16 - This lease was entered into on March 2, 2020 in the original amount of \$94,211 to purchase a Caterpillar 953K Track Loader at an interest rate of 3.85% with annual payments (which includes principal and interest) of \$21,073, which began March, 2019. The lease matures December 31, 2024. The equipment acquired by this lease is included in governmental activities general capital assets of the County in the amount of \$69,345 (cost of \$94,211 less accumulated depreciation of \$24,866).

Annual debt service requirements to this lease payable as of June 30, 2021 follow:

Year	Principal	Interest	Total
2022	18,815	2,258	21,073
2023	19,539	1,534	21,073
2024	20,292	781	21,073
2025	2	-	2
Total	\$ 58,648	\$ 4,573	\$ 63,221

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

During the year ended June 30, 2014, the Harris County Water Works (“HCWW”) entered into a contract with GEFA under which it received certain funds made available through the Drinking Water State Revolving Loan Fund. In connection with the contract, the HCWW signed a promissory note in the amount of up to \$2,750,000. Total amounts drawn toward the loan liability at project completion were \$2,512,569. Proceeds were required to be used to reimburse construction costs for filter plant flocculation and sedimentation basins related to the HCWW’s water system. Additionally, the HCWW was required to meet certain covenants related to commencement and completion of construction. As of June 30, 2021 the HCWW is in compliance with these covenants. The loan is payable monthly in 240 equal installments commencing March 1, 2018 through February 1, 2038.

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2021

Note 3 - Detailed Notes on All Funds (Continued)

Annual debt service requirements to maturity as of June 30, 2021 are as follows:

Year	Principal	Interest	Total
2022	114,869	29,240	144,109
2023	116,488	27,621	144,109
2024	118,129	25,980	144,109
2025	119,793	24,316	144,109
2026	121,481	22,628	144,109
2027-2031	633,570	86,975	720,545
2032-2036	679,481	41,064	720,545
2037-2038	237,263	2,917	240,180
Total	\$ 2,141,074	\$ 260,741	\$ 2,401,815

During the year ended June 30, 2016, the Harris County Water Works (“HCWW”) entered into a contract with GEFA under which it received certain funds made available through the Drinking Water State Revolving Loan Fund. In connection with the contract, the HCWW signed a promissory note in the amount of up to \$1,812,000. Proceeds were required to be used to reimburse installation costs for an automatic meter reading (AMR) system and associated appurtenances related to the HCWW’s water system. Additionally, the HCWW was required to meet certain covenants related to commencement and completion of construction. As of June 30, 2021 the HCWW is in compliance with these covenants. The loan bears interest at 0.89% per annum and is payable monthly in 239 equal installments beginning at the earlier of the project completion date or December 1, 2021. The amortization schedule of the loan has not been set as of June 30, 2021, as the project was not complete, but the total amount drawn toward the loan and booked as a liability for the HCWW was \$1,187,678.

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

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

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

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

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

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2021

Note 3 - Detailed Notes on All Funds (Continued)

Annual debt service requirements to maturity as of June 30, 2021 are as follows:

Fiscal Year Ending	Principal	Interest	Total
2022	530,000	92,391	622,391
2023	540,000	80,685	620,685
2024	555,000	68,019	623,019
2025	565,000	54,366	619,366
2026	580,000	39,763	619,763
2027-2028	1,210,000	32,718	1,242,718
Total	\$ 3,980,000	\$ 367,942	\$ 4,347,942

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Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2021

Note 3 - Detailed Notes on All Funds (Continued)

Changes in Long-term Debt - Changes in the County's long-term obligations consisted of the following for the year ended June 30, 2021:

	Total Outstanding 7/1/2020	Additions	Reductions	Total Outstanding 6/30/2021	Amounts Due in One Year	Long-term Portion
Governmental Activities						
2009 GEFA Loan #LC2006016	\$ 859,205	\$ -	\$ 60,401	\$ 798,804	\$ 123,472	\$ 675,332
Harris County Public Improvement Authority 2017 revenue bonds (refi.)	5,899,750	-	615,000	5,284,750	630,000	4,654,750
Net deferred premiums	(36,608)	-	-	(36,608)	-	(36,608)
Total bonded debt	6,722,347	-	675,401	6,046,946	753,472	5,293,474
2020 Caterpillar capital lease #11	57,002	-	13,453	43,549	13,971	29,578
2020 Caterpillar capital lease #12	68,670	-	16,207	52,463	16,831	35,632
2020 Caterpillar capital lease #13	31,727	-	7,488	24,239	7,776	16,463
2020 Caterpillar capital lease #14	63,097	-	14,892	48,205	15,465	32,740
2020 Caterpillar capital lease #15	31,678	-	7,476	24,202	7,764	16,438
2020 Caterpillar capital lease #16	76,766	-	18,118	58,648	18,815	39,833
Compensated absences	367,983	387,952	294,386	461,549	369,239	92,310
Net pension liability	3,325,070	-	558,891	2,766,179	-	2,766,179
Total Governmental Activities Debt	\$ 10,744,340	\$ 387,952	\$ 1,606,312	\$ 9,525,980	\$ 1,203,333	\$ 8,322,647
Business-type Activities						
2014 GEFA Loan #DWSRF-11-013	2,254,348	-	113,274	2,141,074	114,869	2,026,205
2016 GEFA Loan #DWSRF-2016030	789,532	398,146	-	1,187,678	-	1,187,678
Harris County Public Improvement Authority Series 2012A revenue bonds	4,500,000	-	520,000	3,980,000	530,000	3,450,000
Net deferred premiums	94,525	-	12,745	81,780	-	81,780
Total bonded debt	7,638,405	398,146	646,019	7,390,532	644,869	6,745,663
Landfill postclosure	173,070	-	15,140	157,930	24,159	133,771
Compensated absences	80,343	78,011	64,274	94,080	75,264	18,816
Net pension liability	663,397	-	92,802	570,595	-	570,595
Total Business-type Activities	\$ 8,555,215	\$ 476,157	\$ 818,235	\$ 8,213,137	\$ 744,292	\$ 7,468,845

*Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2021*

Note 3 - Detailed Notes on All Funds (Continued)

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

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

3-1. Pension Plans and Other Retirement Benefits

The Defined Benefit Pension Plan

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

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

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

Employees become vested after five years of service to the County. All full-time eligible employees hired prior to January 1, 2021 were participants in the ACCG Plan (Plan) upon employment.

Current membership is as follows:

Retirees, beneficiaries, and disablees	
currently receiving benefits	104
Terminated participants entitled to but	
not yet receiving benefits	180
Active employees participating in the plan	347
Total number of participants	631

Per the county’s GASB 68 report, the most recent experience study was performed in February 2021.

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

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

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2021

Note 3 - Detailed Notes on All Funds (Continued)

Benefits Provided.

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

Contributions.

Plan A:

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

Plan B

The required employee contribution is currently 1.75% of earnings.

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

The County's actuarially determined contribution rate for the plan year ended December 31, 2020 was \$998,148, or 9.22% of covered-employee payroll. The County's covered payroll for employees participating in the Plan as of January 1, 2021, (the most recent actuarial valuation date) was \$10,828,784 (based on covered earnings for the preceding year). The County Commission provides for the benefits and funding policy through County ordinance and maintains the authority to change the policy.

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

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions. At June 30, 2021, the County reported a net pension liability of \$3,336,774. The net pension liability was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2020. For the year ended June 30, 2021, the County recognized pension expense of \$856,225.

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2021

Note 3 - Detailed Notes on All Funds (Continued)

The components of the net pension liability are as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances at June 30, 2020	\$ 20,003,437	\$ 16,014,970	\$ 3,988,467
Changes for the year:			
Service cost	582,951	-	582,951
Interest	1,375,751	-	1,375,751
Liability experience (Gain)/Loss	496,869	-	496,869
Assumption change	33,345	-	33,345
Employer contributions	-	998,148	(998,148)
Employee contribution	-	132,620	(132,620)
Net investment income	-	2,161,577	(2,161,577)
Benefit payments	(699,725)	(699,725)	-
Administrative expense	-	(67,256)	67,256
Other changes	-	(84,480)	84,480
Net changes	<u>1,789,191</u>	<u>2,440,884</u>	<u>(651,693)</u>
Balances at June 30, 2021	\$ 21,792,628	\$ 18,455,854	\$ 3,336,774
Plan fiduciary net position as a percentage of the total pension liability		84.69%	
Covered employee payroll		\$ 10,828,784	
Net pension liability as a percentage of covered employee payroll		30.81%	

At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to the plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ 649,215	\$ (2,003,048)
Net difference between expected and actual experience in the measurement of the total pension liability	424,845	(532,259)
Change of assumption	<u>893,447</u>	<u>-</u>
Total	<u>\$ 1,967,507</u>	<u>\$ (2,535,307)</u>

Any deferred outflows of resources resulting from the County's contributions subsequent to measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2021. Other amounts reported as deferred outflows and deferred inflows of resources will be recognized in pension expense as follows:

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2021

Note 3 - Detailed Notes on All Funds (Continued)

Year Ending <u>December 31,</u>	
2022	\$ (34,199)
2023	9,037
2024	(422,849)
2025	<u>(119,789)</u>
Totals	<u>\$ (567,800)</u>

Actuarial Assumptions. The total pension liability in the January 1, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

Healthy mortality rates were based on the RP-2000 Combined Healthy Mortality Table. Disabled rates were derived from a 1985 CIDA Table Class 1.

The asset allocation policy guidelines for the pension plan's target asset allocation as of December 31, 2020 are summarized in the following table:

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

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

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2021

Note 3 - Detailed Notes on All Funds (Continued)

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

	Discount Rate	Net Pension Liability
1% decrease	6.00%	\$ 6,087,451
Current discount rate	7.00%	3,336,774
1% increase	8.00%	1,039,214

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

Defined Contribution Plans

Deferred Compensation Plan – The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457(b). The plan, which was administered by ACCG and VALIC for the year ended June 30, 2021, is available to all full-time employees and all permanent part-time employees at their option and permits participants to defer a portion of their salary until future years. The County retains the authority to amend the adoption agreement and change contribution requirements based on the plan document. At June 30, 2021, there were 300 participants in the plan. The employees are 100 percent vested in their contributions. Plan assets are not available to participants until termination, retirement, death or unforeseeable emergency. For the year ended June 30, 2021, contributions totaled \$298,223.

It is the opinion of the County’s management that the County has no fiduciary responsibility for plan assets once they are deposited with the plan administrator. Consequently, under the provisions of GASB standards, plan assets are not reported in the financial statements. These assets totaled \$4,353,665 at June 30, 2021. Investments are participant-directed from a choice of mutual funds. Investments in 4 of the mutual funds represented 5 percent or more of the net assets of the plan as of June 30, 2021.

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

The County has no fiduciary responsibility for plan assets once they are deposited with the plan administrator. Consequently, under the provisions of GASB standards, plan assets are not reported in the financial statements. These assets totaled \$6,208,867 at June 30, 2021. Investments are participant-directed from a choice of a guaranteed interest account and various mutual funds. Investments in 7 of the mutual funds and the guaranteed interest account each represent 5 percent or more of the net assets of the plan as of June 30, 2021.

