

**HARRIS COUNTY, GEORGIA
FINANCIAL STATEMENTS AND
OTHER FINANCIAL INFORMATION
FOR THE YEAR ENDED JUNE 30, 2022**

Harris County, Georgia
Annual Financial Report
For The Year Ended June 30, 2022

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Harris County Board of Commissioners
Harris County, Georgia

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Harris County, Georgia (the "County"), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Harris County Health Department, which represent 26 percent, 19 percent and 100 percent, respectively, of the assets, net position, and revenues of the discretely presented component units. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Harris County Health Department, is based solely on the report of the other auditors.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund financial statements and schedules and the Schedule of Expenditures of Federal Awards (page 126), as required by Title 2 U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated January 5, 2023 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the County's internal control over financial reporting and compliance.

Robinson, Grimes + Company, P.C.

Certified Public Accountants

January 5, 2023

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, 2022. 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 \$107,707,119 (net position) for the fiscal year reported.
- Total net position are comprised of the following:
 - (1) Net investment in capital assets, of \$72,570,364 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 \$7,967,624 is restricted by constraints imposed from outside the County such as debt covenants, grantors, laws, or regulations.
 - (3) Unrestricted net position of \$27,169,131 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 \$30,817,709 this year. This compares to the prior year ending fund balance of \$27,114,667 showing an increase of \$3,703,042 during the current year. Unrestricted fund balance of \$22,486,004 at June 30, 2022 shows a \$1,928,287 increase from the prior year.
- At the end of the current fiscal year, unrestricted fund balance for the general fund was \$22,284,781 or 64.9% of total General Fund 2023 budgeted expenditures, as compared to 75.5% at June 30, 2021.
- 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 \$107,707,119, as compared to \$102,483,089 at June 30, 2021. The following table provides a summary of the County's net position:

Summary of Net Position

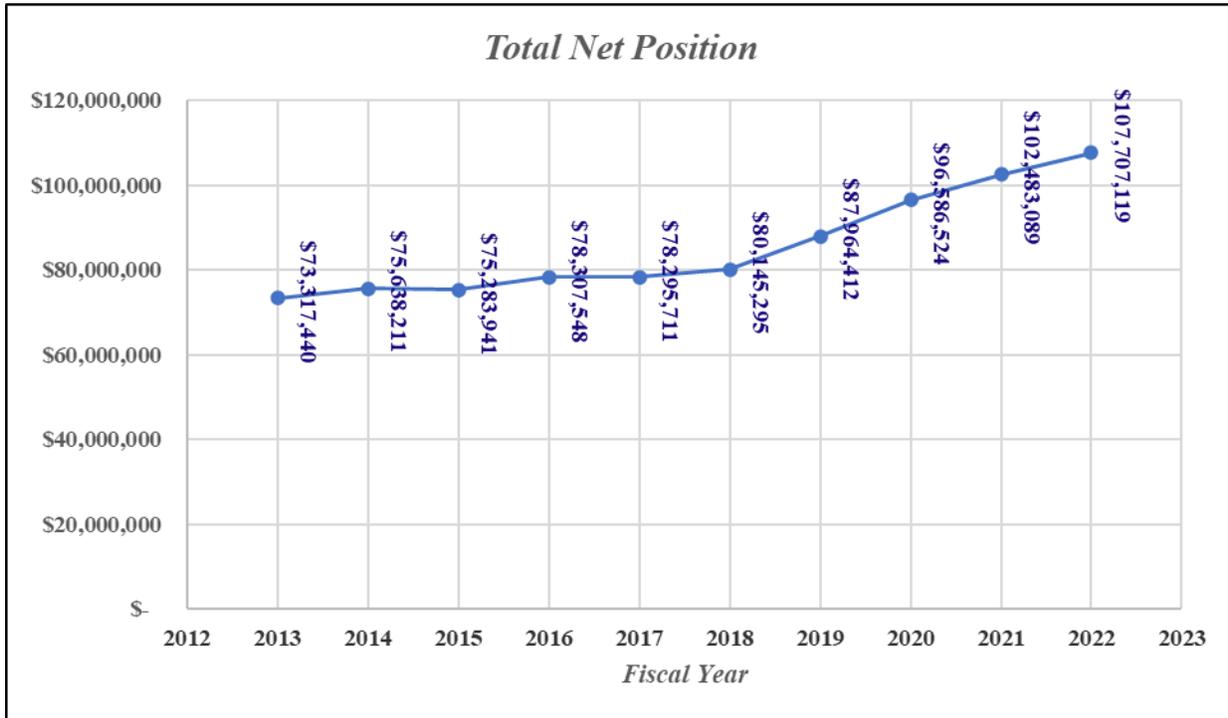
	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Assets:						
Current assets	\$ 38,939,836	\$ 33,914,030	\$ 9,766,282	\$ 9,221,502	\$ 48,706,118	\$ 43,135,532
Noncurrent assets	51,614,654	51,609,013	32,471,317	33,020,343	84,085,971	84,629,356
Total assets	90,554,490	85,523,043	42,237,599	42,241,845	132,792,089	127,764,888
Deferred outflows	2,247,508	2,037,778	379,900	353,297	2,627,408	2,391,075
Liabilities:						
Current liabilities	9,361,553	7,841,363	2,203,548	1,504,712	11,565,101	9,346,075
Long-term liabilities	6,728,823	8,322,647	6,629,966	7,468,845	13,358,789	15,791,492
Total liabilities	16,090,376	16,164,010	8,833,514	8,973,557	24,923,890	25,137,567
Deferred inflows	2,398,288	2,178,501	390,200	356,806	2,788,488	2,535,307
Net position:						
Net investment in capital assets	46,769,148	44,653,782	25,801,216	25,629,811	72,570,364	70,283,593
Restricted	7,645,394	6,233,946	322,230	317,335	7,967,624	6,551,281
Unrestricted	19,898,792	18,330,582	7,270,339	7,317,633	27,169,131	25,648,215
Total net position	\$ 74,313,334	\$ 69,218,310	\$ 33,393,785	\$ 33,264,779	\$ 107,707,119	\$ 102,483,089

The County continues to maintain a high current ratio. The current ratio, the higher the better, compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for governmental activities is 4.2 to 1 as compared to 4.3 to 1 at June 30, 2021. The current ratio for business-type activities is 4.4 to 1 as compared to 6.1 to 1 at June 30, 2021.

The County reported positive balances in net position for both governmental and business-type activities. Net position increased \$5,095,024 or 7.4% for governmental activities, and increased \$129,006 or 0.4% for business-type activities. The County's overall financial position increased during fiscal year 2022 by \$5,224,030.

Note that approximately 63.0% of the governmental activities' net position is tied up in capital. The County uses these capital assets to provide services to its citizens. However, with business type activities, the County has spent approximately 77.3% of its net position on capital.

The following chart reports the total net position balances from June 30, 2013 – 2022.



Since 2013, the total net position has increased \$34,389,679 or 46.9%.

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	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program:						
Charges for services & fines	\$ 5,932,863	\$ 5,782,132	\$ 8,531,639	\$ 8,036,087	\$ 14,464,502	\$ 13,818,219
Operating grants	1,229,356	1,312,574			1,229,356	1,312,574
Capital grants	1,197,466	1,045,132	461,759	627,656	1,659,225	1,672,788
General:						
Taxes	27,741,205	26,007,811			27,741,205	26,007,811
Other	102,072	50,825	20,773	16,362	122,845	67,187
Total revenues	36,202,962	34,198,474	9,014,171	8,680,105	45,217,133	42,878,579
Program Expenses:						
General government	4,178,269	3,990,008	-	-	4,178,269	3,990,008
Judicial	1,872,536	1,537,477	-	-	1,872,536	1,537,477
Public safety	16,453,953	15,064,791	-	-	16,453,953	15,064,791
Public works	5,270,654	5,191,671	-	-	5,270,654	5,191,671
Health and welfare	313,114	308,703	-	-	313,114	308,703
Culture and recreation	1,850,321	1,622,811	-	-	1,850,321	1,622,811
Housing and development	1,003,192	1,451,450	-	-	1,003,192	1,451,450
Interest	165,899	179,491	-	-	165,899	179,491
Water and sewer	-	-	5,883,727	5,026,045	5,883,727	5,026,045
Solid waste	-	-	2,200,383	1,892,162	2,200,383	1,892,162
Airport	-	-	801,055	717,405	801,055	717,405
Total expenses	31,107,938	29,346,402	8,885,165	7,635,612	39,993,103	36,982,014
Revenues over (under) expenses	5,095,024	4,852,072	129,006	1,044,493	5,224,030	5,896,565
Transfers in (out)	-	-	-	-	-	-
Net changes in net position	5,095,024	4,852,072	129,006	1,044,493	5,224,030	5,896,565
Beginning net position	69,218,310	64,366,238	33,264,779	32,220,286	102,483,089	96,586,524
Ending net position	\$ 74,313,334	\$ 69,218,310	\$ 33,393,785	\$ 33,264,779	\$ 107,707,119	\$ 102,483,089

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 46.4% of the County's total governmental revenues as compared to 48.0% in fiscal year 2021. Sales taxes make up 22.7% of the County's total governmental revenues as compared to 22.3% in fiscal year 2021.

Operating contribution type revenue was reported in fiscal year 2022 as follows:

General Government:

- ACCG Workers' Comp safety grant (\$5,896)
- ACCG Wellness program grant (\$12,649)
- TIA interest (\$4,120)
- Callaway debt interest (\$11,994)
- ARP Act (\$40,120)

Judicial:

- ARP Act (\$21,423)

Public Safety:

- CARES Act (\$45,000)
- Emergency medical service trauma grant (\$8,385)
- ARP Act (\$241,767)

Public Works:

- ARP Act (\$87,046)

Culture and Recreation

- Community Center debt payment (\$733,868)
- ARP Act (\$7,929)

Housing and Development:

- ARP Act (\$9,159)

Capital grant and capital contribution type revenue was reported in fiscal year 2022 as follows:

General Government:

- ARP Act (\$37,916)

Judicial:

- ARP Act (\$4,500)

Public safety:

- Emergency management agency grant (\$9,607)
- ARP Act (\$37,593)

Public works:

- Georgia LMIG grant for roads (\$811,925)
- GSWCC Watershed Dam (\$1,500)
- ARP Act (\$248,435)

Culture and Recreation:

- Donations (\$45,990)

In total, charges for services and fines for the governmental user charges increased by \$150,731. The County realized increases in real property taxes, local option sales tax and building permits of \$632,645, \$249,930 and \$126,478 respectively.

The County's unrestricted interest earnings to support governmental activities increased by \$31,306 as interest rates continue to climb. Also, note that program revenues cover 27.8% of governmental operating expenses. This means

that the government's taxpayers and the County's other general governmental revenues funded 72.2% of the governmental activities.

GOVERNMENTAL FUNCTIONAL EXPENSES

The general government and the public safety functions make up approximately 66.4% of the total governmental activities expenses as compared to 64.9% in fiscal year 2021. Public works totals 16.9% of the total governmental activities expenses as compared to 17.7% in fiscal year 2021.

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	\$ 4,178,269	13.5%	\$ (3,139,233)	13.8%
Judicial	1,872,536	6.0%	(1,846,588)	8.1%
Public safety	16,453,953	52.9%	(12,244,554)	53.9%
Public works	5,270,654	16.9%	(3,803,943)	16.7%
Health and welfare	313,114	1.0%	(271,790)	1.2%
Culture and recreation	1,850,321	6.0%	(869,790)	3.8%
Housing and development	1,003,192	3.2%	(406,456)	1.8%
Interest	165,899	0.5%	(165,899)	0.7%
Total	<u>\$ 31,107,938</u>	<u>100.0%</u>	<u>\$ (22,745,983)</u>	<u>100.0%</u>

The public safety function totals 52.9% of the net cost of services and public works totals 16.9% of these costs.

Overall Analysis – For all enterprise funds, total operating revenues increased \$495,552 or 6.2%. Operating expenses increased \$1,250,725 or 16.7%. In total, the operating income decreased \$755,173 or 141.9%.

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

	<u>Amount</u>
Water works	\$ 44,619
Solid waste	167,693
Airport	(435,158)

The following includes an analysis of the fiscal year 2022 financial activities for each enterprise.

Water Works - The operating income of \$44,619 in fiscal year 2022 compares to operating income of \$626,763 in fiscal year 2021. The fiscal year 2022 operating revenues of \$5,797,666 were \$276,710 or 5.0% over fiscal year 2021. Operating expenses increased \$858,854 or 17.5% due to an increase to costs related to water purchases from Columbus and inflated utilities, materials and supply costs related to the economy.

Solid Waste - The operating income of \$167,693 in fiscal year 2022 compares to operating income of \$332,630 in fiscal year 2021. The fiscal year 2022 operating revenues of \$2,368,076 were \$143,284 or 6.4% over fiscal year 2021. Operating expenses increased \$308,221 or 16.3% due mostly to increases to costs related to inflated utilities, materials and supply costs related to the economy.

Airport - The operating loss of \$435,158 in fiscal year 2022 compares to an operating loss of \$427,066 in fiscal year 2021. The fiscal year 2022 operating revenues of \$365,897 were \$75,558 or 26.0% above fiscal year 2021 relating to increased fuel sales and hangar rental fees. Operating expenses increased \$83,650 or 11.7% mostly due to increases to fuel costs.

Financial Analysis of the County's Funds

Governmental Funds

As discussed, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$30,817,709 as compared to the 2021 fiscal year amount of \$27,114,667. Of this year-end total, \$22,486,004 is unrestricted indicating availability for continuing County service requirements. Fund balance includes \$7,469,071 restricted for capital projects, \$16,110 restricted for unclaimed property, \$11,107 restricted for public safety-EMS and \$149,106 restricted for nonmajor special revenue fund purposes. Fund balance includes assets not available for current expenditure of \$686,311, which is tied up in inventory and prepaid assets.

The total ending fund balances of governmental funds show an increase of \$3,703,042 or an increase of 13.7% 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 \$2,285,594 in fiscal year 2022 or an increase of 11.1%. In fiscal year 2021, the fund balance increased \$3,807,492.

Total revenues increased \$736,922 or 2.7% from that of fiscal year 2021 due to increases in the property tax digest, LOST, insurance premium tax and intangibles.

Total expenditures increased \$2,405,827 or 10.5% above fiscal year 2021 total due mostly to a portion of public safety salaries and benefits being covered by CARES Act funding during fiscal year 2021 and capital outlays under recreation.