Other Plans

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

*Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2021*

Note 3 - Detailed Notes on All Funds (Continued)

3-J. Fund Equity

Fund Balances – Fund balances are classified as follows:

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

General Fund:

Prepaid items	\$ 132,605
Inventories	<u>172,355</u>

Total: \$ 304,960

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

General Fund:

Tax Commissioner	\$ 16,110
Public safety – EMS	<u>11,107</u>

Total General Funds: \$27,217

2019 SPLOST

Capital projects	<u>\$ 3,228,366</u>
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Callaway Debt Service Fund

Debt service	<u>\$ 24,560</u>
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Capital Projects Fund

Capital projects	<u>\$ 46,804</u>
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Transportation Investment Act Fund

Capital projects	<u>\$ 2,781,278</u>
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Nonmajor Special Revenue Funds:

Judicial – law library	\$ 65,650
Public safety	<u>60,071</u>

Total Nonmajor Special Revenue Funds: \$125,721

Total: \$6,233,946

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2021

Note 3 - Detailed Notes on All Funds (Continued)

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

General Fund:

FY2022 Budgeted Use of Reserves	\$ 2,500,000
	<u> </u>

Nonmajor Special Revenue Funds

Health and welfare	\$ 245,426
	<u> </u>

Total:	\$ 2,745,426
	<u> </u>

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

General Fund:

Unassigned	\$ 17,830,335
	<u> </u>

Net Investment in Capital Assets

The “net investment in capital assets” reported on the government-wide statement of net position as of June 30, 2021 are as follows:

	Governmental Activities	Business-type Activities
Net investment in capital assets		
Cost of capital assets	\$ 100,947,719	\$ 55,141,397
Less accumulated depreciation	49,995,685	22,121,054
Book value	<u>50,952,034</u>	<u>33,020,343</u>
Less capital related debt	<u>6,298,252</u>	<u>7,390,532</u>
Net investment in capital assets	<u>\$ 44,653,782</u>	<u>\$ 25,629,811</u>

Note 4 - Other Notes

4-A. Risk Management

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

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

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2021

Note 4 – Other Notes (Continued)

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

The County has not compiled a record of the claims paid up to the applicable deductible for the prior or current fiscal year. The County is not aware of any claims, which the County is liable for (up to the applicable deductible) which were outstanding and unpaid at June 30, 2021. No provision has been made in the financial statements for the year ended June 30, 2021, for any estimate of potential unpaid claims.

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

4-B. Contingent Liabilities

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

The County was a defendant in several lawsuits at June 30, 2021. In the opinion of County management, the outcome of these contingencies will not have a material effect on the financial position of the County.

4-C. Tax Abatements

For the year ended June 30, 2021, the County's property tax revenues were reduced by \$281,981 under agreements entered into by the Harris County Development Authority with four businesses under the economic development laws of the State of Georgia. These agreements qualify for disclosure under GASB Statement No. 77, *Tax Abatement Disclosures*. Under the agreements, taxes on real and personal property are reduced by between 50% and 90% based on investments made by the entities to whom the incentives were offered as long as the entities meet certain investment targets.

4-D. Subsequent Events

Water Works:

Water Meter Replacement Project – On August 17, 2021, the Board of County Commissioners voted to execute a third GEFA loan modification for its Water Meter Replacement project. In the modification, GEFA extended the project completion date from December 1, 2021 to May 1, 2022, due to impacts from the COVID-19 pandemic.

ARP Act Grant:

ARP Funding and Projects – On September 21, 2021, the Board of County Commissioners consented to a project listing provided by the County Manager to budget the \$3,400,000 of ARP funding as follows:

Phase I ARP allocation:

- (1) Installation of glass partitions in courtrooms as a COVID prevention & mitigation tactic in the amount of \$4,500. This project and cost were included and approved by the Board as part of the budget on June 15, 2021.
- (2) Increase the number of holding cells at the jail as a COVID prevention & mitigation tactic in the amount of \$38,600. This project and cost were included and approved by consensus during the budget 21/22 discussion on May 25, 2021.
- (3) Renovations/capital investments (HVAC) to the old library as a community public health clinic for Mercer Med to add health care capacity in the amount of \$37,916. The project and cost were approved by the Board during its August 17, 2021, meeting.

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2021

Note 4 – Other Notes (Continued)

(4) Replacement HVAC system in the courthouse as a ventilation improvement in a key location as an infection prevention measure (includes design, bidding, and construction administration) in the amount of \$2,024,900.

(5) Matching grant funds for the construction of a new elevated water tank on SR 315 near I-185 as a water infrastructure improvement (includes design, bidding & construction administration), in the amount of \$250,000, and contingent upon the state grant being received of \$2,250,000.

(6) Extension/replacement of water lines on Sky Meadow Drive and Green Drive (includes design, bidding, permitting & construction administration) in the amount of \$394,084.

(7) Matching grant funds for Diverse Power EMS to provide broadband; contingent upon the state grants being received, to include the commitment of a \$250,000 match by the County. An additional \$180,000 was also allocated toward providing broadband to the County.

(8) Premium pay for essential workers in the amount of \$220,000.

Phase II ARP allocation:

(1) General broadband infrastructure improvements in accordance with federal requirements in the amount of \$3,400,000. This project and funding has not yet been approved, however, consensus is that such project is important to the County.

Development Authority:

Northwest Harris Business Park Improvements & OneGeorgia Grant Application - On October 5, 2021, the Board of County Commissioners voted to approve committing \$1,342,937.34, with up to \$1,200,000 coming from SPLOST 2019 and General Fund for the remainder, toward a OneGeorgia Grant. The OneGeorgia Grant would allow for utilities, paving, clearing and demolition, would result in a pad-ready site and greatly improve the chances of a business locating in the business park.

4-E. Hotel/Motel Lodging Tax

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

A summary of the transactions for the year ended June 30, 2021 follows:

Receipts:	
Lodging tax receipts	<u>\$ 213,040</u>
Disbursements to:	
Harris County Chamber of Commerce	<u>\$ 213,040</u>

Harris County, Georgia
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Taxes	\$ 18,410,144	\$ 18,410,144	\$ 21,570,767	\$ 3,160,623
Licenses and permits	252,500	252,500	448,199	195,699
Intergovernmental	919,000	919,000	811,011	(107,989)
Charges for services	3,641,350	3,641,350	3,770,506	129,156
Fines and forfeitures	775,000	775,000	683,352	(91,648)
Investment earnings	100,000	100,000	7,349	(92,651)
Contributions and donations	500	500	190,100	189,600
Miscellaneous	2,500	2,500	16,663	14,163
Total Revenues	24,100,994	24,100,994	27,497,947	3,396,953
Expenditures				
Current:				
General government	5,084,390	4,134,739	3,886,159	248,580
Judicial	1,847,594	1,996,314	1,687,085	309,229
Public safety	11,010,556	12,183,032	11,394,933	788,099
Public works	3,589,368	3,952,480	3,479,504	472,976
Health and welfare	282,170	282,170	276,898	5,272
Culture and recreation	1,450,018	1,500,999	1,409,105	91,894
Housing and development	710,700	808,033	708,618	99,415
Debt Service:				
Principal	77,634	77,634	77,634	-
Interest	12,664	12,664	12,664	-
Total Expenditures	24,065,094	24,948,065	22,932,600	2,015,465
Excess (Deficiency) of Revenues Over (Under) Expenditures	35,900	(847,071)	4,565,347	5,412,418
Other Financing Sources (Uses)				
Proceeds from the sale of capital assets	25,000	25,000	28,795	3,795
Use of reserves	591,000	1,690,830	-	(1,690,830)
Transfers (out)	(651,900)	(868,759)	(786,650)	82,109
Total Other Financing Sources (Uses)	(35,900)	847,071	(757,855)	(1,604,926)
Net Change in Fund Balances	\$ -	\$ -	3,807,492	\$ 3,807,492
Fund Balances Beginning of Year			16,855,020	
Fund Balances End of Year			\$ 20,662,512	

Harris County, Georgia
Required Supplementary Information
Schedule of Changes in the Net Pension Liability and Related Ratios
Last Ten Years
Harris County Defined Benefit Plan
For the Year Ended June 30, 2021
(Unaudited)

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

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

Harris County, Georgia
Required Supplementary Information
Schedule of Contributions
Last Ten Years
Harris County Defined Benefit Plan
June 30, 2021
(Unaudited)

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

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

Harris County, Georgia
General Fund
Comparative Balance Sheet
June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Assets		
Cash and cash equivalents	\$ 9,137,156	\$ 1,859,588
Investments	10,474,792	11,770,380
Receivables:		
Accounts	62,604	149,576
Property taxes	547,695	684,258
TAVT	235,107	195,891
Sales taxes	241,469	197,455
Intergovernmental	209,278	183,798
Interfund	1,887,598	3,124,797
Inventory	172,355	161,699
Prepaid items	132,605	345,725
Total Assets	<u>\$ 23,100,659</u>	<u>\$ 18,673,167</u>
Liabilities, Deferred Inflows of Resources and Fund Balances		
Liabilities		
Accounts payable	\$ 1,223,098	\$ 1,159,249
Retainage payable	95,347	96,655
Accrued expenditures payable	1,027,115	454,620
Deposit payable	2,508	2,508
Total Liabilities	2,348,068	1,713,032
Deferred Inflows of Resources - Property Taxes	90,079	105,115
Total Liabilities and Deferred Inflows of Resources	<u>2,438,147</u>	<u>1,818,147</u>
Fund Balances		
Nonspendable - not in spendable form	304,960	507,424
Restricted	27,217	16,110
Assigned	2,500,000	4,091,000
Unassigned	17,830,335	12,240,486
Total Fund Balances	<u>20,662,512</u>	<u>16,855,020</u>
Total Liabilities, Deferred Inflow of Resources and Fund Balances	<u>\$ 23,100,659</u>	<u>\$ 18,673,167</u>

Harris County, Georgia
General Fund
Comparative Statement of Revenues, Expenditures and
Changes in Fund Balances
For the Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Revenues		
Taxes	\$ 21,570,767	\$ 19,712,700
Intergovernmental	811,011	937,542
Licenses and permits	448,199	341,253
Charges for services	3,770,506	3,368,611
Fines and forfeitures	683,352	701,182
Investment earnings	7,349	103,732
Contributions and donations	190,100	103,666
Miscellaneous	16,663	24,939
Total Revenues	<u>27,497,947</u>	<u>25,293,625</u>
Expenditures		
Current:		
General government	3,886,159	2,935,202
Judicial	1,687,085	1,539,678
Public safety	11,394,933	9,263,610
Public works	3,479,504	2,793,388
Health and welfare	276,898	277,889
Culture and recreation	1,409,105	1,363,209
Housing and development	708,618	571,096
Principal	77,634	143,498
Interest	12,664	504
Total Expenditures	<u>22,932,600</u>	<u>18,888,074</u>
(Deficiency) of Revenues (Under) Expenditures	<u>4,565,347</u>	<u>6,405,551</u>
Other Financing Sources (Uses)		
Proceeds from the sale of capital assets	28,795	56,879
Transfers (out)	(786,650)	(593,501)
Other Financing Sources (Uses)	<u>(757,855)</u>	<u>(536,622)</u>
Net Change in Fund Balances	3,807,492	5,868,929
Fund Balances Beginning of Year	<u>16,855,020</u>	<u>10,986,091</u>
Fund Balances End of Year	<u>\$ 20,662,512</u>	<u>\$ 16,855,020</u>

Harris County, Georgia
General Fund
Schedule of Revenues and Other Financing Sources - Budget and Actual
For the Year Ended June 30, 2021
(With Comparative Actual Amounts for The Year Ended June 30, 2020)

	2021			Variance With Final Budget	2020
	Original Budget	Final Budget	Actual		Actual
Revenues					
Taxes					
Real property					
Current	\$11,956,422	\$11,956,422	\$12,531,551	\$ 575,129	\$ 11,965,269
Delinquent	100,000	100,000	75,921	(24,079)	102,427
Timber	34,000	34,000	40,299	6,299	37,229
Personal property					
Motor vehicle tax	165,000	165,000	128,818	(36,182)	154,110
Motor vehicle title ad valorem tax (TAVT)	1,496,422	1,496,422	2,495,194	998,772	2,125,932
Motor vehicle alternate ad valorem tax (AAVT)	10,000	10,000	16,786	6,786	20,472
Mobile home	10,000	10,000	15,354	5,354	13,051
Intangibles	220,000	220,000	607,276	387,276	357,350
Railroad	5,000	5,000	-	(5,000)	11,341
Real estate transfer tax	100,000	100,000	229,290	129,290	165,446
Franchise taxes	150,000	150,000	169,787	19,787	108,612
Local option sales and use tax	1,690,300	1,690,300	2,643,321	953,021	2,136,577
Business taxes					
Alcoholic beverage excise tax	165,000	165,000	185,411	20,411	192,484
Business and occupation tax	50,000	50,000	73,947	23,947	61,598
Financial institutions	18,000	18,000	23,872	5,872	21,726
Insurance premium tax	2,030,000	2,030,000	2,035,599	5,599	1,915,019
Penalties and interest on delinquent taxes					
FIFA	25,000	25,000	37,163	12,163	34,979
Interest and penalties	185,000	185,000	261,178	76,178	289,078
Total Taxes	18,410,144	18,410,144	21,570,767	3,160,623	19,712,700
Licenses and Permits					
Business licenses - alcoholic beverages	45,000	45,000	53,282	8,282	52,758
Non-business licenses and permits					
Building permits	200,000	200,000	377,248	177,248	272,021
Land disturbance permits	2,500	2,500	11,634	9,134	5,658
Driveway permits	2,500	2,500	5,535	3,035	5,525
Fireworks permits	-	-	100	100	-
Manufactured housing permits	2,500	2,500	400	(2,100)	5,291
Total Licenses and Permits	252,500	252,500	448,199	195,699	341,253
Intergovernmental					
Federal					
HAVA Elections Grant-GG	-	-	10,000	10,000	-
EMA-PS	8,500	8,500	8,210	(290)	9,607
FEMA-PS	-	-	-	-	70,419
State					
LMIG-PW	900,000	900,000	783,579	(116,421)	838,499
GSWCC Watershed Dam-PW	1,500	1,500	1,500	-	1,500
EMS-PS	6,000	6,000	4,722	(1,278)	9,537
WC safety grant-GG	-	-	-	-	4,980
Wellness grant-GG	3,000	3,000	3,000	-	3,000
Total Intergovernmental	919,000	919,000	811,011	(107,989)	937,542
Totals carried forward	19,581,644	19,581,644	22,829,977	3,248,333	20,991,495

(continued)

Harris County, Georgia
General Fund
Schedule of Revenues and Other Financing Sources - Budget and Actual
For the Year Ended June 30, 2021
(With Comparative Actual Amounts for The Year Ended June 30, 2020)

(continued)

	2021			2020	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Brought forward	\$ 19,581,644	\$ 19,581,644	\$ 22,829,977	\$ 3,248,333	\$ 20,991,495
Revenues					
Charges for Services					
General government					
Sale of maps	-	-	569	569	250
Sale of computer lists	500	500	100	(400)	466
Copies and facsimiles	1,500	1,500	1,662	162	1,592
Election Qualifying Fees	1,000	1,000	72	(928)	7,230
HCOBE SPLOST election fee	-	-	-	-	12,334
Returned Check Fees	100	100	120	20	120
Airport Fund Indirect Cost	59,750	59,750	57,950	(1,800)	-
Solid Waste Fund Indirect Cost	100,000	100,000	100,000	-	100,000
County Jail Fund Indirect Cost	71,000	71,000	71,000	-	70,000
Water Works Fund Indirect Cost	150,000	150,000	150,000	-	150,000
Commissions on tax collections	580,000	580,000	631,308	51,308	574,864
Judicial					
Superior court website fees	-	-	-	-	25
Superior court filings application	-	-	-	-	1,320
Public safety					
Ambulance	1,025,000	1,025,000	780,498	(244,502)	801,014
Corrections - boarding	1,250,000	1,250,000	1,057,778	(192,222)	1,211,896
Corrections - reimbursements	-	-	2,487	2,487	-
State inmate boarding	10,000	10,000	29,696	19,696	35,186
Federal prison commission	15,000	15,000	45,312	30,312	43,008
Commissions - jail	5,000	5,000	5,057	57	8,318
Commissions - corrections	25,000	25,000	385,432	360,432	23,294
Sheriff receipts	30,000	30,000	18,793	(11,207)	30,845
Public works					
DOT crew	39,500	39,500	39,500	-	36,208
Pipe sales	30,000	30,000	23,194	(6,806)	33,314
Work crew-City of Manchester	40,000	40,000	52,682	12,682	33,625
Work crew-Talbot County	40,000	40,000	60,242	20,242	36,572
Work crew-City of West Point	40,000	40,000	60,611	20,611	45,467
Work crew-Meriwether County	40,000	40,000	54,612	14,612	4,787
Sale of street signs/posts	-	-	70	70	28
Animal control fees	10,000	10,000	13,332	3,332	16,825
Culture and recreation					
Community center	60,000	60,000	113,764	53,764	77,843
Health and welfare					
Mental retardation center	6,000	6,000	-	(6,000)	-
Mental health center	6,000	6,000	-	(6,000)	-
Housing and development					
Zoning fees and appeals	1,000	1,000	8,875	7,875	2,260
Plat and plan review fees	5,000	5,000	5,790	790	9,920
Total Charges for Services	3,641,350	3,641,350	3,770,506	129,156	3,368,611
Fines and Forfeitures					
Superior court	175,000	175,000	188,719	13,719	200,342
Magistrate court	50,000	50,000	40,116	(9,884)	47,126
Probate court	550,000	550,000	454,517	(95,483)	453,714
Total Fines and Forfeitures	775,000	775,000	683,352	(91,648)	701,182
Investment Earnings	100,000	100,000	7,349	(92,651)	103,732
Contributions and Donations	500	500	190,100	189,600	103,666
Miscellaneous					
Rents and royalties	2,500	2,500	2,485	(15)	6,765
Other					
Insurance proceeds	-	-	500	500	17,545
Restitution	-	-	1,535	1,535	408
Reimbursement for damaged property	-	-	12,026	12,026	-
Miscellaneous	-	-	117	117	221
Total Miscellaneous	2,500	2,500	16,663	14,163	24,939
Total Revenues	24,100,994	24,100,994	27,497,947	3,396,953	25,293,625
Other Financing Sources:					
Proceeds from the sale of capital assets	25,000	25,000	28,795	3,795	56,879
Use of Reserves	591,000	1,690,830	-	(1,690,830)	-
Total Other Financing Sources	616,000	1,715,830	28,795	(1,687,035)	56,879
Total Revenues and Other Financing Sources	\$ 24,716,994	\$ 25,816,824	\$ 27,526,742	\$ 1,709,918	\$ 25,350,504

Harris County, Georgia
General Fund
Schedule of Expenditures and Other Financing Uses - Budget and Actual
For the Year Ended June 30, 2021
(With Comparative Actual Amounts for The Year Ended June 30, 2020)

	2021			2020	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Expenditures					
General Government					
Voter Registration					
Personal services	\$ 58,550	74,926	\$ 85,681	\$ (10,755)	\$ 37,218
Purchased/contracted services	71,140	71,140	81,183	(10,043)	56,471
Supplies	30,000	30,000	827	29,173	41,108
Total Elections	159,690	176,066	167,691	8,375	134,797
General Administration					
Personal services	567,360	646,759	626,276	20,483	522,714
Purchased/contracted services	290,700	290,700	276,387	14,313	259,147
Supplies	22,100	22,100	25,407	(3,307)	20,492
Total Administration	880,160	959,559	928,070	31,489	802,353
Board of Commissioners					
Personal services	118,800	118,800	104,656	14,144	95,976
Purchased/contracted services	21,600	21,600	10,134	11,466	17,071
Supplies	300	300	174	126	-
Total Board of Commissioners	140,700	140,700	114,964	25,736	113,047
Board of Equalization					
Purchased/contracted services	6,200	6,200	2,202	3,998	1,232
Supplies	200	200	108	92	-
Total Board of Equalization	6,400	6,400	2,310	4,090	1,232
Information Technology					
Personal services	132,550	148,797	139,062	9,735	77,506
Purchased/contracted services	137,700	137,700	119,735	17,965	112,250
Supplies	32,950	32,950	42,629	(9,679)	31,232
Capital outlay	135,000	143,773	118,157	25,616	-
Total Information Technology	438,200	463,220	419,583	43,637	220,988
Tax Commissioner					
Personal services	440,290	479,173	425,772	53,401	360,524
Purchased/contracted services	64,800	64,800	60,794	4,006	66,094
Supplies	12,000	12,000	10,437	1,563	10,528
Total Tax Commissioner	517,090	555,973	497,003	58,970	437,146
Tax Assessor					
Personal services	515,900	559,152	541,460	17,692	486,804
Purchased/contracted services	79,650	79,650	63,772	15,878	56,469
Supplies	9,600	9,600	8,589	1,011	10,998
Capital outlay	66,000	66,000	66,412	(412)	23,950
Total Tax Assessor	671,150	714,402	680,233	34,169	578,221
Totals carried forward	2,813,390	3,016,320	2,809,854	206,466	2,287,784

(continued)

Harris County, Georgia
General Fund
Schedule of Expenditures and Other Financing Uses - Budget and Actual
For the Year Ended June 30, 2021
(With Comparative Actual Amounts for The Year Ended June 30, 2020)

	2021			2020	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Totals brought forward	\$ 2,813,390	\$ 3,016,320	\$ 2,809,854	\$ 206,466	\$ 2,287,784
Expenditures					
Buildings and Plant					
Personal services	220,900	280,669	276,400	4,269	226,644
Purchased/contracted services	170,600	170,600	161,294	9,306	127,805
Supplies	134,650	134,650	138,915	(4,265)	142,927
Capital outlay	138,000	138,000	131,785	6,215	-
Total Buildings and Plant	664,150	723,919	708,394	15,525	497,376
Operations					
Purchased/contracted services	119,500	119,500	62,639	56,861	(93,874)
Supplies	20,000	20,000	47,654	(27,654)	11,252
Capital outlay	-	-	4,626	(4,626)	8,817
Total Operations	139,500	139,500	114,919	24,581	(73,805)
Pensions and Insurance					
Property and Casualty	255,000	255,000	252,992	2,008	223,847
Group Health/Life	1,212,350	-	-	-	-
Total Pensions and Insurance	1,467,350	255,000	252,992	2,008	223,847
Total General Government	5,084,390	4,134,739	3,886,159	248,580	2,935,202
Judicial					
Superior Court					
Personal services	434,200	457,159	453,581	3,578	421,742
Purchased/contracted services	132,150	132,150	86,414	45,736	79,708
Supplies	15,200	15,200	13,208	1,992	7,747
Total Superior Court	581,550	604,509	553,203	51,306	509,197
Probate Court					
Personal services	282,700	308,333	300,531	7,802	251,387
Purchased/contracted services	24,100	24,100	12,668	11,432	15,071
Supplies	19,500	19,500	25,877	(6,377)	24,661
Capital outlay	-	18,791	18,791	-	-
Total Probate Court	326,300	370,724	357,867	12,857	291,119
Court Services					
Personal services	141,250	141,250	137,381	3,869	130,937
Purchased/contracted services	243,250	243,250	152,729	90,521	199,582
Supplies	2,500	2,500	2,957	(457)	2,247
Capital outlay	-	27,725	27,725	-	-
Total Court Services	387,000	414,725	320,792	93,933	332,766
Magistrate Court					
Personal services	231,000	244,870	239,696	5,174	219,297
Purchased/contracted services	12,145	12,145	7,442	4,703	7,354
Supplies	8,428	8,428	4,950	3,478	6,717
Capital outlay	-	21,742	21,741	1	-
Total Magistrate Court	251,573	287,185	273,829	13,356	233,368
Totals carried forward	6,630,813	5,811,882	5,391,850	420,032	4,301,652

(continued)

Harris County, Georgia
General Fund
Schedule of Expenditures and Other Financing Uses - Budget and Actual
For the Year Ended June 30, 2021
(With Comparative Actual Amounts for The Year Ended June 30, 2020)