The general government function costs are up \$209,506 or 5.4% over the fiscal year 2021 amount. This amount is related to increased personnel costs and inflated utilities, materials and supply costs related to the economy.

In the judicial function, the total expenditure increased \$124,178 or 7.4% over the fiscal year amount. This amount also related to increased personnel costs and inflated utilities, materials and supply costs related to the economy.

The total public safety costs increased \$1,637,883 or 14.4% due to a combination of a portion of public safety salaries and benefits being covered by CARES Act funding in fiscal year 2021 and inflated utilities, materials and supply costs related to the economy.

Total public works costs decreased \$72,987 or 2.1% due to expenditures related to the Melody Lakes dam improvements in the prior year.

The culture and recreation function costs are up \$491,210 or 34.9% above the prior year due to capital outlays for Ellerslie Park and inflated utilities, materials and supply costs related to the economy.

In fiscal year 2022, the general fund's ending unrestricted fund balance increased by \$1,954,446 above the June 30, 2021 balance due mainly to the increase in the property tax digest, local option sales tax, insurance premium tax and intangibles tax. This unrestricted balance of \$22,284,781 is considered adequate. This unrestricted portion represents the equivalent of 64.9% of 2023 budgeted expenditures, as compared to 75.5% last year.

Callaway Debt Service Fund - This fund was used to account for the debt service on a GEFA loan. The Callaway Foundation paid the County for the remaining debt and the fund is now closed.

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 2022, the Board of Commissioners amended the general fund budget.

The total budgeted revenues and other financing sources were amended upward by \$407,860 or 1.5% due mainly to the prison roof replacement and the design costs for the new Northwest Harris EMS/VFD station. The County recognized \$959,619 more than anticipated total revenues and other financing sources, related to real property taxes, motor vehicle ad valorem taxes, local option sales taxes and building permits.

The total budgeted expenditures were amended upward by the same \$407,860.

The total budgeted expenditures and other financing uses came in at \$1,325,975 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, 2022, was \$51,614,654 and \$32,471,317 and for June 30, 2021, was \$51,609,013 and \$33,020,343 respectively. The increase in net investment was \$5,643 or < 0.1% for governmental activities and was a decrease of \$549,026 or 1.7% 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.

MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and For The Year Ended June 30, 2022

Harris County, Georgia

The following table provides a summary of capital asset activity.

	Capital Assets					
	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Non-depreciable assets:						
Land	\$ 15,513,803	\$ 15,513,803	\$ 726,701	\$ 726,701	\$ 16,240,504	\$ 16,240,504
Construction in progress	2,717,531	2,408,501	295,539	1,163,357	3,013,070	3,571,858
Total non-depreciable assets:	18,231,334	17,922,304	1,022,240	1,890,058	19,253,574	19,812,362
Depreciable assets:						
Buildings and improvements	29,219,981	27,602,967	8,348,694	8,303,457	37,568,675	35,906,424
Machinery and equipment	26,481,046	25,881,690	10,013,698	8,317,985	36,494,744	34,199,675
Water system and water lines	-	-	36,629,897	36,629,897	36,629,897	36,629,897
Infrastructure	30,417,436	29,540,758	-	-	30,417,436	29,540,758
Total depreciable assets	86,118,463	83,025,415	54,992,289	53,251,339	141,110,752	136,276,754
Less accumulated depreciation	52,735,143	49,995,685	23,543,212	22,121,054	76,278,355	72,116,739
Book value - depreciable assets	33,383,320	33,029,730	31,449,077	31,130,285	64,832,397	64,160,015
Percentage depreciated	61%	60%	43%	42%	54%	53%
Book value - all assets	\$ 51,614,654	\$ 50,952,034	\$ 32,471,317	\$ 33,020,343	\$ 84,085,971	\$ 83,972,377

At June 30, 2022, the depreciable capital assets for governmental activities were 61% depreciated. This compares to 60% at the June 30, 2021 percentage. Indicating an aging asset inventory, 61% depreciated is a relatively high rate for a Georgia government.

With the County's business type activities, 43% of the asset values were depreciated at June 30, 2022, which compares to 42% at June 30, 2021.

In governmental activities, the primary additions to the machinery and equipment account include two used ambulances totaling \$87,190, six new sheriff vehicles at a total cost of \$272,111, a new backhoe loader and a skid steer with attachments for public works totaling \$216,000, four new consoles for E911 totaling \$157,908 and \$88,156 for new vehicles and equipment for community development and the recreation department. The primary additions to buildings and improvements was for phase IV of the rails to trails project at a cost of \$1,232,244 and renovations to the old library totaling \$384,771. Finally, infrastructure was increased by \$876,678 for upgrades to the Melody Lakes dam.

In the business type activities, Solid Waste department additions to the machinery and equipment account include one new garbage truck, one new roll-off truck and a new wheel loader totaling \$713,058. Water Works completed the radio-read water meter project totaling \$1,125,326.

Long-term Debt

At the end of this fiscal year, the County reported \$4,618,142 of outstanding revenue bonds relating to the community center. The water and sewer fund reported \$3,519,035 in revenue bonds relating to water and sewer system improvements.

During the year, the County retired \$630,000 related to the community center revenue bonds. The water and sewer fund retired \$542,745 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		
	2022	2021	2022	2021	2022	2021	
GEFA loans	\$ -	\$ 798,804	\$ 3,151,065	\$ 3,328,752	\$ 3,151,065	\$ 4,127,556	-24%
Revenue bonds	4,618,142	5,248,142	3,519,035	4,061,780	8,137,177	9,309,922	-12.60%
Capital leases	170,684	251,306	-	-	170,684	251,306	-32.08%
Net pension liability	2,525,751	2,766,179	534,065	570,595	3,059,816	3,336,774	-8.30%
Postclosure	-	-	142,790	157,930	142,790	157,930	-10%
Compensated absences	699,338	461,549	107,695	94,080	807,033	555,629	45%
Total	<u>\$ 8,013,915</u>	<u>\$ 9,525,980</u>	<u>\$ 7,454,650</u>	<u>\$ 8,213,137</u>	<u>\$ 15,468,565</u>	<u>\$ 17,739,117</u>	-13%

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

Economic Conditions Affecting the County

Harris County in General

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

According to the U.S. Census Bureau Quick Facts, the county's current population is 35,626 as of July 2021 resulting in a population increase of 2.8% from April 2020 to July 2021 as compared to the state's population growth of 0.8% during the same time period. The county's land area is 464 square miles with a population density of 75 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 \$38,691 as compared to the state at \$34,516. The county's median household income is currently \$82,244 as compared to the state at \$65,030. The county's poverty rate is currently 8.2% as compared to the state at 14.0%.

Other county facts according to the U.S. Census Bureau Quick Facts include the county has 14,498 housing units with a median home value of \$238,200. The states' median home value is \$206,700. In addition, 93.3% of the county's residents over 25 years of age have a high school diploma as compared to the state at 88.2% and 32.4% of the county's residents over 25 years of age have a Bachelor's degree as compared to the state at 33.0%.

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

- Animal control and shelter
- Voter registration and county and city elections
- Judicial and court services
- Parks & recreation services

- Community development services including zoning, building permits, building inspections, and code enforcement.
- 911 and emergency management services
- Emergency medical services
- Law enforcement, jail, and prison services
- Road, bridge, and right-of-way maintenance
- Tax assessments and collections
- Airport services
- Solid waste collection, transportation, and disposal
- Water treatment and distribution
- Sewer collection (treatment by others)
- Public transportation system

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

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

Harris County Local Financial Condition

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

The construction of new 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), 239 permits during FY 2020-21 (1.3% increase), and 277 permits during FY 2021-22 (15.9% 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), 18,722 tons during FY 2020-21 (6.1% increase), and 19,719 tons during FY 2021-22 (5.3% 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. The local unemployment rate fell to 2.7% as of July 2021 and decreased further to 2.3% during July 2022. 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), \$1,406,194,451 during 2021 (4.6% increase), and \$1,751,262,564 during 2022 (24.5% increase).

The county increased its property tax 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 remained the same at 9.38 for the 2020 and 2021 tax years but was decreased to 9.13 during the 2022 tax year.

Local Option Sales Tax (LOST) collections are also increasing each year. During FY 2016-17, LOST collections were \$1,800,207, \$1,855,939 during FY 2017-18 (3.1% increase), \$1,925,483 during FY 2018-19 (3.7% increase),

\$2,136,577 during FY 2019-20 (10.9% increase), \$2,643,321 during FY 2020-21 (23.7% increase), and \$2,893,251 during FY 2021-22 (9.5% increase).

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

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

Due to the COVID-19 global pandemic, the county received, during the audit period, one-time revenues of \$3.4M in federal ARP funds for COVID-19 mitigation measures, HVAC improvements, premium pay for essential workers, water improvements, and broadband.

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

During the audit period of July 1, 2021 to June 30, 2022, the county began or continued many public projects including historic courthouse renovations, development of Ellerslie Park, conversion of the old library into a modern medical clinic operated by a third party, road and bridge improvements, airport improvements, water improvements, technology enhancements, replaced county rolling stock, completed Phase IV and V of the Man O' War Railroad Recreation Trail funded mostly by grant funds and TSPLOST funds, and updated the county's building codes into one unified development code. In addition, impact fees were studied as an additional revenue source but were ultimately determined not be feasible.

Contacting the County's Financial Management

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

Harris County, Georgia
Statement of Net Position
June 30, 2022

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Assets				
Current Assets				
Cash and cash equivalents (Note 3A)	\$ 4,146,705	\$ 3,233,375	\$ 7,380,080	\$ 1,606,692
Restricted cash	10,646,200	785,104	11,431,304	-
Investments	18,735,449	7,988,309	26,723,758	-
Receivables:				
Accounts	267,682	548,233	815,915	719
Interest	-	314	314	-
Property taxes	213,170	-	213,170	-
TAVT	217,242	-	217,242	-
Sales taxes	765,508	-	765,508	-
Intergovernmental	96,658	5,533	102,191	-
Notes	-	-	-	-
Interfund	3,164,911	(3,164,911)	-	-
Inventory	179,734	312,748	492,482	-
Prepaid items	506,577	57,577	564,154	-
Total Current Assets	38,939,836	9,766,282	48,706,118	1,607,411
Non-current Assets				
Capital assets (Note 3E)				
Nondepreciable	18,231,334	1,022,240	19,253,574	83,021
Depreciable, net	33,383,320	31,449,077	64,832,397	5,432,279
Net OPEB asset	-	-	-	73,487
Total Non-current Assets	51,614,654	32,471,317	84,085,971	5,588,787
Total Assets	90,554,490	42,237,599	132,792,089	7,196,198
Deferred Outflows of Resources (Note 3-F)	2,247,508	379,900	2,627,408	192,308
Total Assets and Deferred Outflows of Resources	92,801,998	42,617,499	135,419,497	7,388,506
Liabilities				
Current Liabilities				
Accounts payable	812,054	729,882	1,541,936	217
Retainage payable	56,680	-	56,680	-
Accrued expenses payable	866,199	143,778	1,009,977	-
Accrued interest payable	43,535	7,230	50,765	1,700
Unearned revenue	6,295,485	-	6,295,485	-
Customer deposits payable	2,508	497,973	500,481	-
Compensated absences payable	559,470	86,156	645,626	-
Closure and postclosure care liability	-	29,711	29,711	-
GEFA loan payable	-	168,818	168,818	-
Revenue bonds payable	645,000	540,000	1,185,000	-
Capital lease payable	83,726	-	83,726	-
Total Current Liabilities	9,364,657	2,203,548	11,568,205	1,917
Long-Term Liabilities (Note 3H) (net of current portion)				
Compensated absences payable	139,868	21,539	161,407	-
Closure and postclosure care liability	-	113,079	113,079	-
Net OPEB liability	-	-	-	24,476
Net pension liability	2,525,751	534,065	3,059,816	219,951
GEFA loan payable	-	2,982,248	2,982,248	-
Capital leases payable	86,958	-	86,958	-
Revenue bonds payable	3,973,142	2,979,035	6,952,177	-
Total Long-Term Liabilities	6,725,719	6,629,966	13,355,685	244,427
Total Liabilities	16,090,376	8,833,514	24,923,890	246,344
Deferred Inflows of Resources (Note 3-F)	2,398,288	390,200	2,788,488	407,883
Total Liabilities and Deferred Inflows of Resources	18,488,664	9,223,714	27,712,378	654,227
Net Position				
Net investment in capital assets (Note 3J)	46,769,148	25,801,216	72,570,364	5,515,300
Restricted for:				
Capital projects	7,469,071	-	7,469,071	-
Debt service	-	322,230	322,230	-
Tax Commissioner	16,110	-	16,110	176,404
Public safety	88,155	-	88,155	-
Law library	72,058	-	72,058	-
Unrestricted	19,898,792	7,270,339	27,169,131	1,042,575
Total Net Position	\$ 74,313,334	\$ 33,393,785	\$ 107,707,119	\$ 6,734,279

See accompanying notes to the basic financial statements

Harris County, Georgia
Statement of Activities
For the Year Ended June 30, 2022

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	\$ 4,178,269	\$ 926,341	\$ 74,779	\$ 37,916	\$ (3,139,233)	\$ -	\$ (3,139,233)	\$ -
Judicial	1,872,536	25	21,423	4,500	(1,846,588)	-	(1,846,588)	-
Public safety	16,453,953	3,867,047	295,152	47,200	(12,244,554)	-	(12,244,554)	-
Public works	5,270,654	317,805	87,046	1,061,860	(3,803,943)	-	(3,803,943)	-
Health and welfare	313,114	41,324	-	-	(271,790)	-	(271,790)	-
Culture and recreation	1,850,321	192,744	741,797	45,990	(869,790)	-	(869,790)	-
Housing and development	1,003,192	587,577	9,159	-	(406,456)	-	(406,456)	-
Interest	165,899	-	-	-	(165,899)	-	(165,899)	-
Total Governmental Activities	31,107,938	5,932,863	1,229,356	1,197,466	(22,748,253)	-	(22,748,253)	-
Business-type Activities								
Water works	5,883,727	5,797,666	-	359,328	-	273,267	273,267	-
Solid waste	2,200,383	2,368,076	-	-	-	167,693	167,693	-
Airport	801,055	365,897	-	102,431	-	(332,727)	(332,727)	-
Total Business-type Activities	8,885,165	8,531,639	-	461,759	-	108,233	108,233	-
Total Primary Government	\$ 39,993,103	\$ 14,464,502	\$ 1,229,356	\$ 1,659,225	(22,748,253)	108,233	(22,640,020)	-
Component Units								
Department of Public Health	518,270	286,664	470,415	-	-	-	-	238,809
Development Authority	151,452	-	-	-	-	-	-	(151,452)
Total - Component Units	\$ 669,722	\$ 286,664	\$ 470,415	\$ -	-	-	-	87,357
General Revenues								
Property taxes levied for general government purposes					16,799,316	-	16,799,316	-
Sales taxes					8,203,072	-	8,203,072	-
Insurance premium tax					2,113,641	-	2,113,641	-
Other taxes					625,176	-	625,176	-
Unrestricted investment earnings					39,158	20,773	59,931	-
Miscellaneous					62,914	-	62,914	-
Total General Revenues					27,843,277	20,773	27,864,050	-
Change in Net Position					5,095,024	129,006	5,224,030	87,357
Net Position Beginning of Year					69,218,310	33,264,779	102,483,089	6,646,922
Net Position End of Year					\$ 74,313,334	\$ 33,393,785	\$ 107,707,119	\$ 6,734,279