	2021			Variance With Final Budget	2020
	Original Budget	Final Budget	Actual		Actual
Totals brought forward	\$ 6,630,813	\$ 5,811,882	\$ 5,391,850	\$ 420,032	\$ 4,301,652
Expenditures					
Judicial (Continued)					
Assistant District Attorney					
Personal services	281,100	299,100	258,492	40,608	245,140
Purchased/contracted services	9,700	9,700	6,610	3,090	6,140
Supplies	10,371	10,371	6,757	3,614	8,510
District attorney reimbursement	-	-	(90,465)	90,465	(86,562)
Total Assistant District Attorney	301,171	319,171	181,394	137,777	173,228
Total Judicial	1,847,594	1,996,314	1,687,085	309,229	1,539,678
Totals carried forward	6,931,984	6,131,053	5,573,244	557,809	4,474,880

(continued)

Harris County, Georgia
General Fund
Schedule of Expenditures and Other Financing Uses - Budget and Actual
For the Year Ended June 30, 2021
(With Comparative Actual Amounts for The Year Ended June 30, 2020)

	2021			2020	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>	<u>Actual</u>
Totals brought forward	\$ 6,931,984	\$ 6,131,053	\$ 5,573,244	\$ 557,809	\$ 4,474,880
Expenditures					
Public Safety					
Sheriff					
Personal services	3,162,000	3,600,725	3,200,770	399,955	2,284,752
Purchased/contracted services	170,800	170,800	161,259	9,541	194,303
Supplies	341,900	341,900	316,060	25,840	284,784
Capital outlay	-	-	60,679	(60,679)	20,000
Total Sheriff	<u>3,674,700</u>	<u>4,113,425</u>	<u>3,738,768</u>	<u>374,657</u>	<u>2,783,839</u>
Emergency Medical					
Personal services	2,118,000	2,401,465	2,266,016	135,449	1,686,877
Purchased/contracted services	141,450	141,450	129,994	11,456	100,107
Supplies	140,450	140,450	145,875	(5,425)	131,200
Capital outlay	22,000	22,000	15,723	6,277	27,119
Total Emergency Medical	<u>2,421,900</u>	<u>2,705,365</u>	<u>2,557,608</u>	<u>147,757</u>	<u>1,945,303</u>
Jail Operations					
Personal services	1,392,500	1,587,872	1,510,221	77,651	1,321,437
Purchased/contracted services	398,690	398,690	364,185	34,505	350,532
Supplies	95,250	95,250	91,507	3,743	86,741
Capital outlay	17,300	17,300	11,553	5,747	-
Total Jail Operations	<u>1,903,740</u>	<u>2,099,112</u>	<u>1,977,466</u>	<u>121,646</u>	<u>1,758,710</u>
Corrections					
Personal services	1,801,000	2,040,514	1,960,259	80,255	1,606,408
Purchased/contracted services	196,750	196,750	215,219	(18,469)	184,637
Supplies	509,800	509,800	462,622	47,178	492,153
Capital outlay	23,500	23,500	23,500	-	50,777
Total Corrections	<u>2,531,050</u>	<u>2,770,564</u>	<u>2,661,600</u>	<u>108,964</u>	<u>2,333,975</u>
Totals carried forward	<u>17,463,374</u>	<u>17,819,519</u>	<u>16,508,686</u>	<u>1,310,833</u>	<u>13,296,707</u>

Harris County, Georgia
General Fund
Schedule of Expenditures and Other Financing Uses - Budget and Actual
For the Year Ended June 30, 2021
(With Comparative Actual Amounts for The Year Ended June 30, 2020)

	2021			2020	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Totals brought forward	\$ 17,463,374	\$ 17,819,519	\$ 16,508,686	\$ 1,310,833	\$ 13,296,707
Expenditures					
Public Safety (Continued)					
Coroner					
Personal services	23,024	34,324	30,055	4,269	21,316
Purchased/contracted services	37,008	41,108	42,370	(1,262)	36,753
Supplies	3,800	3,800	3,241	559	4,371
Total Coroner/Medical Examiner	63,832	79,232	75,666	3,566	62,440
Fire Prevention					
Personal services	42,000	42,000	30,503	11,497	32,350
Purchased/contracted services	89,000	89,000	81,429	7,571	74,491
Supplies	5,500	5,500	3,535	1,965	5,616
Capital outlay	278,834	278,834	268,358	10,476	266,886
Total Fire Prevention	415,334	415,334	383,825	31,509	379,343
Total Public Safety	11,010,556	12,183,032	11,394,933	788,099	9,263,610
Public Works					
Road Maintenance					
Personal services	1,142,880	1,249,900	1,031,863	218,037	908,453
Purchased/contracted services	186,200	186,200	146,213	39,987	108,438
Supplies	348,200	348,200	207,083	141,117	275,627
Capital outlay	1,326,000	1,525,478	1,483,034	42,444	989,793
Total Road Maintenance	3,003,280	3,309,778	2,868,193	441,585	2,282,311
Animal Control					
Personal services	139,700	162,102	156,505	5,597	125,489
Purchased/contracted services	19,550	19,550	14,314	5,236	23,545
Supplies	21,200	21,200	23,810	(2,610)	21,748
Capital outlay	5,500	5,500	5,760	(260)	2,324
Total Animal Control	185,950	208,352	200,389	7,963	173,106
Vehicle Maintenance					
Personal services	329,038	363,250	349,036	14,214	273,304
Purchased/contracted services	20,600	20,600	17,728	2,872	9,372
Supplies	50,500	50,500	44,158	6,342	50,305
Capital outlay	-	-	-	-	4,990
Total Vehicle Maintenance	400,138	434,350	410,922	23,428	337,971
Total Public Works	3,589,368	3,952,480	3,479,504	472,976	2,793,388
Totals carried forward	21,531,908	22,266,565	20,447,681	1,818,884	16,531,878

(continued)

Harris County, Georgia
General Fund
Schedule of Expenditures and Other Financing Uses - Budget and Actual
For the Year Ended June 30, 2021
(With Comparative Actual Amounts for The Year Ended June 30, 2020)

	2021			2020	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Totals brought forward	\$ 21,531,908	\$ 22,266,565	\$ 20,447,681	\$ 1,818,884	\$ 16,531,878
Expenditures					
Health and Welfare					
Health Department					
Purchased/contracted services	250,000	250,000	250,000	-	250,000
Public Services					
Purchased/contracted services	32,170	32,170	26,898	5,272	27,889
Total Public Services	32,170	32,170	26,898	5,272	27,889
Total Health and Welfare	282,170	282,170	276,898	5,272	277,889
Culture and Recreation					
Culture:					
Libraries	263,868	263,868	263,912	(44)	263,868
Recreation:					
Personal services	292,100	317,548	304,122	13,426	265,053
Purchased/contracted services	253,700	253,700	172,070	81,630	356,748
Supplies	102,550	102,550	115,086	(12,536)	78,191
Capital outlay	105,000	105,000	99,697	5,303	2,280
Total Recreation	753,350	778,798	690,975	87,823	702,272
Community Center:					
Personal services	185,500	211,033	187,638	23,395	180,311
Purchased/contracted services	88,300	88,300	112,449	(24,149)	60,922
Supplies	150,000	150,000	146,661	3,339	155,836
Capital outlay	9,000	9,000	7,470	1,530	-
Total Community Center	432,800	458,333	454,218	4,115	397,069
Total Culture and Recreation	1,450,018	1,500,999	1,409,105	91,894	1,363,209
Totals carried forward	23,264,096	24,049,734	22,133,684	1,916,050	18,172,976

(continued)

Harris County, Georgia
General Fund
Schedule of Expenditures and Other Financing Uses - Budget and Actual
For the Year Ended June 30, 2021
(With Comparative Actual Amounts for The Year Ended June 30, 2020)

	2021			Variance With Final Budget	2020
	Original Budget	Final Budget	Actual		Actual
Totals brought forward	\$ 23,264,096	\$ 24,049,734	\$ 22,133,684	\$ 1,916,050	\$ 18,172,976
Expenditures					
Housing and Development (Continued)					
Community Development					
Personal services	340,950	368,000	349,211	18,789	320,278
Purchased/contracted services	184,900	229,900	168,427	61,473	104,616
Supplies	23,300	23,300	17,882	5,418	20,446
Capital outlay	35,000	35,000	32,584	2,416	-
Total Community Development	584,150	656,200	568,104	88,096	445,340
Extension Services					
Personal services	99,550	124,833	119,133	5,700	104,509
Purchased/contracted services	17,800	17,800	12,373	5,427	13,098
Supplies	9,200	9,200	9,008	192	8,149
Total Extension Services	126,550	151,833	140,514	11,319	125,756
Total Housing and Development	710,700	808,033	708,618	99,415	571,096
Debt Service					
Principal	77,634	77,634	77,634	-	143,498
Interest	12,664	12,664	12,664	-	504
Total Debt Service	90,298	90,298	90,298	-	144,002
Total Expenditures	24,065,094	24,948,065	22,932,600	2,015,465	18,888,074
Other Financing Uses					
Transfers out:					
E-911	651,900	868,759	786,650	82,109	323,336
Public Improvements Authority	-	-	-	-	270,165
Total Other Financing Uses	651,900	868,759	786,650	82,109	593,501
Total Expenditures and Other Financing Uses	\$ 24,716,994	\$ 25,816,824	\$ 23,719,250	\$ 2,097,574	\$ 19,481,575

Harris County, Georgia
Combining Balance Sheet
Nonmajor Governmental Funds - By Fund Type
June 30, 2021

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Debt Service Funds	Total Nonmajor Governmental Funds
Assets				
Cash and cash equivalents	\$ 333,567	\$ -	\$ 24,560	\$ 358,127
Restricted cash and cash equivalents	122,862	3,288,882	-	3,411,744
Receivables:				
Accounts	104,671	-	-	104,671
Notes	15,007	-	778,717	793,724
Interest	315	-	-	315
Intergovernmental	10,462	-	-	10,462
Interfund	-	391,539	-	391,539
Sales taxes	-	113,177	-	113,177
Prepaid expenses	18,044	-	-	18,044
Total Assets	\$ 604,928	\$ 3,793,598	\$ 803,277	\$ 5,201,803
Liabilities and Fund Balances				
Liabilities				
Accounts payable	\$ 72,620	\$ 450,449	\$ -	\$ 523,069
Retainage payable	15,154	123,528	-	138,682
Accrued expenditures payable	49,087	-	-	49,087
Interfund payable	96,920	391,539	-	488,459
Unearned revenue	-	-	778,717	778,717
Total Liabilities	233,781	965,516	778,717	1,978,014
Fund Balances				
Restricted	125,721	2,828,082	24,560	2,978,363
Assigned	245,426	-	-	245,426
Total Fund Balances	371,147	2,828,082	24,560	3,223,789
Total Liabilities and Fund Balances	\$ 604,928	\$ 3,793,598	\$ 803,277	\$ 5,201,803

Harris County, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds - By Fund Type
For the Year Ended June 30, 2021

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Debt Service Funds	Total Nonmajor Governmental Funds
Revenues				
Taxes	\$ 212,249	\$ 1,343,096	\$ -	\$ 1,555,345
Interest	-	1,481	11,214	12,695
Intergovernmental	-	1,343,900	-	1,343,900
Charges for services	804,272	-	60,764	865,036
Fines and forfeitures	73,319	-	-	73,319
Investment earnings	-	505	-	505
Total Revenues	1,089,840	2,688,982	71,978	3,850,800
Expenditures				
Current:				
Judicial	7,342	-	-	7,342
Public safety	1,604,001	-	-	1,604,001
Health and welfare	31,805	-	-	31,805
Housing and development	213,040	550,279	-	763,319
Capital Outlay	-	2,783,614	-	2,783,614
Debt Service:				
Principal retirement	-	615,000	60,401	675,401
Interest and fiscal charges	-	116,878	11,577	128,455
Total Expenditures	1,856,188	4,065,771	71,978	5,993,937
Excess (Deficiency) of Revenues Over (Under) Expenditures	(766,348)	(1,376,789)	-	(2,143,137)
Other Financing Sources (Uses)				
Transfers in	786,650	-	-	786,650
Total Other Financing Sources	786,650	-	-	786,650
Net Change in Fund Balances	20,302	(1,376,789)	-	(1,356,487)
Fund Balances Beginning of Year	350,845	4,204,871	24,560	4,580,276
Fund Balances End of Year	\$ 371,147	\$ 2,828,082	\$ 24,560	\$ 3,223,789

Harris County, Georgia
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2021

	Hotel Motel Tax	Emergency 911	Law Library	Mental Health Center	Mental Retardation Center	Drug Abuse Treatment	Local Victim Assistance	Jail Fee	Total Nonmajor Special Revenue Funds
Assets									
Cash and cash equivalents	\$ 9,045	\$ 88,141	\$ 62,787	\$ 110,319	\$ 135,107	\$ 30,965	\$ -	\$ 20,065	\$ 456,429
Receivables:									
Accounts	37,039	62,023	-	-	-	205	2,235	3,169	104,671
Notes	15,007	-	-	-	-	-	-	-	15,007
Interest	315	-	-	-	-	-	-	-	315
Intergovernmental	-	-	2,863	-	-	1,881	1,932	3,786	10,462
Prepaid expenses	-	18,044	-	-	-	-	-	-	18,044
Total Assets	\$ 61,406	\$ 168,208	\$ 65,650	\$ 110,319	\$ 135,107	\$ 33,051	\$ 4,167	\$ 27,020	\$ 604,928
Total Liabilities and Fund Balances									
Liabilities									
Accounts payable	\$ 61,406	7,047	\$ -	\$ -	\$ -	\$ -	\$ 4,167	\$ -	\$ 72,620
Retainage payable	-	15,154	-	-	-	-	-	-	15,154
Accrued expenditures payable	-	49,087	-	-	-	-	-	-	49,087
Interfund payable	-	96,920	-	-	-	-	-	-	96,920
Total Liabilities	61,406	168,208	-	-	-	-	4,167	-	233,781
Fund Balances									
Restricted	-	-	65,650	-	-	33,051	-	27,020	125,721
Assigned	-	-	-	110,319	135,107	-	-	-	245,426
Total Fund Balances	-	-	65,650	110,319	135,107	33,051	-	27,020	371,147
Total Liabilities and Fund Balances	\$ 61,406	\$ 168,208	\$ 65,650	\$ 110,319	\$ 135,107	\$ 33,051	\$ 4,167	\$ 27,020	\$ 604,928

Harris County, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2021

	Hotel Motel Tax	E911	Law Library	Mental Health Center	Mental Retardation Center	Drug Abuse Treatment	Local Victim Assistance	Jail Fee	Nonmajor Special Revenue Funds
Revenues									
Taxes	\$ 212,249	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 212,249
Charges for services	-	746,351	-	6,000	-	20,411	31,510	-	804,272
Fines and forfeitures	791	-	15,308	-	-	-	-	57,220	73,319
Total Revenues	213,040	746,351	15,308	6,000	-	20,411	31,510	57,220	1,089,840
Expenditures									
Current:									
Judicial	-	-	7,342	-	-	-	-	-	7,342
Public safety	-	1,533,001	-	-	-	-	-	71,000	1,604,001
Health and Welfare	-	-	-	-	-	295	31,510	-	31,805
Housing and development	213,040	-	-	-	-	-	-	-	213,040
Total Expenditures	213,040	1,533,001	7,342	-	-	295	31,510	71,000	1,856,188
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(786,650)	7,966	6,000	-	20,116	-	(13,780)	(766,348)
Other Financing Sources (Uses)									
Transfers in	-	786,650	-	-	-	-	-	-	786,650
Total Other Financing Sources (Uses)	-	786,650	-	-	-	-	-	-	786,650
Net Change in Fund Balances	-	-	7,966	6,000	-	20,116	-	(13,780)	20,302
Fund Balances Beginning of Year	-	-	57,684	104,319	135,107	12,935	-	40,800	350,845
Fund Balances End of Year	\$ -	\$ -	\$ 65,650	\$ 110,319	\$ 135,107	\$ 33,051	\$ -	\$ 27,020	\$ 371,147

Harris County, Georgia
Comparative Balance Sheet
Hotel/Motel Tax Fund
June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Assets		
Equity in pooled cash and investments	\$ 9,045	\$ 5,456
Accounts receivable	37,039	12,172
Interest receivable	315	414
Note receivable	<u>15,007</u>	<u>8,098</u>
Total Assets	<u>\$ 61,406</u>	<u>\$ 26,140</u>
Liabilities		
Accounts payable	<u>\$ 61,406</u>	<u>\$ 26,140</u>
Total Liabilities	61,406	26,140
Fund Balances		
Unassigned	<u>-</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 61,406</u>	<u>\$ 26,140</u>

Harris County, Georgia
Comparative Statement of Revenues, Expenditures
and Changes in Fund Balances
Hotel/Motel Tax Fund
For the Fiscal Years Ended June 30, 2021 and 2020

	Original Budget	Final Budget	2021	Variance With Final Budget	2020
Revenues					
Hotel/Motel taxes	\$ 70,000	\$ 70,000	\$ 212,249	\$ 142,249	\$ 79,735
Penalties and Interest	500	500	791	291	1,577
Total Revenues	70,500	70,500	213,040	142,540	81,312
Expenditures					
Current					
Housing and development	70,500	70,500	213,040	(142,540)	81,312
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-
Net Changes in Fund Balances	-	-	-	-	-
Fund Balances Beginning of Year			-		-
Fund Balances End of Year			\$ -		\$ -

Harris County, Georgia
E-911 Fund
Comparative Balance Sheets
June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Assets		
Cash and cash equivalents	\$ 88,141	\$ 442,970
Accounts receivable	62,023	60,843
Prepaid expenses	18,044	16,871
Total Assets	<u>\$ 168,208</u>	<u>\$ 520,684</u>
Liabilities		
Accounts payable	\$ 7,047	\$ 4,351
Retainage payable	15,154	-
Accrued expenditures	49,087	29,588
Interfund payable	96,920	486,745
Total Liabilities	<u>\$ 168,208</u>	<u>\$ 520,684</u>

Harris County, Georgia
E-911 Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2021
(With Comparative Actual Amounts for the Year Ended June 30, 2020)

	2021			2020	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Charges for services - cell	550,000	550,000	599,352	49,352	582,273
Charges for services - prepaid	120,000	120,000	146,736	26,736	139,469
Fireworks excise tax	200	200	263	63	219
Interest	1,000	1,000	-	(1,000)	-
Total Revenues	671,200	671,200	746,351	75,151	721,961
Expenditures					
Current:					
Public safety	1,323,100	1,539,959	1,533,001	6,958	1,045,297
Excess (Deficiency) of Revenues Over (Under) Expenditures	(651,900)	(868,759)	(786,650)	82,109	(323,336)
Other Financing Sources					
Transfers in	651,900	868,759	786,650	(82,109)	323,336
Net Change in Fund Balances	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>-</u>
Fund Balances Beginning of Year			<u>-</u>		<u>-</u>
Fund Balances End of Year			<u>\$ -</u>		<u>\$ -</u>

Harris County, Georgia
Law Library Fund
Comparative Balance Sheet
June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Assets		
Cash and cash equivalents	\$ 62,787	\$ 54,100
Interfund receivables	<u>2,863</u>	<u>3,584</u>
Total Assets	<u>\$ 65,650</u>	<u>\$ 57,684</u>
Fund Balances		
Restricted for law library	<u>\$ 65,650</u>	<u>\$ 57,684</u>

Harris County, Georgia
Law Library Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2021
(With Comparative Actual Amounts for the Year Ended June 30, 2020)

	2021			2020	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Fines and forfeitures	\$ 21,000	\$ 21,000	\$ 15,308	\$ (5,692)	\$ 15,358
Expenditures					
Current:					
Judicial	21,000	21,000	7,342	13,658	7,127
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	7,966	<u>\$ 7,966</u>	8,231
Fund Balances Beginning of Year			<u>57,684</u>		<u>49,453</u>
Fund Balances End of Year			<u>\$ 65,650</u>		<u>\$ 57,684</u>

Harris County, Georgia
Mental Health Center Fund
Comparative Balance Sheets
June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Assets		
Cash and cash equivalents	<u>\$ 110,319</u>	<u>\$ 104,319</u>
Fund Balances		
Assigned for building maintenance and insurance	<u>\$ 110,319</u>	<u>\$ 104,319</u>

Harris County, Georgia
Mental Health Center Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2021
(With Comparative Actual Amounts for the Year Ended June 30, 2020)

	2021			2020	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Charges for services	\$ 6,000	\$ 6,000	\$ 6,000	\$ -	\$ 6,000
Expenditures					
Current:					
Health and welfare	6,000	6,000	-	6,000	-
Excess of Revenues Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	6,000	<u>\$ 6,000</u>	6,000
Fund Balances Beginning of Year			104,319		98,319
Fund Balances End of Year			<u>\$ 110,319</u>		<u>\$ 104,319</u>

Harris County, Georgia
Mental Retardation Center Fund
Comparative Balance Sheets
June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Assets		
Cash and cash equivalents	<u>\$ 135,107</u>	<u>\$ 135,107</u>
Fund Balances		
Assigned for building maintenance and insurance	<u>\$ 135,107</u>	<u>\$ 135,107</u>

Harris County, Georgia
Mental Retardation Center Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2021
(With Comparative Actual Amounts for the Year Ended June 30, 2020)

	2021			2020	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Charges for services	\$ 6,000	\$ 6,000	\$ -	\$ (6,000)	\$ 6,000
Expenditures					
Current:					
Health and welfare	6,000	6,000	-	6,000	-
Excess of Revenues Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>	6,000
Fund Balances Beginning of Year			<u>135,107</u>		<u>129,107</u>
Fund Balances End of Year			<u>\$ 135,107</u>		<u>\$ 135,107</u>

Harris County, Georgia
Drug Abuse Fund
Comparative Balance Sheets
June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Assets		
Cash and cash equivalents	\$ 30,965	\$ 138,275
Receivables:		
Accounts	205	30
Interfund	<u>1,881</u>	<u>855</u>
Total Assets	<u>\$ 33,051</u>	<u>\$ 139,160</u>
Liabilities and Fund Balances		
Liabilities		
Accounts payable	\$ -	\$ 126,225
Fund Balances		
Restricted for public safety	<u>33,051</u>	<u>12,935</u>
Total Liabilities and Fund Balances	<u>\$ 33,051</u>	<u>\$ 139,160</u>

Harris County, Georgia
Drug Abuse Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2021
(With Comparative Actual Amounts for the Year Ended June 30, 2020)

	2021			2020	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Charges for services	\$ 28,500	\$ 28,500	\$ 20,411	\$ (8,089)	\$ 27,165
Expenditures					
Current:					
Health and welfare	28,500	28,500	295	28,205	126,225
Expenditures	28,500	28,500	295	28,205	126,225
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	20,116	<u>\$ 20,116</u>	(99,060)
Fund Balances Beginning of Year			12,935		111,995
Fund Balances End of Year			<u>\$ 33,051</u>		<u>\$ 12,935</u>

Harris County, Georgia
Local Victim Assistance Fund
Comparative Balance Sheets
June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Assets		
Receivables:		
Accounts	\$ 2,235	\$ 1,980
Interfund	<u>1,932</u>	<u>645</u>
Total Assets	<u>\$ 4,167</u>	<u>\$ 2,625</u>
Liabilities		
Accounts payable	<u>\$ 4,167</u>	<u>\$ 2,625</u>

Harris County, Georgia
Local Victim Assistance Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2021
(With Comparative Actual Amounts for the Year Ended June 30, 2020)

	2021			2020	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Charges for services	\$ 42,100	\$ 42,100	\$ 31,510	\$ (10,590)	\$ 36,228
Expenditures					
Current:					
Health and welfare	42,100	42,100	31,510	10,590	36,228
Expenditures	42,100	42,100	31,510	10,590	36,228
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>	-
Fund Balances Beginning of Year			-		-
Fund Balances End of Year			<u>\$ -</u>		<u>\$ -</u>