See accompanying notes to the basic financial statements

Harris County, Georgia
Balance Sheet
Governmental Funds
June 30, 2022
(With Comparative Totals at June 30, 2021)

	2022				2021	
	General	2019 SPLOST	ARP Act Grant Fund	Other Governmental Funds	Total Governmental Funds	Total Governmental Funds
Assets						
Cash and cash equivalents	\$ 3,061,024	\$ -	\$ -	\$ 1,085,681	\$ 4,146,705	\$ 9,495,283
Investments	15,605,441	3,130,008	-	-	18,735,449	10,799,134
Restricted cash	-	1,604,748	6,295,493	2,745,959	10,646,200	9,512,723
Receivables:						
Accounts	175,355	-	-	92,326	267,681	167,275
Property taxes	213,170	-	-	-	213,170	547,695
TAVT	217,242	-	-	-	217,242	235,107
Sales taxes	271,196	373,032	-	121,280	765,508	686,330
Interest	-	-	-	-	-	315
Intergovernmental	89,842	-	-	6,816	96,658	219,740
Notes	-	-	-	-	-	793,724
Interfund	4,047,493	-	-	277,056	4,324,549	2,279,137
Inventory	179,734	-	-	-	179,734	172,355
Prepaid items	456,374	-	-	50,203	506,577	150,649
Total Assets	\$ 24,316,871	\$ 5,107,788	\$ 6,295,493	\$ 4,379,321	\$ 40,099,473	\$ 35,059,467
Liabilities, Deferred Inflows of Resources and Fund Balances						
Liabilities						
Accounts payable	\$ 437,702	\$ 70,156	\$ -	\$ 304,194	\$ 812,052	\$ 1,852,716
Accrued expenditures payable	810,378	-	-	55,821	866,199	1,076,202
Retainage payable	28,975	-	-	27,705	56,680	234,029
Deposit payable	2,508	-	-	-	2,508	2,508
Interfund payable	-	-	-	1,159,638	1,159,638	488,459
Unearned revenue	-	-	6,295,485	-	6,295,485	4,200,807
Total Liabilities	1,279,563	70,156	6,295,485	1,547,358	9,192,562	7,854,721
Deferred Inflows of Resources	89,202	-	-	-	89,202	90,079
Total Liabilities and Deferred Inflows of Resources	1,368,765	70,156	6,295,485	1,547,358	9,281,764	7,944,800
Fund Balances						
Nonspendable	636,108	-	-	50,203	686,311	304,960
Restricted	27,217	5,037,632	8	2,580,537	7,645,394	6,233,946
Assigned	6,235,859	-	-	251,426	6,487,285	2,745,426
Unassigned	16,048,922	-	-	(50,203)	15,998,719	17,830,335
Total Fund Balances	22,948,106	5,037,632	8	2,831,963	30,817,709	27,114,667
Total Liabilities, Deferred Inflow of Resources and Fund Balances	\$ 24,316,871	\$ 5,107,788	\$ 6,295,493	\$ 4,379,321	\$ 40,099,473	\$ 35,059,467

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, 2022

Total Governmental Fund Balances	\$	30,817,709
 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	\$	104,349,797
Less accumulated depreciation		<u>(52,735,143)</u>
		51,614,654
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Property taxes		89,202
Deferred outflows and inflows for pensions reported on the government-wide statement of position but not reported on the governmental fund balance sheet.		
		(150,781)
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	\$	(1,159,638)
Interfund payables		<u>1,159,638</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	\$	(4,618,142)
Capital leases payable		(170,684)
Net pension liability payable		(2,525,751)
Accrued interest payable		(43,535)
Compensated absences payable		<u>(699,338)</u>
		<u>(8,057,450)</u>
 Net Position of Governmental Activities	 \$	 <u><u>74,313,334</u></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, 2022
(With Comparative Totals For the Year Ended June 30, 2021)

	2022				2021	
	General	2019 SPLOST	ARP Act Grant Fund	Other Governmental Funds	Total Governmental Funds	Total Governmental Funds
Revenues						
Taxes	\$ 22,220,503	\$ 3,976,895	\$ -	\$ 1,544,568	\$ 27,741,966	\$ 26,754,364
Intergovernmental	852,853	-	735,888	778,868	2,367,609	2,154,911
Licenses and permits	572,078	-	-	-	572,078	448,199
Charges for services	3,796,786	-	-	1,588,684	5,385,470	4,635,542
Interest	-	-	-	16,114	16,114	12,695
Fines and forfeitures	673,309	-	-	77,809	751,118	756,671
Investment earnings	39,160	5,666	8	-	44,834	8,214
Contributions and donations	45,990	-	-	-	45,990	190,100
Miscellaneous	34,190	-	-	-	34,190	16,663
Total Revenues	28,234,869	3,982,561	735,896	4,006,043	36,959,369	34,977,359
Expenditures						
Current:						
General government	4,095,665	-	78,036	-	4,173,701	3,886,159
Judicial	1,811,263	-	25,643	9,631	1,846,537	1,694,427
Public safety	13,032,816	-	279,640	1,455,371	14,767,827	12,998,934
Public works	3,406,517	-	335,481	-	3,741,998	3,479,504
Health and welfare	277,495	-	-	35,619	313,114	308,703
Culture and recreation	1,900,315	-	7,929	-	1,908,244	1,409,105
Housing and development	724,058	-	9,159	256,900	990,117	1,471,937
Intergovernmental	-	576,618	-	-	576,618	580,520
Capital Outlay	-	1,596,677	-	1,733,697	3,330,374	4,262,720
Debt Service:						
Principal retirement	80,623	-	-	1,431,073	1,511,696	753,035
Interest and fiscal charges	9,675	-	-	118,066	127,741	141,119
Total Expenditures	25,338,427	2,173,295	735,888	5,040,357	33,287,967	30,986,163
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,896,442	1,809,266	8	(1,034,314)	3,671,402	3,991,196
Other Financing Sources (Uses)						
Proceeds from the sale of capital assets	31,640	-	-	-	31,640	28,795
Transfers in	-	-	-	642,488	642,488	786,650
Transfers out	(642,488)	-	-	-	(642,488)	(786,650)
Total Other Financing Sources (Uses)	(610,848)	-	-	642,488	31,640	28,795
Net Change in Fund Balances	2,285,594	1,809,266	8	(391,826)	3,703,042	4,019,991
Fund Balances Beginning of Year	20,662,512	3,228,366	-	3,223,789	27,114,667	23,094,676
Fund Balances End of Year	\$ 22,948,106	\$ 5,037,632	\$ 8	\$ 2,831,963	\$ 30,817,709	\$ 27,114,667

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, 2022

Net Changes In Fund Balances - Total Governmental Funds \$ 3,703,042

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	\$ (2,971,580)	
Capital outlay	<u>3,644,673</u>	673,093

Pension expense is reported on the government-wide statement of activities but not reported at the fund financial reporting level 265,004

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 6/30/22	\$ 89,202	
Deferred as of 6/30/21	<u>(90,079)</u>	(877)

Payments of principal on note receivable is a revenue in the governmental funds, but reduces note receivable in the Statement of Net Assets. (778,717)

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

Transfers in	\$ (642,488)	
Transfers out	<u>642,488</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. (38,158)

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. 1,509,426

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 @ 6/30/22	\$ (699,338)	
Liability @ 6/30/21	<u>461,549</u>	<u>(237,789)</u>

Change In Net Position of Governmental Activities \$ 5,095,024

See accompanying notes to the basic financial statements

Harris County, Georgia
Proprietary Funds
Statement of Net Position
June 30, 2022

	Business-type Activities			
	Water Works	Solid Waste	Airport	Total
Assets				
Current Assets:				
Cash and cash equivalents	\$ 2,754,352	\$ 479,023	\$ -	\$ 3,233,375
Restricted cash	785,104	-	-	785,104
Investments	1,272,500	6,715,809	-	7,988,309
Receivables:				
Accounts	499,899	48,334	-	548,233
Interest	314	-	-	314
Intergovernmental	-	-	5,533	5,533
Prepaid items	29,485	15,590	12,502	57,577
Inventories	227,113	-	85,635	312,748
Total Current Assets	5,568,767	7,258,756	103,670	12,931,193
Capital Assets				
Nondepreciable	456,830	250,939	314,471	1,022,240
Depreciable, net	22,128,514	1,494,564	7,825,999	31,449,077
Total Capital Assets	22,585,344	1,745,503	8,140,470	32,471,317
Deferred Outflows of Resources (Note 3-D)	283,306	84,705	11,889	379,900
Total Assets and Deferred Outflows of Resources	28,437,417	9,088,964	8,256,029	45,782,410
Liabilities				
Current Liabilities:				
Accounts payable	341,651	314,583	73,648	729,882
Accrued expenses payable	99,646	39,774	4,358	143,778
Accrued interest payable	7,230	-	-	7,230
Customer deposits payable	497,973	-	-	497,973
Interfund payable	702,486	1,486,053	976,372	3,164,911
Compensated absences payable	66,277	18,733	1,146	86,156
Closure and postclosure care payable	-	29,711	-	29,711
Revenue bonds payable	540,000	-	-	540,000
GEFA loans payable	168,818	-	-	168,818
Total Current Liabilities	2,424,081	1,888,854	1,055,524	5,368,459
Long-term Liabilities (Net of current portion):				
Compensated absences payable	16,569	4,683	287	21,539
Closure and postclosure care payable	-	113,079	-	113,079
Revenue bonds payable	2,979,035	-	-	2,979,035
GEFA loans payable	2,982,248	-	-	2,982,248
Net pension liability	381,263	141,796	11,006	534,065
Total Long-term Liabilities:	6,359,115	259,558	11,293	6,629,966
Total Liabilities	8,783,196	2,148,412	1,066,817	11,998,425
Deferred Inflows of Resources (Note 3-D)	272,890	103,647	13,663	390,200
Total Liabilities and Deferred Inflows of Resources	9,056,086	2,252,059	1,080,480	12,388,625
Net Position				
Net investment in capital assets	15,915,243	1,745,503	8,140,470	25,801,216
Restricted	322,230	-	-	322,230
Unrestricted	3,143,858	5,091,402	(964,921)	7,270,339
Total Net Position	\$ 19,381,331	\$ 6,836,905	\$ 7,175,549	\$ 33,393,785

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, 2022

	Business-type Activities			
	Water Works	Solid Waste	Airport	Total
Operating Revenues				
Charges for services	\$ 5,797,666	\$ 2,350,776	\$ 365,897	\$ 8,514,339
Other financing sources	-	17,300	-	17,300
Total Operating Revenues	<u>5,797,666</u>	<u>2,368,076</u>	<u>365,897</u>	<u>8,531,639</u>
Operating Expenses				
Personal services	1,836,298	797,956	119,840	2,754,094
Purchased services	1,886,230	294,268	32,647	2,213,145
Purchased services - tipping fees	-	563,361	-	563,361
Cost of sales	-	-	243,852	243,852
Materials and supplies	1,071,414	220,085	29,810	1,321,309
Depreciation	959,105	324,713	374,906	1,658,724
Total Operating Expenses	<u>5,753,047</u>	<u>2,200,383</u>	<u>801,055</u>	<u>8,754,485</u>
Operating Income (Loss)	<u>44,619</u>	<u>167,693</u>	<u>(435,158)</u>	<u>(222,846)</u>
Non-operating Revenue (Expenses)				
Investment earnings	2,187	18,586	-	20,773
Interest and fiscal charges	(130,680)	-	-	(130,680)
Total Non-operating Revenue (Expenses)	<u>(128,493)</u>	<u>18,586</u>	<u>-</u>	<u>(109,907)</u>
Income (Loss) Before Capital Contributions and Transfers In	<u>(83,874)</u>	<u>186,279</u>	<u>(435,158)</u>	<u>(332,753)</u>
Capital Contributions	<u>359,328</u>	<u>-</u>	<u>102,431</u>	<u>461,759</u>
Change in Net Position	<u>275,454</u>	<u>186,279</u>	<u>(332,727)</u>	<u>129,006</u>
Net Position Beginning of Year	<u>19,105,877</u>	<u>6,650,626</u>	<u>7,508,276</u>	<u>33,264,779</u>
Net Position End of Year	<u>\$ 19,381,331</u>	<u>\$ 6,836,905</u>	<u>\$ 7,175,549</u>	<u>\$ 33,393,785</u>

See accompanying notes to the basic financial statements

Harris County, Georgia
Proprietary Funds
Statement of Cash Flows
For the Year Ended June 30, 2022

	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	\$ 5,868,608	\$ 2,350,776	\$ 365,897	\$ 8,585,281
Cash payments for personal services	(1,801,081)	(787,321)	(120,643)	(2,709,045)
Cash payments for goods and services	(2,854,121)	(815,008)	(277,788)	(3,946,917)
Net Cash Provided by (Used in) Operating Activities	<u>1,213,406</u>	<u>748,447</u>	<u>(32,534)</u>	<u>1,929,319</u>
Cash Flows from Noncapital Financing Activities				
Accounts receivable	-	-	(3,008)	(3,008)
Interfund payable	315,446	1,081,753	(22,966)	1,374,233
Net Cash Flows from Noncapital Financing Activities	<u>315,446</u>	<u>1,081,753</u>	<u>(25,974)</u>	<u>1,371,225</u>
Cash Flows from Capital and Related Financing Activities				
Principal paid on GEFA loans	(127,879)	-	-	(127,879)
Principal paid on revenue bonds	(530,000)	-	-	(530,000)
Interest paid on capital debt	(130,680)	-	-	(130,680)
Acquisition of capital assets	(232,470)	(861,962)	(43,923)	(1,138,355)
Capital grants	279,615	-	102,431	382,046
Net Cash Provided by (Used in) Capital and Related Financing Activities	<u>(741,414)</u>	<u>(861,962)</u>	<u>58,508</u>	<u>(1,544,868)</u>
Cash Flows from Investing Activities				
Investment earnings	2,327	18,586	-	20,913
Net Increase (Decrease) in Cash and Cash Equivalents	789,765	986,824	-	1,776,589
Cash and Cash Equivalents Beginning of Year	4,022,191	6,208,008	-	10,230,199
Cash and Cash Equivalents End of Year	<u>\$ 4,811,956</u>	<u>\$ 7,194,832</u>	<u>\$ -</u>	<u>\$ 12,006,788</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities				
Operating Income (Loss)	\$ 44,619	\$ 167,693	\$ (435,158)	\$ (222,846)
Adjustments:				
Depreciation	959,105	\$ 324,713	374,906	1,658,724
(Increase) Decrease in Assets:				
Accounts receivable	16,642	(11,655)	-	4,987
Prepaid items	(9,680)	(7,004)	(12,065)	(28,749)
Inventories	(85,317)	-	(30,477)	(115,794)
Increase (Decrease) in Liabilities:				
Accounts payable	238,130	267,589	71,267	576,986
Accrued expenses payable	16,840	11,070	(204)	27,706
Customer deposits payable	14,690	-	-	14,690
Compensated absences payable	18,377	(3,959)	(803)	13,615
Net Cash Provided by (Used in) Operating Activities	<u>\$ 1,213,406</u>	<u>\$ 748,447</u>	<u>\$ (32,534)</u>	<u>\$ 1,929,319</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, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Assets		
Cash and cash equivalents	\$ 1,765,579	\$ 1,641,223
Due from others	<u>279,697</u>	<u>196,719</u>
Total Assets	<u>\$ 2,045,276</u>	<u>\$ 1,837,942</u>
Liabilities		
Due to others	<u>\$ 2,045,276</u>	<u>\$ 1,837,942</u>

See accompanying notes to the basic financial statements

Harris County, Georgia
Combining Statement of Net Position
Component Units
June 30, 2022

	Department of Public Health	Development Authority	Total
Assets			
Current:			
Cash and cash equivalents	\$ 1,591,087	\$ 15,605	\$ 1,606,692
Accounts receivable	719	-	719
Total Current	1,591,806	15,605	1,607,411
Noncurrent :			
Lease receivable (net of current portion)	-	-	-
Capital assets:			
Nondepreciable capital assets	-	83,021	83,021
Depreciable capital assets, net	80,568	5,351,711	5,432,279
Net OPEB asset	73,487	-	73,487
Total Noncurrent	154,055	5,434,732	5,588,787
Total Assets	1,745,861	5,450,337	7,196,198
Deferred Outflows of Resources	192,308	-	192,308
Total Assets and Deferred Outflows of Resources	1,938,169	5,450,337	7,388,506
Liabilities			
Current Liabilities:			
Accounts payable	217	-	217
Accrued interest payable	-	1,700	1,700
Total Current Liabilities:	217	1,700	1,917
Long-term Liabilities: (net of current portion)			
Net OPEB liability	24,476	-	24,476
Net pension liability	219,951	-	219,951
Total Liabilities	244,644	-	246,344
Deferred Inflows of Resources	407,883	-	407,883
Total Liabilities and Deferred Inflows of Resources	652,527	1,700	656,144
Net Position			
Net investment in capital assets	80,568	5,434,732	5,515,300
Restricted for:			
Specific health program	176,404	-	176,404
Unrestricted	1,028,670	13,905	1,042,575
Total Net Position	\$ 1,285,642	\$ 5,448,637	\$ 6,734,279

See accompanying notes to the basic financial statements

Harris County, Georgia
Combining Statement of Activities
Component Units
For the Year Ended June 30, 2022

	Department of Public Health	Development Authority	Total
Expenses			
Health and welfare	\$ 518,270	\$ -	\$ 518,270
Community development	-	1,700	1,700
Economic development	-	149,752	149,752
Total Expenses	518,270	151,452	669,722
Revenues			
Program revenues:			
Charges for services	286,664	-	286,664
Operating grants and contributions	470,415	-	470,415
Total Program Revenues	757,079	-	757,079
Net Program Revenue (Expense)	238,809	(151,452)	87,357
Change in Net Position	238,809	(151,452)	87,357
Net Position Beginning of Year	1,046,833	5,600,089	6,646,922
Net Position End of Year	\$ 1,285,642	\$ 5,448,637	\$ 6,734,279

See accompanying notes to the basic financial statements

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2022

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Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2022

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, 2022 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, 2022

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, 2022.

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, 2022

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, 2022

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, 2022

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, 2022

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, 2022, 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, 2022

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

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

1-E-8 Compensated Absences

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

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

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

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

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

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

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

1-E-10 Fund Equity

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

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2022

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, 2022

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-12 Interfund Activity

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

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

1-E-13 Estimates

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

1-E-14 Comparative Data

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

Note 2 – Stewardship, Compliance and Accountability

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

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

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

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

2-B. Excess of Expenditures over Appropriations

No department overspent for the final amended 2022 annual budget.

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2022

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, 2022, 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	\$ 4,146,705
Governmental Funds - Balance Sheet - Restricted	10,646,200
Proprietary Fund Type Statement of Net Position	3,233,375
Proprietary Fund Type Statement of Net Position - Restricted	785,104
Statement of Fiduciary Assets and Liabilities	1,765,579
 Total	 \$ 20,576,963

3-B. Receivables

Receivables at June 30, 2022, 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:

	2022	2021
• Water works fund	\$26,310	\$26,167

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2022

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. During 2022, the Callaway Foundation paid off the remaining balance on the promissory note. A letter from GEFA received on February 17, 2022, evidences the cancellation and pay-off of the note.

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. During 2022, the last installment payment was received and the note is considered paid and complete.

3-C. Restricted Assets

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

2019 SPLOST fund – construction and capital	1,604,748
ARP act grant fund – personnel and capital	6,295,493
TIA fund – construction and capital	2,587,207
Special revenue funds – judicial and public safety	<u>158,752</u>
	<u>\$ 10,646,200</u>

3-D. Property Taxes

The Board of Commissioners levy property taxes by or about September of each year. Property taxes attach as an enforceable lien on property as of January 1. The property taxes were levied during August 2021. Property taxes were billed on September 30, 2021 and are due upon receipt, however, the due date was December 20, 2021 and became delinquent on December 21, 2021.

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.

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2022

Note 3 - Detailed Notes on All Funds (Continued)

3-E. Capital Assets

Capital asset activity for the primary government for the year ended June 30, 2022, was as follows:

	Balance 7/1/2021	Additions	Deductions	Balance 6/30/2022
Governmental activities:				
Nondepreciable capital assets:				
Land	\$ 15,513,803	\$ -	\$ -	\$ 15,513,803
Construction in progress	2,408,501	2,575,859	2,266,829	2,717,531
Total nondepreciable capital assets	<u>17,922,304</u>	<u>2,575,859</u>	<u>2,266,829</u>	<u>18,231,334</u>
Depreciable capital assets:				
Buildings and improvements	27,602,967	1,617,014	-	29,219,981
Machinery and equipment	25,881,690	841,949	242,593	26,481,046
Infrastructure	29,540,758	876,678	-	30,417,436
Total depreciable capital assets	<u>83,025,415</u>	<u>3,335,641</u>	<u>242,593</u>	<u>86,118,463</u>
Total capital assets	<u>100,947,719</u>	<u>5,911,500</u>	<u>2,509,422</u>	<u>104,349,797</u>
Accumulated depreciation:				
Buildings and improvements	9,576,550	827,817	-	10,404,367
Machinery and equipment	20,493,641	1,407,840	232,122	21,669,359
Infrastructure	19,925,494	735,923	-	20,661,417
Total accumulated depreciation	<u>49,995,685</u>	<u>2,971,580</u>	<u>232,122</u>	<u>52,735,143</u>
Governmental activities capital assets, net	<u>\$ 50,952,034</u>	<u>\$ 2,939,920</u>	<u>\$ 2,277,300</u>	<u>\$ 51,614,654</u>

Governmental activities depreciation expense

General government	\$ 329,845
Public safety	1,028,167
Public works	1,280,751
Culture and recreation	<u>332,817</u>
Total governmental activities depreciation expense	<u>\$ 2,971,580</u>

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2022

Note 3 - Detailed Notes on All Funds (Continued)

	Balance 7/1/2021	Additions	Deductions	Balance 6/30/2022
Business-type activities:				
Nondepreciable capital assets:				
Land	\$ 726,701	\$ -	\$ -	\$ 726,701
Construction in progress	1,163,357	257,508	1,125,326	295,539
Total nondepreciable capital assets	1,890,058	257,508	1,125,326	1,022,240
Depreciable capital assets:				
Buildings and improvements	8,303,457	45,237	-	8,348,694
Machinery and equipment	8,317,985	1,932,281	236,568	10,013,698
Infrastructure	36,629,897	-	-	36,629,897
Total depreciable capital assets	53,251,339	1,977,518	236,568	54,992,289
Total capital assets	55,141,397	2,235,026	1,361,894	56,014,529
Accumulated depreciation:				
Buildings and improvements	1,837,631	487,611	-	2,325,242
Machinery and equipment	6,078,362	427,807	236,566	6,269,603
Infrastructure	14,205,061	743,306	-	14,948,367
Total accumulated depreciation	22,121,054	1,658,724	236,566	23,543,212
Business-type activities capital assets, net	<u>\$ 33,020,343</u>	<u>\$ 576,302</u>	<u>\$ 1,125,328</u>	<u>\$ 32,471,317</u>

The depreciation expense for the business-type activities relates to the water works fund, \$959,105, the solid waste fund \$324,713 and the airport fund, \$374,906.

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2022

Note 3 - Detailed Notes on All Funds (Continued)

Capital asset activity for the development authority component unit for the year ended June 30, 2022, was as follows:

	Balance 7/1/2021	Additions	Deductions	Balance 6/30/2022
Harris County Development Authority				
Nondepreciable capital assets:				
Land	\$ 34,341	\$ -	\$ -	\$ 34,341
Construction in progress	-	48,680	-	48,680
Total nondepreciable capital assets	34,341	48,680	-	83,021
Depreciable capital assets:				
Infrastructure	5,990,086	-	-	5,990,086
Total depreciable capital assets	5,990,086	-	-	5,990,086
Total capital assets	6,024,427	48,680	-	6,073,107
Accumulated depreciation:				
Infrastructure	488,623	149,752	-	638,375
Total accumulated depreciation	488,623	149,752	-	638,375
Development Authority capital assets, net	<u>\$ 5,535,804</u>	<u>\$ (101,072)</u>	<u>\$ -</u>	<u>\$ 5,434,732</u>

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2022

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 (\$89,202). 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, 2022:

<u>Deferred Outflows of Resources</u>	<u>Primary Government</u>			Component Units
	Governmental Activities	Business Type Activities	Total	
Deferred outflows related to pensions	\$ 1,946,800	\$ 314,264	\$ 2,261,064	\$ 129,374
Deferred outflows related to OPEB	-	-	-	62,934
Deferred amounts from refunding of debt	300,708	65,636	366,344	-
Total	\$ 2,247,508	\$ 379,900	\$ 2,627,408	\$ 192,308

<u>Deferred Inflows of Resources</u>	<u>Primary Government</u>			Component Units
	Governmental Activities	Business Type Activities	Total	
Deferred inflows related to pensions	\$ 2,398,288	\$ 390,200	\$ 2,788,488	\$ 242,980
Deferred inflows related to OPEB	-	-	-	164,903
Total	\$ 2,398,288	\$ 390,200	\$ 2,788,488	\$ 407,883

3-G. Interfund Balances and Transfers

Interfund Balances - Interfund balances at June 30, 2022, 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, 2022

Note 3 - Detailed Notes on All Funds (Continued)

The following table includes the interfund receivables and payables at June 30, 2022:

Payable to:	Receivable from:				
	Non-major govern.	Water works	Solid waste	Airport	Total
General	\$ 882,582	\$ 702,486	\$ 1,486,053	\$ 976,372	\$ 4,047,493
Non-major governmental	277,056	-	-	-	277,056
Total	\$ 1,159,638	\$ 702,486	\$ 1,486,053	\$ 976,372	\$ 4,324,549

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

Interfund Transfers - Interfund transfers for the year ended June 30, 2022, consisted of the following:

(Transfers to)	Transfers from	
	General	Total
Non-major governmental	\$ 642,488	\$ 642,488
Total	\$ 642,488	\$ 642,488

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

3-H. Long-Term Debt

Governmental Activities \GEFA Loan Payable - The County had one outstanding GEFA loan payable that was paid in full at June 30, 2022.

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

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2022

Note 3 - Detailed Notes on All Funds (Continued)

Governmental Activities \Bonds Payable - The County has one outstanding bond issue outstanding at June 30, 2022.

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, 2022 follow:

Year	Principal	Interest	Total
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	665,000	35,473	700,473
2028 - 2029	1,364,750	28,677	1,393,427
	<u>\$ 4,654,750</u>	<u>\$ 344,033</u>	<u>\$ 4,998,783</u>

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

Capital Lease Payable #001-1018851-000 – Caterpillar Financial Services – Lease #11 - This lease was entered into on December 5, 2019 in the original amount of \$69,957 to purchase a Caterpillar D5K2XL Track Type Tractor at an interest rate of 3.85% with annual payments (which includes principal and interest) of \$15,648, which began December, 2019. The lease matures December 31, 2024. The equipment acquired by this lease is included in governmental activities general capital assets of the County in the amount of \$34,137 (cost of \$69,957 less accumulated depreciation of \$35,820 including current year depreciation of \$13,992). Annual debt service requirements to this lease payable as of June 30, 2022 follow:

Year	Principal	Interest	Total
2023	14,509	1,139	15,648
2024	15,068	580	15,648
2025	1	-	1
Total	<u>\$ 29,578</u>	<u>\$ 1,719</u>	<u>\$ 31,297</u>

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2022

Note 3 - Detailed Notes on All Funds (Continued)

Capital Lease Payable #001-1018851-000 – Caterpillar Financial Services – Lease #12 - This lease was entered into on December 5, 2019 in the original amount of \$84,277 to purchase a Caterpillar 12M3 Motor Grader at an interest rate of 3.85% with annual payments (which includes principal and interest) of \$18,851, which began December, 2019. The lease matures December 31, 2024. The equipment acquired by this lease is included in governmental activities general capital assets of the County in the amount of \$41,125 (cost of \$84,277 less accumulated depreciation of \$43,152 including current year depreciation of \$16,856).