Harris County, Georgia
Jail Fee Fund
Comparative Balance Sheets
June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Assets		
Cash and cash equivalents	\$ 20,065	\$ 38,000
Receivables:		
Accounts	3,169	1,507
Interfund	<u>3,786</u>	<u>1,293</u>
Total Assets	<u>\$ 27,020</u>	<u>\$ 40,800</u>
Fund Balances		
Restricted for public safety	<u>\$ 27,020</u>	<u>\$ 40,800</u>

Harris County, Georgia
Jail Fee Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2021
(With Comparative Actual Amounts for the Year Ended June 30, 2020)

	<u>2021</u>			<u>2020</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>	<u>Actual</u>
Revenues					
Court fees	\$ 71,000	\$ 71,000	\$ 57,220	\$ (13,780)	\$ 59,807
Expenditures					
Current:					
Public safety	71,000	71,000	71,000	-	70,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	(13,780)	<u>\$ (13,780)</u>	(10,193)
Fund Balances Beginning of Year			40,800		50,993
Fund Balances End of Year			<u>\$ 27,020</u>		<u>\$ 40,800</u>

Harris County, Georgia
Combining Balance Sheet
Nonmajor Debt Service Funds
June 30, 2021

	<u>Callaway Debt Service</u>	<u>Total Nonmajor Debt Service Funds</u>
Assets		
Cash and cash equivalents	\$ 24,560	\$ 24,560
Receivables:		
Notes	<u>778,717</u>	<u>778,717</u>
Total Assets	<u>\$ 803,277</u>	<u>\$ 803,277</u>
Total Liabilities and Fund Balances		
Liabilities		
Unearned revenue	<u>\$ 778,717</u>	<u>\$ 778,717</u>
Total Liabilities	<u>778,717</u>	<u>778,717</u>
Fund Balances		
Restricted	<u>24,560</u>	<u>24,560</u>
Total Fund Balances	<u>24,560</u>	<u>24,560</u>
Total Liabilities and Fund Balances	<u>\$ 803,277</u>	<u>\$ 803,277</u>

Harris County, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Debt Service Funds
For the Year Ended June 30, 2021

	<u>Callaway Debt Service</u>	<u>Nonmajor Debt Service Funds</u>
Revenues		
Charges for services	\$ 60,764	\$ 60,764
Interest	11,214	11,214
Total Revenues	<u>71,978</u>	<u>71,978</u>
Expenditures		
Debt Service:		
Principal	60,401	60,401
Interest	11,577	11,577
Total Expenditures	<u>71,978</u>	<u>71,978</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>
Fund Balances Beginning of Year	<u>24,560</u>	<u>24,560</u>
Fund Balances End of Year	<u>\$ 24,560</u>	<u>\$ 24,560</u>

Harris County, Georgia
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2021

	2014 SPLOST	CARES Act Grant Fund	Capital Projects	Public Improvements Authority	Transportation Investment Act	Total Nonmajor Capital Projects Funds
Assets						
Cash and cash equivalents	\$ 175,257	\$ -	\$ 5,009	\$ -	\$ 3,108,616	\$ 3,288,882
Investments	-	-	-	-	-	-
Receivables:						
Sales taxes	-	-	-	-	113,177	113,177
Interfund	-	-	391,539	-	-	391,539
Total Assets	\$ 175,257	\$ -	\$ 396,548	\$ -	\$ 3,221,793	\$ 3,793,598
Liabilities and Fund Balances						
Liabilities						
Accounts Payable	\$ 101,843	\$ -	\$ 318,909	\$ -	\$ 29,697	\$ 450,449
Retainage Payable	73,414	-	30,835	-	19,279	123,528
Interfund Payable	-	-	-	-	391,539	\$ 391,539
Total Liabilities	175,257	-	349,744	-	440,515	965,516
Fund Balances						
Restricted	-	-	46,804	-	2,781,278	2,828,082
Total Fund Balances	-	-	46,804	-	2,781,278	2,828,082
Total Liabilities Fund Balances	\$ 175,257	\$ -	\$ 396,548	\$ -	\$ 3,221,793	\$ 3,793,598

Harris County, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Funds
For the Year Ended June 30, 2021

	2021					Total Nonmajor Capital Projects Funds
	2014 SPLOST	CARES Act Grant Fund	Capital Projects	Public Improvements Authority	Transportation Investment Act	
Revenues						
Intergovernmental	\$ -	\$ 550,279	\$ 61,743	\$ 731,878	\$ -	\$ 1,343,900
Taxes	-	-	-	-	1,343,096	1,343,096
Interest	-	-	-	-	1,481	1,481
Investment earnings	505	-	-	-	-	505
Total Revenues	<u>505</u>	<u>550,279</u>	<u>61,743</u>	<u>731,878</u>	<u>1,344,577</u>	<u>2,688,982</u>
Expenditures						
Current:						
Public Safety	-	550,279	-	-	-	550,279
Capital Outlay	1,155,910	-	456,257	-	1,171,447	2,783,614
Debt Service:						
Principal retirement	-	-	-	615,000	-	615,000
Interest and fiscal charges	-	-	-	116,878	-	116,878
Total Expenditures	<u>1,155,910</u>	<u>550,279</u>	<u>456,257</u>	<u>731,878</u>	<u>1,171,447</u>	<u>4,065,771</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,155,405)</u>	<u>-</u>	<u>(394,514)</u>	<u>-</u>	<u>173,130</u>	<u>(1,376,789)</u>
Net Change in Fund Balance	<u>(1,155,405)</u>	<u>-</u>	<u>(394,514)</u>	<u>-</u>	<u>173,130</u>	<u>(1,376,789)</u>
Fund Balances Beginning of Year	<u>1,155,405</u>	<u>-</u>	<u>441,318</u>	<u>-</u>	<u>2,608,148</u>	<u>4,204,871</u>
Fund Balances End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 46,804</u>	<u>\$ -</u>	<u>\$ 2,781,278</u>	<u>\$ 2,828,082</u>

Harris County, Georgia
Comparative Balance Sheet
2014 SPLOST Fund
June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Assets		
Equity in pooled cash and investments	\$ 175,257	\$ 394,346
Investments	-	932,505
Total Assets	<u>\$ 175,257</u>	<u>\$ 1,326,851</u>
Liabilities and Fund Balances		
Liabilities		
Accounts payable	\$ 101,843	\$ 171,446
Retainage payable	73,414	-
Total Liabilities	<u>175,257</u>	<u>171,446</u>
Fund Balances		
Restricted for capital projects	-	1,155,405
Total Liabilities and Fund Balances	<u>\$ 175,257</u>	<u>\$ 1,326,851</u>

Harris County, Georgia
Comparative Statement of Revenues, Expenditures
and Changes in Fund Balances
2014 SPLOST Fund
For the Fiscal Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Revenues		
Sales taxes	\$ -	\$ -
Investment earnings	505	11,964
Total Revenues	<u>505</u>	<u>11,964</u>
Expenditures		
Capital Outlay	1,155,910	772,940
Total Expenditures	<u>1,155,910</u>	<u>772,940</u>
Excess of Revenues Over Expenditures	<u>(1,155,405)</u>	<u>(760,976)</u>
Net Changes in Fund Balances	(1,155,405)	(760,976)
Fund Balances Beginning of Year	<u>1,155,405</u>	<u>1,916,381</u>
Fund Balances End of Year	<u>\$ -</u>	<u>\$ 1,155,405</u>

Harris County, Georgia
CARES Act Grant Fund
Comparative Balance Sheets
June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Assets		
Intergovernmental receivable	<u>\$ -</u>	<u>\$ 1,082,817</u>
Liabilities and Fund Balance		
Liabilities		
Interfund payable	<u>\$ -</u>	<u>\$ 1,082,817</u>
Fund Balances		
Restricted (deficit)	<u>-</u>	<u>-</u>
Total Fund Balances	<u>-</u>	<u>-</u>
Total Liabilities and Fund Balance	<u>\$ -</u>	<u>\$ 1,082,817</u>

Harris County, Georgia
CARES Act Grant Fund
Comparative Statement of Expenditures
and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Revenues		
Intergovernmental	\$ 550,279	\$ 1,082,817
Expenditures		
Current:		
Public safety	550,279	1,082,817
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-
Net Changes in Fund Balances	-	-
Fund Balances Beginning of Year	-	-
Fund Balances End of Year	\$ -	\$ -

Harris County, Georgia
Comparative Balance Sheet
Capital Projects Fund
June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Assets		
Cash and cash equivalents	\$ 5,009	\$ 5,009
Intergovernmental receivable	-	362,474
Interfund receivable	<u>391,539</u>	<u>111,650</u>
Total Assets	<u>\$ 396,548</u>	<u>\$ 479,133</u>
Liabilities and Fund Balances		
Liabilities		
Accounts payable	\$ 318,909	\$ 37,815
Retainage payable	<u>30,835</u>	<u>-</u>
Total Liabilities	<u>349,744</u>	<u>37,815</u>
Fund Balances		
Restricted for construction	<u>46,804</u>	<u>441,318</u>
Total Liabilities and Fund Balances	<u>\$ 396,548</u>	<u>\$ 479,133</u>

Harris County, Georgia
Comparative Statement of Revenues, Expenditures
and Changes in Fund Balances
Capital Projects Fund
For the Fiscal Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Revenues		
Intergovernmental	\$ 61,743	\$ 811,451
Expenditures		
<i>Capital Outlay</i>	456,257	644,555
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(394,514)</u>	<u>166,896</u>
Other Financing Sources (Uses)		
Transfer in/(out)	-	274,422
Net Changes in Fund Balances	(394,514)	441,318
Fund Balances Beginning of Year	<u>441,318</u>	<u>-</u>
Fund Balances End of Year	<u>\$ 46,804</u>	<u>\$ 441,318</u>

Harris County, Georgia
Comparative Balance Sheet
Public Improvements Authority Fund
June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Assets		
Restricted cash and cash equivalents	<u>\$ -</u>	<u>\$ -</u>
Fund Balances		
Restricted for debt service	<u>\$ -</u>	<u>\$ -</u>

Harris County, Georgia
Comparative Statement of Revenues, Expenditures
and Changes in Fund Balances
Public Improvements Authority Fund
For the Fiscal Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Revenues		
Intergovernmental	\$ 731,878	\$ -
Investment earnings	-	2,327
Total Revenues	<u>731,878</u>	<u>2,327</u>
Expenditures		
Debt Service		
Principal	615,000	245,000
Interest	116,878	125,865
Trustee Fee	-	550
Total Expenditures	<u>731,878</u>	<u>371,415</u>
Excess (Deficiency) of Revenues		
Over (Under) Expenditures	<u>-</u>	<u>(369,088)</u>
Other Financing Sources (Uses)		
Transfers in - general fund	-	270,165
Total Other Financing Sources (Uses)	<u>-</u>	<u>270,165</u>
Net Changes in Fund Balances	<u>-</u>	<u>(98,923)</u>
Fund Balances Beginning of Year	<u>-</u>	<u>98,923</u>
Fund Balances End of Year	<u>\$ -</u>	<u>\$ -</u>

Harris County, Georgia
Comparative Balance Sheet
Transportation Investment Act Fund
June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Assets		
Equity in pooled cash and investments	\$ 3,108,616	\$ 2,509,741
Taxes receivable	113,177	98,407
Total Assets	<u>\$ 3,221,793</u>	<u>\$ 2,608,148</u>
Liabilities and Fund Balances		
Liabilities		
Accounts payable	\$ 29,697	\$ -
Retainage payable	19,279	-
Interfund payable	391,539	-
Total Liabilities	<u>440,515</u>	<u>-</u>
Fund Balances		
Restricted for capital projects	<u>2,781,278</u>	<u>2,608,148</u>
Total Liabilities and Fund Balances	<u>\$ 3,221,793</u>	<u>\$ 2,608,148</u>