Annual debt service requirements to this lease payable as of June 30, 2022 follow:

Year	Principal	Interest	Total
2023	17,479	1,372	18,851
2024	18,152	699	18,851
2025	1	-	1
Total	<u>\$ 35,632</u>	<u>\$ 2,071</u>	<u>\$ 37,703</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 \$18,999 (cost of \$38,934 less accumulated depreciation of \$19,935 including current year depreciation of \$7,787).

Annual debt service requirements to this lease payable as of June 30, 2022 follow:

Year	Principal	Interest	Total
2023	8,076	633	8,709
2024	8,386	323	8,709
2025	1	-	1
Total	<u>\$ 16,463</u>	<u>\$ 956</u>	<u>\$ 17,419</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 \$37,788 (cost of \$77,438 less accumulated depreciation of \$39,650 including current year depreciation of \$15,488).

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2022

Note 3 - Detailed Notes on All Funds (Continued)

Annual debt service requirements to this lease payable as of June 30, 2022 follow:

Year	Principal	Interest	Total
2023	16,060	1,261	17,321
2024	16,679	642	17,321
2025	1	-	1
Total	<u>\$ 32,740</u>	<u>\$ 1,903</u>	<u>\$ 34,643</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 \$18,970 (cost of \$38,875 less accumulated depreciation of \$19,905 including current year depreciation of \$7,775).

Annual debt service requirements to this lease payable as of June 30, 2022 follow:

Year	Principal	Interest	Total
2023	8,063	633	8,696
2024	8,374	322	8,696
2025	1	-	1
Total	<u>\$ 16,438</u>	<u>\$ 955</u>	<u>\$ 17,393</u>

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 \$50,503 (cost of \$94,211 less accumulated depreciation of \$43,708 including current year depreciation of \$18,842).

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2022

Note 3 - Detailed Notes on All Funds (Continued)

Annual debt service requirements to this lease payable as of June 30, 2022 follow:

Year	Principal	Interest	Total
2023	19,539	1,534	21,073
2024	20,292	781	21,073
2025	2	-	2
Total	<u>\$ 39,833</u>	<u>\$ 2,315</u>	<u>\$ 42,148</u>

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

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

Annual debt service requirements to maturity as of June 30, 2022 are as follows:

Year	Principal	Interest	Total
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	123,193	20,916	144,109
2028-2032	642,497	78,048	720,545
2033-2037	689,055	31,490	720,545
2038	95,569	502	96,071
Total	<u>\$ 2,026,205</u>	<u>\$ 231,501</u>	<u>\$ 2,257,706</u>

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2022

Note 3 - Detailed Notes on All Funds (Continued)

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

Annual debt service requirements to maturity as of June 30, 2022 are as follows:

Year	Principal	Interest	Total
2023	52,330	9,798	62,128
2024	52,798	9,330	62,128
2025	53,269	8,859	62,128
2026	53,745	8,383	62,128
2027	54,226	7,902	62,128
2028-2032	278,485	32,155	310,640
2033-2037	291,153	19,487	310,640
2038-2042	288,854	6,256	295,110
Total	<u>\$ 1,124,860</u>	<u>\$ 102,170</u>	<u>\$ 1,227,030</u>

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

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

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

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

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

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2022

Note 3 - Detailed Notes on All Funds (Continued)

Annual debt service requirements to maturity as of June 30, 2022 are as follows:

Fiscal Year Ending	Principal	Interest	Total
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	595,000	24,414	619,414
2028	615,000	8,304	623,304
Total	<u>\$ 3,450,000</u>	<u>\$ 275,551</u>	<u>\$ 3,725,551</u>

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Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2022

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, 2022:

	Total Outstanding 7/1/2021	Additions	Reductions	Total Outstanding 6/30/2022	Amounts Due in One Year	Long-term Portion
Governmental Activities						
2009 GEFA Loan #LC2006016	\$ 798,804	\$ -	\$ 798,804	\$ -	\$ -	\$ -
Harris County Public Improvement Authority 2017 revenue bonds (refi.)	5,284,750	-	630,000	4,654,750	645,000	4,009,750
Net deferred premiums	(36,608)	-	-	(36,608)	-	(36,608)
Total bonded debt	6,046,946	-	1,428,804	4,618,142	645,000	3,973,142
2020 Caterpillar capital lease #11	43,549	-	13,971	29,578	14,509	15,069
2020 Caterpillar capital lease #12	52,463	-	16,831	35,632	17,479	18,153
2020 Caterpillar capital lease #13	24,239	-	7,776	16,463	8,076	8,387
2020 Caterpillar capital lease #14	48,205	-	15,465	32,740	16,060	16,680
2020 Caterpillar capital lease #15	24,202	-	7,764	16,438	8,063	8,375
2020 Caterpillar capital lease #16	58,648	-	18,815	39,833	19,539	20,294
Compensated absences	461,549	607,028	369,239	699,338	559,470	139,868
Net pension liability	2,766,179	-	240,428	2,525,751	-	2,525,751
Total Governmental Activities Debt	\$ 9,525,980	\$ 607,028	\$ 2,119,093	\$ 8,013,915	\$ 1,288,196	\$ 6,725,719
Business-type Activities						
2014 GEFA Loan #DWSRF-11-013	2,141,074	-	114,869	2,026,205	116,488	1,909,717
2016 GEFA Loan #DWSRF-2016030	1,187,678	-	62,818	1,124,860	52,330	1,072,530
Harris County Public Improvement Authority Series 2012A revenue bonds	3,980,000	-	530,000	3,450,000	540,000	2,910,000
Net deferred premiums	81,780	-	12,745	69,035	-	69,035
Total bonded debt	7,390,532	-	720,432	6,670,100	708,818	5,961,282
Landfill postclosure	157,930	-	15,140	142,790	29,711	113,079
Compensated absences	94,080	88,879	75,264	107,695	86,156	21,539
Net pension liability	570,595	-	36,530	534,065	-	534,065
Total Business-type Activities	\$ 8,213,137	\$ 88,879	\$ 847,366	\$ 7,454,650	\$ 824,685	\$ 6,629,965

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2022

Note 3 - Detailed Notes on All Funds (Continued)

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

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

3-I. Pension Plans and Other Retirement Benefits

The Defined Benefit Pension Plan

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

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

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

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

Current membership is as follows:

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

Per the county’s GASB 68 report, the most recent experience study was performed in February 2022.

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, 2022

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, 2021 was \$1,185,676, or 9.13% of covered-employee payroll. The County's covered payroll for employees participating in the Plan as of January 1, 2022, (the most recent actuarial valuation date) was \$12,992,782 (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, 2022, the County reported a net pension liability of \$3,059,815. The net pension liability was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2022. For the year ended June 30, 2022, the County recognized pension expense of \$868,342.

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2022

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)
	<u> </u>	<u> </u>	<u> </u>
Balances at June 30, 2021	\$ 21,792,628	\$ 18,455,854	\$ 3,336,774
Changes for the year:			
Service cost	678,690	-	678,690
Interest	1,498,925	-	1,498,925
Liability experience (Gain)/Loss	1,487,257	-	1,487,257
Assumption change	39,339	-	39,339
Employer contributions	-	1,185,676	(1,185,676)
Employee contribution	-	157,618	(157,618)
Net investment income	-	2,845,620	(2,845,620)
Benefit payments	(758,835)	(758,835)	-
Administrative expense	-	(78,197)	78,197
Other changes	-	(129,547)	129,547
	<u>2,945,376</u>	<u>3,222,335</u>	<u>(276,959)</u>
Balances at June 30, 2022	<u>\$ 24,738,004</u>	<u>\$ 21,678,189</u>	<u>\$ 3,059,815</u>
Plan fiduciary net position as a percentage of the total pension liability		87.63%	
Covered employee payroll		\$ 12,992,782	
Net pension liability as a percentage of covered employee payroll		23.55%	

At June 30, 2022, 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
	<u> </u>	<u> </u>
Net difference between projected and actual earnings on pension plan investments	\$ 324,608	\$ (2,471,512)
Net difference between expected and actual experience in the measurement of the total pension liability	1,456,254	(316,976)
Change of assumption	<u>480,202</u>	<u>-</u>
Total	<u>\$ 2,261,064</u>	<u>\$ (2,788,488)</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, 2022. 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, 2022

Note 3 - Detailed Notes on All Funds (Continued)

Year Ending <u>December 31,</u>	
2023	\$ 34,528
2024	(397,408)
2025	(93,983)
2026	<u>(70,561)</u>
Totals	<u>\$ (527,424)</u>

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

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

Healthy mortality rates were based on the Pub-2010 GE (50%) & PS (50%) Amt-weighted with Scale AA to 2021 (Pre-Retirement: Employee, Post-Employment: Retired). Disabled rates were derived from a 1985 CIDA Table Class 1.

The asset allocation policy guidelines for the pension plan's target asset allocation as of December 31, 2021 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, 2022

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%	\$ 6,220,851
Current discount rate	7.00%	3,059,815
1% increase	8.00%	423,178

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, 2022, 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, 2022, there were 377 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, 2022, contributions totaled \$362,757.

It is the opinion of the County’s management that the County has no fiduciary responsibility for plan assets once they are deposited with the plan administrator. Consequently, under the provisions of GASB standards, plan assets are not reported in the financial statements. These assets totaled \$3,853,426 at June 30, 2022. 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, 2022.

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 \$5,326,134 at June 30, 2022. 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, 2022.

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, 2022

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	\$ 456,374
Inventories	179,734

E-911 Fund

Prepaid items	<u>50,203</u>
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Total:	<u><u>\$ 686,311</u></u>
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- **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:	<u>\$27,217</u>
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2019 SPLOST

Capital projects	<u>\$ 5,037,632</u>
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ARP Act Grant Fund

Capital projects	<u>\$ 8</u>
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Transportation Investment Act Fund

Capital projects	<u>\$ 2,431,431</u>
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Nonmajor Special Revenue Funds:

Judicial – law library	\$ 72,058
Public safety	<u>77,048</u>

Total Nonmajor Special Revenue Funds:	<u>\$149,106</u>
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Total:	<u><u>\$7,645,394</u></u>
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Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2022

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, 2022. No provision has been made in the financial statements for the year ended June 30, 2022, 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, 2022. In the opinion of County management, the outcome of these contingencies will not have a material effect on the financial position of the County.

4-C. Tax Abatements

For the year ended June 30, 2022, the County's property tax revenues were reduced by \$279,968 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

ARP Act Grant:

ARP Funding and Projects – On August 9, 2022, the Board of County Commissioners reached a consensus on budgeting a portion of the second tranche of ARP funding, which was \$3,422,000, as follows:

Phase II ARP allocation:

(1) Hadley Road Water Line – Phase II: \$405,040

(2) Partial funding to construct a new EMS/VFD facility in the Northwest Harris Business Park: \$472,000

Emergency Medical Services / Volunteer Fire Departments:

On August 16, 2022, the Board of County Commissioners voted to award the bid for the EMS/VFD facility in the Northwest Harris Business Park to Headley Construction at a cost of \$3,360,000.

Solid Waste:

On August 16, 2022, the Board of County Commissioners voted to award the contract for the County's solid waste transportation and disposal to Waste Away Group, Inc. at \$41.75 per ton, plus a monthly fuel charge if applicable and an annual escalation. This rate constituted a 52% increase from the prior rate that County had paid under the prior contract. The FY 2021-2022 budget contained \$475,000 and the FY 2022-2023 budget was increased to \$850,000 for these tipping fees.

Harris County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2022

Note 4 – Other Notes (Continued)

Development Authority:

On September 20, 2022 the Board of County Commissioners voted to award the bid for the Northwest Harris Business Park 35 acre site improvements to Evergreen Siteworks, LLC in the amount of \$2,175,010. The funding sources for the project are as follows: OneGeorgia Grant (\$500,000), City of West Point (\$164,891), SPLOST 2019 (\$1,510,119) and they also approved a contingency from ARP Act Grant funds (\$217,500).

Local Option Sales Tax:

On October 18, 2022 the Board of County Commissioners voted to approve the Local Option Sales Tax (LOST) Certificate of Distribution agreement with the Municipal Councils for the next 10-year period as follows:

Harris County	68.00%
Shiloh	3.60%
Waverly Hall	6.35%
West Point	6.60%
Hamilton	6.60%
Pine Mountain	8.85%

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, 2022 follows:

Receipts:	
Lodging tax receipts	<u>\$ 211,900</u>
Disbursements to:	
Harris County Chamber of Commerce	<u>\$ 211,900</u>

4-F. New Accounting Standard

Effective for the year ended June 30, 2022, the County adopted GASB 87: Leases. GASB 87 establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Most prominent among the changes in the standard is the recognition of right of use assets (“ROU”) and lease liabilities by lessees for those leases classified as operating leases. Due to the nature of the County’s lease arrangements, the standard did not have a material impact on the financial statements and required disclosures.

Harris County, Georgia
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Taxes	\$ 20,747,043	\$ 20,747,043	\$ 22,220,503	\$ 1,473,460
Licenses and permits	362,500	362,500	572,078	209,578
Intergovernmental	761,107	761,107	852,853	91,746
Charges for services	3,375,850	3,375,850	3,796,786	420,936
Fines and forfeitures	665,000	665,000	673,309	8,309
Investment earnings	10,000	10,000	39,160	29,160
Contributions and donations	11,000	11,000	45,990	34,990
Miscellaneous	2,500	2,500	34,190	31,690
Total Revenues	25,935,000	25,935,000	28,234,869	2,299,869
Expenditures				
Current:				
General government	4,182,276	4,165,386	4,095,665	69,721
Judicial	2,061,551	2,068,551	1,811,263	257,288
Public safety	13,081,413	13,527,213	13,032,816	494,397
Public works	3,576,114	3,500,564	3,406,517	94,047
Health and welfare	282,170	282,170	277,495	4,675
Culture and recreation	1,943,838	1,978,838	1,900,315	78,523
Housing and development	822,370	834,870	724,058	110,812
Debt Service:				
Principal	80,623	80,623	80,623	-
Interest	9,675	9,675	9,675	-
Total Expenditures	26,040,030	26,447,890	25,338,427	1,109,463
Excess (Deficiency) of Revenues Over (Under) Expenditures	(105,030)	(512,890)	2,896,442	3,409,332
Other Financing Sources (Uses)				
Proceeds from the sale of capital assets	25,000	25,000	31,640	6,640
Use of reserves	939,030	1,346,890	-	(1,346,890)
Transfers (out)	(859,000)	(859,000)	(642,488)	216,512
Total Other Financing Sources (Uses)	105,030	512,890	(610,848)	(1,123,738)
Net Change in Fund Balances	\$ -	\$ -	2,285,594	\$ 2,285,594
Fund Balances Beginning of Year			20,662,512	
Fund Balances End of Year			\$ 22,948,106	

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, 2022
(Unaudited)

	Year End							
	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability								
Service cost	\$ 678,690	\$ 582,951	\$ 526,242	\$ 511,273	\$ 472,022	\$ 468,431	\$ 431,395	\$ 404,205
Interest on total pension liability	1,498,925	1,400,241	1,316,023	1,230,038	1,138,025	1,103,285	968,484	904,146
Assumption Change	39,339	33,345	757,532	775,275	34,623	468,194	471,672	-
Benefit payments, including refunds of employee contributions	(758,835)	(724,215)	(654,998)	(635,967)	(576,085)	(520,658)	(512,189)	(450,504)
Experience (Gain)/Loss	1,487,257	496,869	(741,695)	(46,330)	(87,476)	(244,777)	437,973	-
Net change in total pension liability	2,945,376	1,789,191	1,203,104	1,834,289	981,109	1,274,475	1,797,335	857,847
Total pension liability - beginning	21,792,628	20,003,437	18,800,333	16,966,044	15,984,935	14,710,460	12,913,125	12,055,278
Total pension liability - ending (a)	\$ 24,738,004	\$ 21,792,628	\$ 20,003,437	\$ 18,800,333	\$ 16,966,044	\$ 15,984,935	\$ 14,710,460	\$ 12,913,125
Plan fiduciary net position								
Contributions - employer	\$ 1,185,676	\$ 998,148	\$ 904,162	\$ 841,088	\$ 877,599	\$ 885,586	\$ 829,984	\$ 784,977
Contributions - employee	157,618	132,620	117,157	113,249	108,874	101,818	99,560	94,654
Net investment income	2,845,620	2,161,577	2,663,803	(602,857)	1,812,302	758,734	83,893	645,094
Benefit payments, including refunds of employee contributions	(758,835)	(692,295)	(619,612)	(613,720)	(576,085)	(501,839)	(493,676)	(435,064)
Employee contribution refunds	0	(7,430)	(13,236)	0	0	0	0	0
Administrative expense	(78,197)	(67,256)	(64,559)	(51,934)	(47,992)	(50,481)	(46,716)	(43,613)
Other	(129,547)	(84,480)	(103,232)	(94,857)	(119,297)	(69,976)	(109,913)	(81,534)
Net change in total pension liability	3,222,335	2,440,884	2,884,483	(409,031)	2,055,401	1,123,842	363,132	964,514
Plan fiduciary net position - beginning	18,455,854	16,014,970	13,130,487	13,539,518	11,484,117	10,360,275	9,997,143	9,032,629
Plan fiduciary net position - ending (b)	\$ 21,678,189	\$ 18,455,854	\$ 16,014,970	\$ 13,130,487	\$ 13,539,518	\$ 11,484,117	\$ 10,360,275	\$ 9,997,143
Net pension liability (asset) - ending : (a) - (b)	\$ 3,059,815	\$ 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	87.63%	84.69%	80.06%	69.84%	79.80%	71.84%	70.43%	77.42%
Covered-employee payroll	\$ 12,992,782	\$ 10,828,784	\$ 10,343,244	\$ 10,020,638	\$ 9,634,927	\$ 9,389,612	\$ 9,176,860	\$ 8,802,806
Net pension liability as a percentage of covered-employee payroll	23.55%	30.81%	38.56%	56.58%	35.56%	47.93%	47.40%	33.13%

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

Harris County, Georgia
Required Supplementary Information
Schedule of Contributions
Last Ten Years
Harris County Defined Benefit Plan
June 30, 2022
(Unaudited)

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

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

Harris County, Georgia
General Fund
Comparative Balance Sheet
June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Assets		
Cash and cash equivalents	\$ 3,061,024	\$ 9,137,156
Investments	15,605,441	10,474,792
Receivables:		
Accounts	175,355	62,604
Property taxes	213,170	547,695
TAVT	217,242	235,107
Sales taxes	271,196	241,469
Intergovernmental	89,842	209,278
Interfund	4,047,493	1,887,598
Inventory	179,734	172,355
Prepaid items	456,374	132,605
Total Assets	<u>\$ 24,316,871</u>	<u>\$ 23,100,659</u>
Liabilities, Deferred Inflows of Resources and Fund Balances		
Liabilities		
Accounts payable	\$ 437,702	\$ 1,223,098
Retainage payable	28,975	95,347
Accrued expenditures payable	810,378	1,027,115
Deposit payable	2,508	2,508
Total Liabilities	1,279,563	2,348,068
Deferred Inflows of Resources - Property Taxes	89,202	90,079
Total Liabilities and Deferred Inflows of Resources	<u>1,368,765</u>	<u>2,438,147</u>
Fund Balances		
Nonspendable - not in spendable form	636,108	304,960
Restricted	27,217	27,217
Assigned	6,235,859	2,500,000
Unassigned	16,048,922	17,830,335
Total Fund Balances	<u>22,948,106</u>	<u>20,662,512</u>
Total Liabilities, Deferred Inflow of Resources and Fund Balances	<u>\$ 24,316,871</u>	<u>\$ 23,100,659</u>

Harris County, Georgia
General Fund
Comparative Statement of Revenues, Expenditures and
Changes in Fund Balances
For the Years Ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Revenues		
Taxes	\$ 22,220,503	\$ 21,570,767
Intergovernmental	852,853	811,011
Licenses and permits	572,078	448,199
Charges for services	3,796,786	3,770,506
Fines and forfeitures	673,309	683,352
Investment earnings	39,160	7,349
Contributions and donations	45,990	190,100
Miscellaneous	34,190	16,663
Total Revenues	<u>28,234,869</u>	<u>27,497,947</u>
Expenditures		
Current:		
General government	4,095,665	3,886,159
Judicial	1,811,263	1,687,085
Public safety	13,032,816	11,394,933
Public works	3,406,517	3,479,504
Health and welfare	277,495	276,898
Culture and recreation	1,900,315	1,409,105
Housing and development	724,058	708,618
Principal	80,623	77,634
Interest	9,675	12,664
Total Expenditures	<u>25,338,427</u>	<u>22,932,600</u>
(Deficiency) of Revenues (Under) Expenditures	<u>2,896,442</u>	<u>4,565,347</u>
Other Financing Sources (Uses)		
Proceeds from the sale of capital assets	31,640	28,795
Transfers (out)	(642,488)	(786,650)
Other Financing Sources (Uses)	<u>(610,848)</u>	<u>(757,855)</u>
Net Change in Fund Balances	2,285,594	3,807,492
Fund Balances Beginning of Year	<u>20,662,512</u>	<u>16,855,020</u>
Fund Balances End of Year	<u>\$ 22,948,106</u>	<u>\$ 20,662,512</u>

Harris County, Georgia
General Fund
Schedule of Revenues and Other Financing Sources - Budget and Actual
For the Year Ended June 30, 2022
(With Comparative Actual Amounts for The Year Ended June 30, 2021)

	2022			2021	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Taxes					
Real property					
Current	\$ 12,800,000	\$ 12,800,000	\$ 13,164,196	\$ 364,196	\$ 12,531,551
Delinquent	100,000	100,000	61,656	(38,344)	75,921
Timber	34,000	34,000	24,252	(9,748)	40,299
Personal property					
Motor vehicle tax	130,000	130,000	149,635	19,635	128,818
Motor vehicle title ad valorem tax (TAVT)	2,200,000	2,200,000	2,413,737	213,737	2,495,194
Motor vehicle alternate ad valorem tax (AAVT)	10,000	10,000	27,327	17,327	16,786
Mobile home	10,000	10,000	12,145	2,145	15,354
Intangibles	350,000	350,000	435,238	85,238	607,276
Railroad	5,000	5,000	-	(5,000)	-
Real estate transfer tax	150,000	150,000	262,647	112,647	229,290
Franchise taxes	150,000	150,000	133,558	(16,442)	169,787
Local option sales and use tax	2,147,043	2,147,043	2,893,251	746,208	2,643,321
Business taxes					
Alcoholic beverage excise tax	165,000	165,000	180,780	15,780	185,411
Business and occupation tax	65,000	65,000	72,149	7,149	73,947
Financial institutions	20,000	20,000	27,047	7,047	23,872
Insurance premium tax	2,100,000	2,100,000	2,113,641	13,641	2,035,599
Penalties and interest on delinquent taxes					
FIFA	30,000	30,000	30,902	902	37,163
Interest and penalties	281,000	281,000	218,342	(62,658)	261,178
Total Taxes	20,747,043	20,747,043	22,220,503	1,473,460	21,570,767
Licenses and Permits					
Business licenses - alcoholic beverages	50,000	50,000	53,531	3,531	53,282
Non-business licenses and permits					
Building permits	300,000	300,000	503,726	203,726	377,248
Land disturbance permits	5,000	5,000	6,721	1,721	11,634
Driveway permits	5,000	5,000	6,100	1,100	5,535
Fireworks permits	-	-	100	100	100
Manufactured housing permits	2,500	2,500	1,900	(600)	400
Total Licenses and Permits	362,500	362,500	572,078	209,578	448,199
Intergovernmental					
Federal					
HAVA Elections Grant-GG	-	-	-	-	10,000
GOHS grant-PS	-	-	2,891	2,891	-
EMA-PS	9,607	9,607	9,607	-	8,210
State					
LMIG-PW	735,000	735,000	811,925	76,925	783,579
GSWCC Watershed Dam-PW	1,500	1,500	1,500	-	1,500
EMS-PS	6,000	6,000	8,385	2,385	4,722
WC safety grant-GG	6,000	6,000	5,896	(104)	-
Wellness grant-GG	3,000	3,000	12,649	9,649	3,000
Total Intergovernmental	761,107	761,107	852,853	91,746	811,011
Totals carried forward	21,870,650	21,870,650	23,645,434	1,774,784	22,829,977

(continued)

Harris County, Georgia
General Fund
Schedule of Revenues and Other Financing Sources - Budget and Actual
For the Year Ended June 30, 2022
(With Comparative Actual Amounts for The Year Ended June 30, 2021)

(continued)

	2022			2021	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Brought forward	\$ 21,870,650	\$ 21,870,650	\$ 23,645,434	\$ 1,774,784	\$ 22,829,977
Revenues					
Charges for Services					
General government					
Sale of maps	250	250	860	610	569
Sale of computer lists	500	500	110	(390)	100
Copies and facsimiles	1,500	1,500	1,385	(115)	1,662
Election Qualifying Fees	1,000	1,000	2,124	1,124	72
Returned Check Fees	100	100	30	(70)	120
Airport Fund Indirect Cost	-	-	-	-	57,950
Solid Waste Fund Indirect Cost	100,000	100,000	100,000	-	100,000
County Jail Fund Indirect Cost	65,000	65,000	65,000	-	71,000
Water Works Fund Indirect Cost	100,000	100,000	100,000	-	150,000
Commissions on tax collections	620,000	620,000	653,918	33,918	631,308
Judicial					
Superior court website fees	500	500	25	(475)	-
Public safety					
Ambulance	850,000	850,000	966,008	116,008	780,498
Corrections - boarding	1,250,000	1,250,000	1,174,910	(75,090)	1,057,778
Corrections - reimbursements	-	-	-	-	2,487
State inmate boarding	15,000	15,000	17,500	2,500	29,696
Federal prison commission	20,000	20,000	90,408	70,408	45,312
Commissions - jail	5,000	5,000	11,458	6,458	5,057
Commissions - corrections	25,000	25,000	61,815	36,815	385,432
Sheriff receipts	20,000	20,000	25,187	5,187	18,793
Public works					
DOT crew	39,500	39,500	39,500	-	39,500
Pipe sales	20,000	20,000	42,961	22,961	23,194
Work crew-City of Manchester	40,000	40,000	47,180	7,180	52,682
Work crew-Talbot County	40,000	40,000	54,792	14,792	60,242
Work crew-City of West Point	40,000	40,000	59,717	19,717	60,611
Work crew-Meriwether County	40,000	40,000	59,384	19,384	54,612
Sale of street signs/posts	-	-	-	-	70
Animal control fees	10,000	10,000	14,271	4,271	13,332
Culture and recreation					
Community center	56,500	56,500	192,744	136,244	113,764
Health and welfare					
Mental health center	6,000	6,000	-	(6,000)	-
Housing and development					
Zoning fees and appeals	5,000	5,000	4,721	(279)	8,875
Plat and plan review fees	5,000	5,000	10,778	5,778	5,790
Total Charges for Services	<u>3,375,850</u>	<u>3,375,850</u>	<u>3,796,786</u>	<u>420,936</u>	<u>3,770,506</u>
Fines and Forfeitures					
Superior court	175,000	175,000	150,232	(24,768)	188,719
Magistrate court	40,000	40,000	36,345	(3,655)	40,116
Probate court	450,000	450,000	486,732	36,732	454,517
Total Fines and Forfeitures	<u>665,000</u>	<u>665,000</u>	<u>673,309</u>	<u>8,309</u>	<u>683,352</u>
Investment Earnings	<u>10,000</u>	<u>10,000</u>	<u>39,160</u>	<u>29,160</u>	<u>7,349</u>
Contributions and Donations	<u>11,000</u>	<u>11,000</u>	<u>45,990</u>	<u>34,990</u>	<u>190,100</u>
Miscellaneous					
Rents and royalties	2,500	2,500	2,914	414	2,485
Other					
Insurance proceeds	-	-	-	-	500
Restitution	-	-	2,670	2,670	1,535
Reimbursement for damaged property	-	-	28,438	28,438	12,026
Miscellaneous	-	-	168	168	117
Total Miscellaneous	<u>2,500</u>	<u>2,500</u>	<u>34,190</u>	<u>31,690</u>	<u>16,663</u>
Total Revenues	<u>25,935,000</u>	<u>25,935,000</u>	<u>28,234,869</u>	<u>2,299,869</u>	<u>27,497,947</u>
Other Financing Sources:					
Proceeds from the sale of capital assets	25,000	25,000	31,640	6,640	28,795
Use of Reserves	939,030	1,346,890	-	(1,346,890)	-
Total Other Financing Sources	<u>964,030</u>	<u>1,371,890</u>	<u>31,640</u>	<u>(1,340,250)</u>	<u>28,795</u>
Total Revenues and Other Financing Sources	<u>\$ 26,899,030</u>	<u>\$ 27,306,890</u>	<u>\$ 28,266,509</u>	<u>\$ 959,619</u>	<u>\$ 27,526,742</u>