Harris County, Georgia
Comparative Statement of Revenues, Expenditures
and Changes in Fund Balances
Transportation Investment Act Fund
For the Fiscal Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Revenues		
Taxes	\$ 1,343,096	\$ 1,085,686
Interest	1,481	12,495
Total Revenues	<u>1,344,577</u>	<u>1,098,181</u>
Expenditures		
Capital Outlay	<u>1,171,447</u>	<u>408,118</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>173,130</u>	<u>690,063</u>
Net Changes in Fund Balances	173,130	690,063
Fund Balances Beginning of Year	<u>2,608,148</u>	<u>1,918,085</u>
Fund Balances End of Year	<u>\$ 2,781,278</u>	<u>\$ 2,608,148</u>

Harris County, Georgia
Comparative Statement of Net Position
Proprietary Fund - Water Works Fund
June 30, 2021 and 2020

Assets	2021	2020
Current Assets:		
Cash and cash equivalents	\$ 1,972,082	\$ 995,172
Restricted cash	779,516	773,067
Investments	1,270,593	1,266,658
Receivable:		
Accounts (net)	516,541	476,221
Interest	454	1,026
Prepaid items	19,805	21,481
Inventories	141,796	162,189
Total Current Assets	4,700,787	3,695,814
Noncurrent Assets:		
Capital assets:		
Nondepreciable	1,402,837	816,592
Depreciable, net	21,909,140	22,619,777
Total Noncurrent Assets	23,311,977	23,436,369
Deferred Outflows of Resources	269,209	326,986
Total Assets and Deferred Outflows of Resources	28,281,973	27,459,169
Liabilities		
Current Liabilities:		
Accounts payable	103,521	311,067
Accrued expenses payable	82,806	65,577
Accrued interest payable	8,169	9,035
Interfund payable	387,040	201,796
Customer deposits payable	483,283	473,150
Compensated absences payable	51,575	47,738
Revenue bonds payable	530,000	520,000
GEFA loans payable	114,869	113,273
Total Current Liabilities	1,761,263	1,741,636
Long-term Liabilities (net of current portion):		
Compensated absences payable	12,894	11,934
Revenue bonds payable	3,531,780	4,074,525
GEFA loans payable	3,213,883	2,930,607
Net pension liability	405,995	470,904
Total Long-term Liabilities	7,164,552	7,487,970
Total Liabilities	8,925,815	9,229,606
Deferred Inflows of Resources	250,281	245,167
Total Liabilities and Deferred Inflows of Resources	9,176,096	9,474,773
Net Position		
Net investment in capital assets	15,921,445	15,797,964
Restricted	317,335	312,369
Unrestricted	2,867,097	1,874,063
Total Net Position	\$ 19,105,877	\$ 17,984,396

Harris County, Georgia
Comparative Statement of Revenues,
Expenses and Changes in Fund Net Position
Proprietary Fund - Water Works Fund
For the Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Operating Revenues		
Charges for services	\$ 5,520,956	\$ 5,180,671
Operating Expenses		
Personal services	1,723,311	1,674,817
Purchased services	1,326,529	1,620,736
Materials and supplies	858,634	813,073
Depreciation	985,719	819,430
Total Operating Expenses	<u>4,894,193</u>	<u>4,928,056</u>
Operating Income	<u>626,763</u>	<u>252,615</u>
Non-Operating Revenues (Expenses)		
Investment earnings	4,977	9,151
Interest and fiscal charges	<u>(131,852)</u>	<u>(143,253)</u>
Total Non-Operating Revenues (Expenses)	<u>(126,875)</u>	<u>(134,102)</u>
Income Before Transfers In and Contributions	499,888	118,513
Capital Contributions	<u>621,593</u>	<u>-</u>
Change in Net Position	1,121,481	118,513
Net Position Beginning of Year	<u>17,984,396</u>	<u>17,865,883</u>
Net Position End of Year	<u>\$ 19,105,877</u>	<u>\$ 17,984,396</u>

Harris County, Georgia
Comparative Statement of Cash Flows
Proprietary Fund - Water Works Fund
For the Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Increase (Decrease) in Cash and Cash Equivalents		
Cash Flows from Operating Activities		
Cash received from customers	\$ 5,490,769	\$ 5,238,634
Cash payments to employees for services	(1,701,285)	(1,665,942)
Cash payments for goods and services	<u>(2,370,640)</u>	<u>(2,171,130)</u>
Net Cash Provided by (Used in) Operating Activities	<u>1,418,844</u>	<u>1,401,562</u>
Cash Flows from Noncapital Financing Activities		
Interfund payable	<u>185,244</u>	<u>184,497</u>
Net Cash Provided by (Used in) Noncapital Financing Activities	<u>185,244</u>	<u>184,497</u>
Cash Flows from Capital and Related Financing Activities		
Principal paid on GEFA loan	(113,273)	(111,699)
Principal paid on revenue bonds	(520,000)	(505,000)
Interest paid on capital debt	(131,852)	(143,253)
Acquisition of capital assets	(861,328)	(1,724,666)
Capital grants	<u>1,004,110</u>	<u>-</u>
Net Cash Provided by (Used in) Capital and Related Financing Activities	<u>(622,343)</u>	<u>(2,484,618)</u>
Cash Flows from Investing Activities		
Investment earnings	<u>5,549</u>	<u>9,788</u>
Net Increase (Decrease) in Cash and Cash Equivalents	987,294	(888,771)
Cash and Cash Equivalents Beginning of Year	<u>3,034,897</u>	<u>3,923,668</u>
Cash and Cash Equivalents End of Year	<u>\$ 4,022,191</u>	<u>\$ 3,034,897</u>
Reconciliation to Statement of Net Position		
Cash and cash equivalents	\$ 1,972,082	\$ 995,172
Restricted	779,516	773,067
Investments	<u>1,270,593</u>	<u>1,266,658</u>
Total Cash and Cash Equivalents	<u>\$ 4,022,191</u>	<u>\$ 3,034,897</u>

(continued)

Harris County, Georgia
Comparative Statement of Cash Flows
Proprietary Fund - Water Works Fund
For the Years Ended June 30, 2021 and 2020

(continued)

	2021	2020
Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities		
Operating Income	\$ 626,763	\$ 252,615
Adjustments:		
Depreciation and amortization	985,719	819,430
(Increase) Decrease in Assets:		
Accounts receivable	(40,320)	52,018
Prepaid items	1,676	9,816
Inventories	20,393	(14,389)
Increase (Decrease) in Liabilities:		
Accounts payable	(207,546)	267,252
Accrued expenses payable	17,229	6,503
Customer deposits	10,133	5,945
Compensated absences payable	4,797	2,372
Net Cash Provided by (Used in) Operating Activities	\$ 1,418,844	\$ 1,401,562

Harris County, Georgia
Comparative Statement of Net Position
Proprietary Fund - Solid Waste Fund
June 30, 2021 and 2020

Assets	2021	2020
Current Assets:		
Cash and cash equivalents	\$ 406,525	\$ 501,330
Investments	5,801,483	5,796,795
Receivable:		
Accounts (net)	36,679	66,858
Prepaid items	8,586	8,669
Total Current Assets	6,253,273	6,373,652
Noncurrent Assets:		
Capital assets:		
Nondepreciable	199,250	199,250
Depreciable, net	1,036,330	723,904
Total Noncurrent Assets	1,235,580	923,154
Total Assets	7,488,853	7,296,806
Deferred Outflows of Resources	73,432	91,448
Total Assets and Deferred Outflows of Resources	7,562,285	7,388,254
Liabilities		
Current Liabilities:		
Accounts payable	46,994	54,652
Accrued expenses payable	28,704	20,656
Interfund payable	404,300	542,948
Compensated absences payable	21,900	16,293
Closure and postclosure care payable	24,159	28,142
Total Current Liabilities	526,057	662,691
Long-term Liabilities (net of current portion):		
Compensated absences payable	5,475	4,074
Closure and postclosure care payable	133,771	144,928
Net pension liability	152,431	178,043
Total Long-term Liabilities	291,677	327,045
Total Liabilities	817,734	989,736
Deferred Inflows of Resources	93,925	91,907
Total Liabilities and Deferred Inflows of Resources	911,659	1,081,643
Net Position		
Net investment in capital assets	1,235,580	923,154
Unrestricted	5,415,046	5,383,457
Total Net Position	\$ 6,650,626	\$ 6,306,611

Harris County, Georgia
Comparative Statement of Revenues,
Expenses and Changes in Fund Net Position
Proprietary Fund - Solid Waste Fund
For the Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Operating Revenues		
Charges for services	\$ 2,217,593	\$ 2,156,128
Intergovernmental revenue	4,599	22,267
Other financing sources	2,600	-
Total Operating Revenues	<u>2,224,792</u>	<u>2,178,395</u>
Operating Expenses		
Personal services	724,788	690,669
Purchased services	261,145	321,133
Purchased services - tipping fees	503,532	463,237
Materials and supplies	146,765	125,463
Depreciation	255,932	186,265
Total Operating Expenses	<u>1,892,162</u>	<u>1,786,767</u>
Operating Income	<u>332,630</u>	<u>391,628</u>
Non-Operating Revenues (Expenses)		
Investment earnings	11,385	84,935
Interest and fiscal charges	-	(63)
Total Non-Operating Revenues (Expenses)	<u>11,385</u>	<u>84,872</u>
Income Before Transfers In and Contributions	344,015	476,500
Transfers Out	-	(274,422)
Change in Net Position	344,015	202,078
Net Position Beginning of Year	<u>6,306,611</u>	<u>6,104,533</u>
Net Position End of Year	<u>\$ 6,650,626</u>	<u>\$ 6,306,611</u>

Harris County, Georgia
Comparative Statement of Cash Flows
Proprietary Fund - Solid Waste Fund
For the Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Increase (Decrease) in Cash and Cash Equivalents		
Cash Flows from Operating Activities		
Cash received from customers	\$ 2,195,176	\$ 2,156,128
Cash payments to employees for services	(699,176)	(690,671)
Cash payments for goods and services	<u>(867,486)</u>	<u>(886,303)</u>
Net Cash Provided by (Used in) Operating Activities	<u>628,514</u>	<u>579,154</u>
Cash Flows from Noncapital Financing Activities		
Interfund payable	<u>(138,648)</u>	<u>351,841</u>
Net Cash Provided by (Used in) Noncapital Financing Activities	<u>(138,648)</u>	<u>351,841</u>
Cash Flows from Capital and Related Financing Activities		
Principal paid on capital leases	-	(9,478)
Interest paid on notes	-	(63)
Acquisition of capital assets	<u>(591,368)</u>	<u>(433,148)</u>
Net Cash Provided by (Used in) Capital and Related Financing Activities	<u>(591,368)</u>	<u>(442,689)</u>
Cash Flows from Investing Activities		
Investment earnings	<u>11,385</u>	<u>84,935</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(90,117)	573,241
Cash and Cash Equivalents Beginning of Year	<u>6,298,125</u>	<u>5,724,884</u>
Cash and Cash Equivalents End of Year	<u>\$ 6,208,008</u>	<u>\$ 6,298,125</u>
Reconciliation to Statement of Net Position		
Cash and cash equivalents	\$ 406,525	\$ 501,330
Investments	<u>5,801,483</u>	<u>5,796,795</u>
Total Cash and Cash Equivalents	<u>\$ 6,208,008</u>	<u>\$ 6,298,125</u>

(continued)

Harris County, Georgia
Comparative Statement of Cash Flows
Proprietary Fund - Solid Waste Fund
For the Years Ended June 30, 2021 and 2020

(continued)

	2021	2020
Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities		
Operating Income	\$ 332,630	\$ 391,628
Adjustments:		
Depreciation and amortization	255,932	186,265
(Increase) Decrease in Assets:		
Accounts receivable	30,179	(20,230)
Prepaid items	83	(603)
Increase (Decrease) in Liabilities:		
Accounts payable	(7,658)	11,312
Accrued expenses payable	8,048	3,354
Compensated absences payable	7,008	3,306
Other net	2,292	4,122
Net Cash Provided by (Used in) Operating Activities	\$ 628,514	\$ 579,154