Harris County, Georgia
General Fund
Schedule of Expenditures and Other Financing Uses - Budget and Actual
For the Year Ended June 30, 2022
(With Comparative Actual Amounts for The Year Ended June 30, 2021)

	2022			2021	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Expenditures					
General Government					
Voter Registration					
Personal services	\$ 103,650	\$ 121,650	\$ 111,241	\$ 10,409	\$ 85,681
Purchased/contracted services	63,400	63,400	70,427	(7,027)	81,183
Supplies	600	600	1,513	(913)	827
Total Elections	<u>167,650</u>	<u>185,650</u>	<u>183,181</u>	<u>2,469</u>	<u>167,691</u>
General Administration					
Personal services	687,820	707,380	708,392	(1,012)	626,276
Purchased/contracted services	300,700	304,000	296,235	7,765	276,387
Supplies	30,800	35,300	29,635	5,665	25,407
Total Administration	<u>1,019,320</u>	<u>1,046,680</u>	<u>1,034,262</u>	<u>12,418</u>	<u>928,070</u>
Board of Commissioners					
Personal services	121,700	121,700	114,025	7,675	104,656
Purchased/contracted services	21,600	26,600	33,922	(7,322)	10,134
Supplies	5,300	5,300	2,650	2,650	174
Total Board of Commissioners	<u>148,600</u>	<u>153,600</u>	<u>150,597</u>	<u>3,003</u>	<u>114,964</u>
Board of Equalization					
Purchased/contracted services	8,700	8,700	3,410	5,290	2,202
Supplies	200	200	129	71	108
Total Board of Equalization	<u>8,900</u>	<u>8,900</u>	<u>3,539</u>	<u>5,361</u>	<u>2,310</u>
Information Technology					
Personal services	155,600	155,600	153,154	2,446	139,062
Purchased/contracted services	179,700	187,200	196,050	(8,850)	119,735
Supplies	32,150	32,150	28,984	3,166	42,629
Capital outlay	15,200	15,200	5,692	9,508	118,157
Total Information Technology	<u>382,650</u>	<u>390,150</u>	<u>383,880</u>	<u>6,270</u>	<u>419,583</u>
Tax Commissioner					
Personal services	481,150	481,150	478,475	2,675	425,772
Purchased/contracted services	66,600	66,600	61,516	5,084	60,794
Supplies	12,000	12,000	12,624	(624)	10,437
Total Tax Commissioner	<u>559,750</u>	<u>559,750</u>	<u>552,615</u>	<u>7,135</u>	<u>497,003</u>
Tax Assessor					
Personal services	630,234	644,484	618,599	25,885	541,460
Purchased/contracted services	73,550	73,550	73,581	(31)	63,772
Supplies	13,400	13,400	13,634	(234)	8,589
Capital outlay	22,000	22,000	21,950	50	66,412
Total Tax Assessor	<u>739,184</u>	<u>753,434</u>	<u>727,764</u>	<u>25,670</u>	<u>680,233</u>
Totals carried forward	<u>3,026,054</u>	<u>3,098,164</u>	<u>3,035,838</u>	<u>62,326</u>	<u>2,809,854</u>

(continued)

Harris County, Georgia
General Fund
Schedule of Expenditures and Other Financing Uses - Budget and Actual
For the Year Ended June 30, 2022
(With Comparative Actual Amounts for The Year Ended June 30, 2021)

	2022			Variance With Final Budget	2021
	Original Budget	Final Budget	Actual		Actual
Totals brought forward	\$ 3,026,054	\$ 3,098,164	\$ 3,035,838	\$ 62,326	\$ 2,809,854
Expenditures					
Buildings and Plant					
Personal services	353,152	359,152	339,531	19,621	276,400
Purchased/contracted services	132,600	157,600	184,776	(27,176)	161,294
Supplies	155,970	155,970	146,230	9,740	138,915
Capital outlay	-	-	-	-	131,785
Total Buildings and Plant	641,722	672,722	670,537	2,185	708,394
Operations					
Purchased/contracted services	122,500	122,500	105,150	17,350	62,639
Supplies	17,000	17,000	33,196	(16,196)	47,654
Capital outlay	-	-	-	-	4,626
Total Operations	139,500	139,500	138,346	1,154	114,919
Pensions and Insurance					
Property and Casualty	255,000	255,000	250,944	4,056	252,992
Group Health/Life	120,000	-	-	-	-
Total Pensions and Insurance	375,000	255,000	250,944	4,056	252,992
Total General Government	4,182,276	4,165,386	4,095,665	69,721	3,886,159
Judicial					
Superior Court					
Personal services	486,520	490,520	485,010	5,510	453,581
Purchased/contracted services	158,150	158,150	118,863	39,287	86,414
Supplies	14,500	14,500	9,263	5,237	13,208
Total Superior Court	659,170	663,170	613,136	50,034	553,203
Probate Court					
Personal services	337,100	340,100	323,828	16,272	300,531
Purchased/contracted services	33,200	33,200	21,101	12,099	12,668
Supplies	27,000	27,000	15,866	11,134	25,877
Capital outlay	-	-	-	-	18,791
Total Probate Court	397,300	400,300	360,795	39,505	357,867
Court Services					
Personal services	134,000	134,000	129,244	4,756	137,381
Purchased/contracted services	240,250	240,250	230,775	9,475	152,729
Supplies	4,000	4,000	2,103	1,897	2,957
Capital outlay	-	-	-	-	27,725
Total Court Services	378,250	378,250	362,122	16,128	320,792
Magistrate Court					
Personal services	267,500	267,500	257,987	9,513	239,696
Purchased/contracted services	12,300	12,300	6,568	5,732	7,442
Supplies	14,500	14,500	6,425	8,075	4,950
Capital outlay	-	-	-	-	21,741
Total Magistrate Court	294,300	294,300	270,980	23,320	273,829
Totals carried forward	5,911,296	5,901,406	5,702,698	198,708	5,391,850

(continued)

Harris County, Georgia
General Fund
Schedule of Expenditures and Other Financing Uses - Budget and Actual
For the Year Ended June 30, 2022
(With Comparative Actual Amounts for The Year Ended June 30, 2021)

	2022			Variance With Final Budget	2021
	Original Budget	Final Budget	Actual		Actual
Totals brought forward	\$ 5,911,296	\$ 5,901,406	\$ 5,702,698	\$ 198,708	\$ 5,391,850
Expenditures					
Judicial (Continued)					
Assistant District Attorney					
Personal services	310,660	310,660	268,294	42,366	258,492
Purchased/contracted services	10,500	10,500	6,475	4,025	6,610
Supplies	11,371	11,371	11,025	346	6,757
District attorney reimbursement	-	-	(81,564)	81,564	(90,465)
Total Assistant District Attorney	332,531	332,531	204,230	128,301	181,394
Total Judicial	2,061,551	2,068,551	1,811,263	257,288	1,687,085
Totals carried forward	6,243,827	6,233,937	5,906,928	327,009	5,573,244

(continued)

Harris County, Georgia
General Fund
Schedule of Expenditures and Other Financing Uses - Budget and Actual
For the Year Ended June 30, 2022
(With Comparative Actual Amounts for The Year Ended June 30, 2021)

	2022			Variance	2021
	Original Budget	Final Budget	Actual	With Final Budget	Actual
Totals brought forward	\$ 6,243,827	\$ 6,233,937	\$ 5,906,928	\$ 327,009	\$ 5,573,244
Expenditures					
Public Safety					
Sheriff					
Personal services	3,905,500	3,925,500	3,744,054	181,446	3,200,770
Purchased/contracted services	175,998	175,998	187,753	(11,755)	161,259
Supplies	326,926	326,926	369,243	(42,317)	316,060
Capital outlay	-	-	-	-	60,679
Total Sheriff	4,408,424	4,428,424	4,301,050	127,374	3,738,768
Emergency Medical					
Personal services	2,538,400	2,547,400	2,506,252	41,148	2,266,016
Purchased/contracted services	141,450	331,450	323,118	8,332	129,994
Supplies	148,200	148,200	151,598	(3,398)	145,875
Capital outlay	20,500	20,500	21,172	(672)	15,723
Total Emergency Medical	2,848,550	3,047,550	3,002,140	45,410	2,557,608
Jail Operations					
Personal services	1,696,600	1,716,600	1,608,853	107,747	1,510,221
Purchased/contracted services	414,190	414,190	391,378	22,812	364,185
Supplies	137,500	137,500	130,412	7,088	91,507
Capital outlay	-	-	-	-	11,553
Total Jail Operations	2,248,290	2,268,290	2,130,643	137,647	1,977,466
Corrections					
Personal services	2,202,400	2,207,900	2,033,889	174,011	1,960,259
Purchased/contracted services	203,950	203,950	186,378	17,572	215,219
Supplies	516,800	516,800	572,528	(55,728)	462,622
Capital outlay	159,700	350,200	308,991	41,209	23,500
Total Corrections	3,082,850	3,278,850	3,101,786	177,064	2,661,600
Totals carried forward	18,831,941	19,257,051	18,442,547	814,504	16,508,686

Harris County, Georgia
General Fund
Schedule of Expenditures and Other Financing Uses - Budget and Actual
For the Year Ended June 30, 2022
(With Comparative Actual Amounts for The Year Ended June 30, 2021)

	2022			Variance With Final Budget	2021
	Original Budget	Final Budget	Actual		Actual
Totals brought forward	\$ 18,831,941	\$ 19,257,051	\$ 18,442,547	\$ 814,504	\$ 16,508,686
Expenditures					
Public Safety (Continued)					
Coroner					
Personal services	23,530	26,530	36,701	(10,171)	30,055
Purchased/contracted services	50,860	50,860	34,884	15,976	42,370
Supplies	5,575	5,575	4,892	683	3,241
Total Coroner/Medical Examiner	79,965	82,965	76,477	6,488	75,666
Fire Prevention					
Personal services	40,000	40,000	35,088	4,912	30,503
Purchased/contracted services	89,000	96,800	100,376	(3,576)	81,429
Supplies	5,500	5,500	9,624	(4,124)	3,535
Capital outlay	278,834	278,834	275,632	3,202	268,358
Total Fire Prevention	413,334	421,134	420,720	414	383,825
Total Public Safety	13,081,413	13,527,213	13,032,816	494,397	11,394,933
Public Works					
Road Maintenance					
Personal services	1,297,265	1,299,265	1,192,116	107,149	1,031,863
Purchased/contracted services	129,700	129,700	132,743	(3,043)	146,213
Supplies	345,500	345,500	391,028	(45,528)	207,083
Capital outlay	1,051,000	972,850	1,006,695	(33,845)	1,483,034
Total Road Maintenance	2,823,465	2,747,315	2,722,582	24,733	2,868,193
Animal Control					
Personal services	174,100	174,100	158,777	15,323	156,505
Purchased/contracted services	19,850	19,850	19,479	371	14,314
Supplies	22,800	22,800	23,562	(762)	23,810
Capital outlay	-	-	-	-	5,760
Total Animal Control	216,750	216,750	201,818	14,932	200,389
Vehicle Maintenance					
Personal services	410,399	410,999	408,013	2,986	349,036
Purchased/contracted services	23,000	23,000	18,360	4,640	17,728
Supplies	48,500	48,500	50,894	(2,394)	44,158
Capital outlay	54,000	54,000	4,850	49,150	-
Total Vehicle Maintenance	535,899	536,499	482,117	54,382	410,922
Total Public Works	3,576,114	3,500,564	3,406,517	94,047	3,479,504
Totals carried forward	22,901,354	23,261,714	22,346,261	915,453	20,447,681

(continued)

Harris County, Georgia
General Fund
Schedule of Expenditures and Other Financing Uses - Budget and Actual
For the Year Ended June 30, 2022
(With Comparative Actual Amounts for The Year Ended June 30, 2021)

	2022			2021	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Totals brought forward	\$ 22,901,354	\$ 23,261,714	\$ 22,346,261	\$ 915,453	\$ 20,447,681
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	27,495	4,675	26,898
Total Public Services	32,170	32,170	27,495	4,675	26,898
Total Health and Welfare	282,170	282,170	277,495	4,675	276,898
Culture and Recreation					
Culture:					
Libraries	263,868	263,868	263,868	-	263,912
Recreation:					
Personal services	391,920	391,920	370,083	21,837	304,122
Purchased/contracted services	218,700	218,700	244,059	(25,359)	172,070
Supplies	153,950	153,950	122,401	31,549	115,086
Capital outlay	444,000	444,000	398,669	45,331	99,697
Total Recreation	1,208,570	1,208,570	1,135,212	73,358	690,975
Community Center:					
Personal services	212,400	212,400	201,285	11,115	187,638
Purchased/contracted services	103,500	138,500	113,710	24,790	112,449
Supplies	155,500	155,500	186,240	(30,740)	146,661
Capital outlay	-	-	-	-	7,470
Total Community Center	471,400	506,400	501,235	5,165	454,218
Total Culture and Recreation	1,943,838	1,978,838	1,900,315	78,523	1,409,105
Totals carried forward	25,127,362	25,522,722	24,524,071	998,651	22,133,684

(continued)

Harris County, Georgia
General Fund
Schedule of Expenditures and Other Financing Uses - Budget and Actual
For the Year Ended June 30, 2022
(With Comparative Actual Amounts for The Year Ended June 30, 2021)