Harris County, Georgia
Comparative Statement of Net Position
Proprietary Fund - Airport Fund
June 30, 2021 and 2020

Assets	2021	2020
Current Assets:		
Accounts receivable	\$ 2,525	\$ -
Prepaid items	437	706
Inventories	55,158	28,679
Total Current Assets	58,120	29,385
Noncurrent Assets:		
Capital assets:		
Nondepreciable	287,971	1,392,242
Depreciable, net	8,184,815	7,460,242
Total Noncurrent Assets	8,472,786	8,852,484
Total Assets	8,530,906	8,881,869
Deferred Outflow of Resources	10,656	12,260
Total Assets and Deferred Inflows	8,541,562	8,894,129
Liabilities		
Current Liabilities:		
Accounts payable	2,381	11,927
Retainage payable	-	654
Accrued expenses payable	4,562	2,954
Compensated absences payable	1,789	243
Interfund payable	999,338	922,141
Total Current Liabilities	1,008,070	937,919
Long-term Liabilities (Net of current portion)		
Compensated absences payable	447	61
Net pension liability	12,169	14,450
Total Long-term Liabilities	12,616	14,511
Total Liabilities	1,020,686	952,430
Deferred Inflows of Resources	12,600	12,420
Total Liabilities and Deferred Inflows of Resources	1,033,286	964,850
Net Position		
Investment in capital assets	8,472,786	8,852,484
Unrestricted (deficit)	(964,510)	(923,205)
Total Net Position	\$ 7,508,276	\$ 7,929,279

Harris County, Georgia
Comparative Statement of Revenues,
Expenses and Changes in Fund Net Position
Proprietary Fund - Airport Fund
For the Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Operating Revenues		
Hanger fees	\$ 105,714	\$ 91,786
Fuel sales	184,625	164,204
Total Operating Revenues	<u>290,339</u>	<u>255,990</u>
Operating Expenses		
Personal services	99,541	80,409
Cost of sales	139,725	161,974
Purchased services	36,138	44,265
Materials and supplies	62,303	21,708
Depreciation	379,698	317,020
Total Operating Expenses	<u>717,405</u>	<u>625,376</u>
Operating Loss Before Contributions and Transfers In	<u>(427,066)</u>	<u>(369,386)</u>
Contributions	<u>6,063</u>	<u>843,888</u>
Total Contributions and Transfers In	<u>6,063</u>	<u>843,888</u>
Change in Net Position	(421,003)	474,502
Net Position Beginning of Year	<u>7,929,279</u>	<u>7,454,777</u>
Net Position End of Year	<u>\$ 7,508,276</u>	<u>\$ 7,929,279</u>

Harris County, Georgia
Comparative Statement of Cash Flows
Proprietary Fund - Airport Fund
For the Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Increase (Decrease) in Cash and Cash Equivalents		
Cash Flows from Operating Activities		
Cash received from customers	\$ 290,339	\$ 255,990
Cash payments to employees for services	(97,609)	(80,105)
Cash payments for goods and services	<u>(272,465)</u>	<u>(459,691)</u>
Net Cash Provided by (Used in) Operating Activities	<u>(79,735)</u>	<u>(283,806)</u>
Cash Flows from Noncapital Financing Activities		
Accounts receivable	(2,525)	-
Interfund payable	<u>77,197</u>	<u>(33,675)</u>
Net Cash Provided by (Used in) Noncapital Financing Activities	<u>74,672</u>	<u>(33,675)</u>
Cash Flows from Capital and Related Financing Activities		
Capital grants	5,063	1,000,946
Acquisition of capital assets	<u>-</u>	<u>(683,465)</u>
Net Cash Provided by (Used in) Capital and Related Financing Activities	<u>5,063</u>	<u>317,481</u>
Net Increase (Decrease) in Cash and Cash Equivalents	-	-
Cash and Cash Equivalents Beginning of Year	<u>-</u>	<u>-</u>
Cash and Cash Equivalents End of Year	<u>\$ -</u>	<u>\$ -</u>

(continued)

Harris County, Georgia
Comparative Statement of Cash Flows
Proprietary Fund - Airport Fund
For the Years Ended June 30, 2021 and 2020

(continued)

	2021	2020
Reconciliation of Operating (Loss) to Net Cash Provided by (Used in) Operating Activities		
Operating Loss	\$ (427,066)	\$ (369,386)
Adjustments:		
Depreciation and amortization	379,698	317,020
(Increase) Decrease in Assets:		
Prepaid items	269	32
Inventories	(26,479)	10,660
Increase (Decrease) in Liabilities:		
Accounts payable	(9,546)	(243,621)
Retainage payable	(654)	654
Accrued expenses payable	1,608	531
Compensated absences payable	1,932	304
Other net	503	-
Net Cash Provided by (Used in) Operating Activities	\$ (79,735)	\$ (283,806)

HARRIS COUNTY, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED WITH SPECIAL SALES TAX PROCEEDS
FOR THE YEAR ENDED JUNE 30, 2021

During fiscal year 2014, the County began collections of a five year special sales tax which expired in March 2019. The County has ceased collection of these funds, but previously collected funds are still being expended.

Expenditures to date are as follows:

Project	Original estimated cost	Expenditures		Total
		Prior Years	Current Year	
Economic Development	\$ 1,000,000	\$ 1,094,671	\$ 0	\$ 1,094,671
Public Library Construction	500,000	500,000	0	500,000
Recreation	1,000,000	693,405	286,739	980,144
Public Safety	80,000	66,578	0	66,578
Fire	2,701,000	2,698,073	0	2,698,073
Water System Improvements	1,000,000	205,915	0	205,915
AgriCenter	500,000	165,363	0	165,363
Roads		0		0
County	2,500,000	1,414,568	869,171	2,283,739
Cities				
Hamilton	300,000	264,563	0	264,563
Pine Mountain	961,000	851,800	0	851,800
Shiloh	370,000	326,885	0	326,885
Waverly Hall	2,177,000	1,923,453	0	1,923,453
West Point	1,125,000	993,588	0	993,588
Debt reduction/public safety/roads/airport	4,786,000	86,429	0	86,429
Totals	<u>\$ 19,000,000</u>	<u>\$ 11,285,291</u>	<u>\$ 1,155,910</u>	<u>\$ 12,441,201</u>

HARRIS COUNTY, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED WITH SPECIAL SALES TAX PROCEEDS
FOR THE YEAR ENDED JUNE 30, 2021

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

Expenditures to date are as follows:

Project	Original estimated cost	Expenditures		
		Prior Years	Current Year	Total
Economic Development	\$ 250,000	\$ 33,495	\$ 0	\$ 33,495
Renovations to Courthouse, Old Library & Community Development Building	1,750,000	0	23,993	23,993
Public Works Facility	1,200,000	0	0	0
Public Safety	2,730,000	1,116,834	556,565	1,673,399
Rails to Trails Recreation Project	245,900	245,900	0	245,900
Fire	1,000,000	0	166,670	166,670
Broadband	1,000,000	0	0	0
Roads & Bridges				0
County	982,100	0	0	0
Cities				
Hamilton	565,000	134,516	134,245	268,761
Pine Mountain	625,000	149,058	148,758	297,816
Shiloh	300,000	72,711	72,565	145,276
Waverly Hall	493,000	116,338	116,104	232,442
West Point	459,000	109,066	108,848	217,914
Community Center Debt Repayment	3,700,000	0	731,878	731,878
Totals	<u>\$ 15,300,000</u>	<u>\$ 1,977,918</u>	<u>\$ 2,059,626</u>	<u>\$ 4,037,544</u>

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

Year began	Authorized amount to be collected	Amount collected to date	Interest collected to date	Expenditures to date	Amount available for future expenditures
2014	<u>\$ 19,000,000</u>	<u>\$ 12,391,368</u>	<u>\$ 49,833</u>	<u>\$ 12,441,201</u>	<u>\$ -</u>
2019	<u>\$ 15,300,000</u>	<u>\$ 7,264,916</u>	<u>\$ 994</u>	<u>\$ 4,037,544</u>	<u>\$ 3,228,366</u>

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

Harris County Board of Commissioners
Harris County, Georgia

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Harris County, Georgia (the "County") as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated December 28, 2021. Our report includes a reference to other auditors who audited the financial statements of the Harris County Health Department, as described in our report on the County's financial statements. This report includes our consideration of the results of the other auditor's testing of internal control over financial reporting and compliance and other matters that are reported on separately by those auditors. However, this report, insofar as it relates to the results of the other auditors, is based solely on the reports of the other auditors.

Internal Control over Financial Reporting

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

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified.

We did identify a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2021-1 that we consider to be a material weakness.

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 no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

The County’s Response to Findings

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

Purpose of this Report

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

Robinson, Grimes + Company, P.C.

Certified Public Accountants

December 28, 2021

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

Harris County Board of Commissioners
Harris County, Georgia

Report on Compliance for Each Major Federal Program

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

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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 ("CFR") Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ("Uniform Guidance"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Compliance for the Major Federal Program

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

Report on Internal Control over Compliance

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

Robinson, Grimes + Company, P.C.

Certified Public Accountants

December 28, 2021

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

FUNDING AGENCY PROGRAM/GRANT	FEDERAL CFDA NUMBER	PASS-THROUGH ENTITY ID NUMBER	TOTAL EXPENDITURES
DEPARTMENT OF THE TREASURY COVID-19 Coronavirus Relief Fund	21.019	14613-CRF	<u>\$ 550,279</u>
ENVIRONMENTAL PROTECTION AGENCY Pass-Through From Georgia Environmental Finance Authority Drinking Water State Revolving Fund Program	66.468	DW2016030	<u>244,859</u>
U.S. ELECTION ASSISTANCE COMMISSION Help America Vote Act Grant	90.404		<u>10,000</u>
DEPARTMENT OF HOMELAND SECURITY Pass-Through From Georgia Emergency Management Agency Emergency Management Performance Grant	97.042	OEM20-074	<u>9,607</u>
Total Expenditures of Federal Awards			<u>\$ 814,745</u>

See Independent Auditor's Report.

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

NOTE 1: Summary of Significant Accounting Policies

Basis of Presentation - The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the County and has been prepared utilizing the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance.

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

Summary of Auditor's Results

1. An unmodified opinion, dated December 28, 2021, was issued on the financial statements for the year ended June 30, 2021.
2. The "Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards" dated December 28, 2021, disclosed one material weakness for the year ended June 30, 2021.
3. The "Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards" dated December 28, 2021, disclosed no instances of noncompliance for the year ended June 30, 2021.
4. The "Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance in Accordance with the Uniform Guidance" dated December 28, 2021, disclosed no significant deficiencies or material weaknesses in internal control over major programs for the year ended June 30, 2021.
5. An unmodified opinion, dated December 28, 2021, was issued on the County's compliance with its major federal program in the "Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance in Accordance with the Uniform Guidance" for the year ended June 30, 2021.
6. No audit findings were disclosed as required under section 2 CFR 200.516(a) of the Uniform Guidance for the year ended June 30, 2021.
7. The County's major program for the year ended June 30, 2021 is the CARES Act, CFDA No. 21.019.
8. The dollar threshold used to distinguish between Type A and Type B programs was \$750,000, as described in section 200.518 of the Uniform Guidance.
9. The County did not qualify as a low-risk auditee for the year ended June 30, 2021 as described in section 200.520 of the Uniform Guidance.

*Harris County, Georgia
Schedule of Findings and Responses
For the year ended June 30, 2021*

FINDINGS RELATED TO THE FINANCIAL STATEMENTS

MATERIAL WEAKNESSES

2021-1 Limited Segregation of Duties

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

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

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

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

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

FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

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

*Harris County, Georgia
Schedule of Prior Year Findings
For the year ended June 30, 2021*

FINDINGS RELATED TO THE FINANCIAL STATEMENTS

MATERIAL WEAKNESSES

2020-1 Limited Segregation of Duties

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

Status – Unresolved: See current year compliance finding 2021-1.