	2022			Variance	2021
	Original Budget	Final Budget	Actual	With Final Budget	Actual
Totals brought forward	\$ 25,127,362	\$ 25,522,722	\$ 24,524,071	\$ 998,651	\$ 22,133,684
Expenditures					
Housing and Development (Continued)					
Community Development					
Personal services	453,320	465,820	387,319	78,501	349,211
Purchased/contracted services	162,900	162,900	138,724	24,176	168,427
Supplies	23,800	23,800	24,634	(834)	17,882
Capital outlay	30,000	30,000	29,650	350	32,584
Total Community Development	670,020	682,520	580,327	102,193	568,104
Extension Services					
Personal services	124,450	124,450	121,007	3,443	119,133
Purchased/contracted services	17,800	17,800	14,575	3,225	12,373
Supplies	10,100	10,100	8,149	1,951	9,008
Total Extension Services	152,350	152,350	143,731	8,619	140,514
Total Housing and Development	822,370	834,870	724,058	110,812	708,618
Debt Service					
Principal	80,623	80,623	80,623	-	77,634
Interest	9,675	9,675	9,675	-	12,664
Total Debt Service	90,298	90,298	90,298	-	90,298
Total Expenditures	26,040,030	26,447,890	25,338,427	1,109,463	22,932,600
Other Financing Uses					
Transfers out:					
E-911	859,000	859,000	642,488	216,512	786,650
Total Other Financing Uses	859,000	859,000	642,488	216,512	786,650
Total Expenditures and Other Financing Uses	\$ 26,899,030	\$ 27,306,890	\$ 25,980,915	\$ 1,325,975	\$ 23,719,250

Harris County, Georgia
Combining Balance Sheet
Nonmajor Governmental Funds - By Fund Type
June 30, 2022

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Debt Service Funds	Total Nonmajor Governmental Funds
Assets				
Cash and cash equivalents	\$ 1,085,681	\$ -	\$ -	\$ 1,085,681
Restricted cash and cash equivalents	158,752	2,587,207	-	2,745,959
Receivables:				
Accounts	92,326	-	-	92,326
Intergovernmental	6,816	-	-	6,816
Interfund	-	277,056	-	277,056
Sales taxes	-	121,280	-	121,280
Prepaid expenses	50,203	-	-	50,203
Total Assets	\$ 1,393,778	\$ 2,985,543	\$ -	\$ 4,379,321
Liabilities and Fund Balances				
Liabilities				
Accounts payable	\$ 54,843	\$ 249,351	\$ -	\$ 304,194
Retainage payable	-	27,705	-	27,705
Accrued expenditures payable	55,821	-	-	55,821
Interfund payable	882,582	277,056	-	1,159,638
Total Liabilities	993,246	554,112	-	1,547,358
Fund Balances				
Nonspendable	50,203	-	-	50,203
Restricted	149,106	2,431,431	-	2,580,537
Assigned	251,426	-	-	251,426
Unassigned	(50,203)	-	-	(50,203)
Total Fund Balances	400,532	2,431,431	-	2,831,963
Total Liabilities and Fund Balances	\$ 1,393,778	\$ 2,985,543	\$ -	\$ 4,379,321

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, 2022

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Debt Service Funds	Total Nonmajor Governmental Funds
Revenues				
Taxes	\$ 211,642	\$ 1,332,926	\$ -	\$ 1,544,568
Interest	-	4,120	11,994	16,114
Intergovernmental	-	778,868	-	778,868
Charges for services	809,967	-	778,717	1,588,684
Fines and forfeitures	77,809	-	-	77,809
Total Revenues	1,099,418	2,115,914	790,711	4,006,043
Expenditures				
Current:				
Judicial	9,631	-	-	9,631
Public safety	1,455,371	-	-	1,455,371
Health and welfare	35,619	-	-	35,619
Housing and development	211,900	45,000	-	256,900
Capital Outlay	-	1,733,697	-	1,733,697
Debt Service:				
Principal retirement	-	630,000	801,073	1,431,073
Interest and fiscal charges	-	103,868	14,198	118,066
Total Expenditures	1,712,521	2,512,565	815,271	5,040,357
Excess (Deficiency) of Revenues Over (Under) Expenditures	(613,103)	(396,651)	(24,560)	(1,034,314)
Other Financing Sources (Uses)				
Transfers in	642,488	-	-	642,488
Total Other Financing Sources	642,488	-	-	642,488
Net Change in Fund Balances	29,385	(396,651)	(24,560)	(391,826)
Fund Balances Beginning of Year	371,147	2,828,082	24,560	3,223,789
Fund Balances End of Year	\$ 400,532	\$ 2,431,431	\$ -	\$ 2,831,963

Harris County, Georgia
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2022

	Hotel Motel Tax	Emergency 911	Law Library	Mental Health Center	Mental Retardation Center	Drug Abuse Treatment	Local Victim Assistance	Jail Fee	Total Nonmajor Special Revenue Funds
Assets									
Cash and cash equivalents	\$ 16,547	\$ 834,255	\$ 70,706	\$ 116,319	\$ 135,107	\$ 52,141	\$ -	\$ 19,358	\$ 1,244,433
Receivables:									
Accounts	25,536	63,792	-	-	-	-	1,398	1,600	92,326
Intergovernmental	-	-	1,352	-	-	1,375	1,515	2,574	6,816
Prepaid expenses	-	50,203	-	-	-	-	-	-	50,203
Total Assets	<u>\$ 42,083</u>	<u>\$ 948,250</u>	<u>\$ 72,058</u>	<u>\$ 116,319</u>	<u>\$ 135,107</u>	<u>\$ 53,516</u>	<u>\$ 2,913</u>	<u>\$ 23,532</u>	<u>\$ 1,393,778</u>
Total Liabilities and Fund Balances									
Liabilities									
Accounts payable	\$ 42,083	9,847	\$ -	\$ -	\$ -	\$ -	\$ 2,913	\$ -	\$ 54,843
Accrued expenditures payable	-	55,821	-	-	-	-	-	-	55,821
Interfund payable	-	882,582	-	-	-	-	-	-	882,582
Total Liabilities	<u>42,083</u>	<u>948,250</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,913</u>	<u>-</u>	<u>993,246</u>
Fund Balances									
Nonspendable	-	50,203	-	-	-	-	-	-	50,203
Restricted	-	-	72,058	-	-	53,516	-	23,532	149,106
Assigned	-	-	-	116,319	135,107	-	-	-	251,426
Unassigned	-	(50,203)	-	-	-	-	-	-	(50,203)
Total Fund Balances	<u>-</u>	<u>-</u>	<u>72,058</u>	<u>116,319</u>	<u>135,107</u>	<u>53,516</u>	<u>-</u>	<u>23,532</u>	<u>400,532</u>
Total Liabilities and Fund Balances	<u>\$ 42,083</u>	<u>\$ 948,250</u>	<u>\$ 72,058</u>	<u>\$ 116,319</u>	<u>\$ 135,107</u>	<u>\$ 53,516</u>	<u>\$ 2,913</u>	<u>\$ 23,532</u>	<u>\$ 1,393,778</u>

Harris County, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2022

	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	\$ 211,642	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 211,642
Charges for services	-	747,883	-	6,000	-	20,760	35,324	-	809,967
Fines and forfeitures	258	-	16,039	-	-	-	-	61,512	77,809
Total Revenues	211,900	747,883	16,039	6,000	-	20,760	35,324	61,512	1,099,418
Expenditures									
Current:									
Judicial	-	-	9,631	-	-	-	-	-	9,631
Public safety	-	1,390,371	-	-	-	-	-	65,000	1,455,371
Health and Welfare	-	-	-	-	-	295	35,324	-	35,619
Housing and development	211,900	-	-	-	-	-	-	-	211,900
Total Expenditures	211,900	1,390,371	9,631	-	-	295	35,324	65,000	1,712,521
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(642,488)	6,408	6,000	-	20,465	-	(3,488)	(613,103)
Other Financing Sources (Uses)									
Transfers in	-	642,488	-	-	-	-	-	-	642,488
Total Other Financing Sources (Uses)	-	642,488	-	-	-	-	-	-	642,488
Net Change in Fund Balances	-	-	6,408	6,000	-	20,465	-	(3,488)	29,385
Fund Balances Beginning of Year	-	-	65,650	110,319	135,107	33,051	-	27,020	371,147
Fund Balances End of Year	\$ -	\$ -	\$ 72,058	\$ 116,319	\$ 135,107	\$ 53,516	\$ -	\$ 23,532	\$ 400,532

Harris County, Georgia
Comparative Balance Sheet
Hotel/Motel Tax Fund
June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Assets		
Equity in pooled cash and investments	\$ 16,547	\$ 9,045
Accounts receivable	25,536	37,039
Interest receivable	-	315
Note receivable	-	15,007
Total Assets	<u>\$ 42,083</u>	<u>\$ 61,406</u>
Liabilities		
Accounts payable	\$ 42,083	\$ 61,406
Total Liabilities	42,083	61,406
Fund Balances		
Unassigned	-	-
Total Liabilities and Fund Balances	<u>\$ 42,083</u>	<u>\$ 61,406</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, 2022 and 2021

	Original Budget	Final Budget	2022	Variance With Final Budget	2021
Revenues					
Hotel/Motel taxes	\$ 80,000	\$ 220,000	\$ 211,642	\$ (8,358)	\$ 212,249
Penalties and Interest	500	500	258	(242)	791
Total Revenues	80,500	220,500	211,900	(8,600)	213,040
Expenditures					
<i>Current</i>					
Housing and development	80,500	220,500	211,900	8,600	213,040
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, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Assets		
Cash and cash equivalents	\$ 834,255	\$ 88,141
Accounts receivable	63,792	62,023
Prepaid expenses	<u>50,203</u>	<u>18,044</u>
Total Assets	<u>\$ 948,250</u>	<u>\$ 168,208</u>
Liabilities		
Accounts payable	\$ 9,847	\$ 7,047
Retainage payable	-	15,154
Accrued expenditures	55,821	49,087
Interfund payable	<u>882,582</u>	<u>96,920</u>
Total Liabilities	<u>948,250</u>	<u>168,208</u>
Fund Balances		
Nonspendable	50,203	18,044
Unassigned	<u>(50,203)</u>	<u>(18,044)</u>
Total Liabilities and Fund Balances	<u>\$ 948,250</u>	<u>\$ 168,208</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, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	2022			2021	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Charges for services - cell	\$ 570,000	\$ 570,000	\$ 601,660	\$ 31,660	\$ 599,352
Charges for services - prepaid	130,000	130,000	145,784	15,784	146,736
Fireworks excise tax	200	200	439	239	263
Interest	200	200	-	(200)	-
Total Revenues	700,400	700,400	747,883	47,483	746,351
Expenditures					
Current:					
Public safety	1,559,400	1,559,400	1,390,371	169,029	1,533,001
Excess (Deficiency) of Revenues Over (Under) Expenditures	(859,000)	(859,000)	(642,488)	216,512	(786,650)
Other Financing Sources					
Transfers in	859,000	859,000	642,488	(216,512)	786,650
Net Change in Fund Balances	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>	-
Fund Balances Beginning of Year			-		-
Fund Balances End of Year			<u>\$ -</u>		<u>\$ -</u>

Harris County, Georgia
Law Library Fund
Comparative Balance Sheet
June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Assets		
Cash and cash equivalents	\$ 70,706	\$ 62,787
Interfund receivables	1,352	2,863
Total Assets	<u>\$ 72,058</u>	<u>\$ 65,650</u>
Fund Balances		
Restricted for law library	<u>\$ 72,058</u>	<u>\$ 65,650</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, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	2022			2021	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Fines and forfeitures	\$ 24,000	\$ 24,000	\$ 16,039	\$ (7,961)	\$ 15,308
Expenditures					
Current:					
Judicial	24,000	24,000	9,631	14,369	7,342
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	6,408	<u>\$ 6,408</u>	7,966
Fund Balances Beginning of Year			<u>65,650</u>		<u>57,684</u>
Fund Balances End of Year			<u>\$ 72,058</u>		<u>\$ 65,650</u>

Harris County, Georgia
Mental Health Center Fund
Comparative Balance Sheets
June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Assets		
Cash and cash equivalents	<u>\$ 116,319</u>	<u>\$ 110,319</u>
Fund Balances		
Assigned for building maintenance and insurance	<u>\$ 116,319</u>	<u>\$ 110,319</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, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	2022			2021	
	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			<u>110,319</u>		<u>104,319</u>
Fund Balances End of Year			<u>\$ 116,319</u>		<u>\$ 110,319</u>

Harris County, Georgia
Mental Retardation Center Fund
Comparative Balance Sheets
June 30, 2022 and 2021

	<u>2022</u>	<u>2021</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, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	<u>2022</u>			<u>2021</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>	<u>Actual</u>
Revenues					
Charges for services	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures					
Current:					
Health and welfare	-	-	-	-	-
Excess of Revenues Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>	-
Fund Balances Beginning of Year			<u>135,107</u>		<u>135,107</u>
Fund Balances End of Year			<u>\$ 135,107</u>		<u>\$ 135,107</u>

Harris County, Georgia
Drug Abuse Fund
Comparative Balance Sheets
June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Assets		
Cash and cash equivalents	\$ 52,141	\$ 30,965
Receivables:		
Accounts	-	205
Interfund	1,375	1,881
Total Assets	<u>\$ 53,516</u>	<u>\$ 33,051</u>
Fund Balances		
Restricted for public safety	<u>\$ 53,516</u>	<u>\$ 33,051</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, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	<u>2022</u>			<u>2021</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>	<u>Actual</u>
Revenues					
Charges for services	\$ 28,000	\$ 28,000	\$ 20,760	\$ (7,240)	\$ 20,411
Expenditures					
Current:					
Health and welfare	28,000	28,000	295	27,705	295
Expenditures	28,000	28,000	295	27,705	295
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	20,465	<u>\$ 20,465</u>	20,116
Fund Balances Beginning of Year			33,051		12,935
Fund Balances End of Year			<u>\$ 53,516</u>		<u>\$ 33,051</u>

Harris County, Georgia
Local Victim Assistance Fund
Comparative Balance Sheets
June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Assets		
Receivables:		
Accounts	\$ 1,398	\$ 2,235
Interfund	1,515	1,932
Total Assets	<u>\$ 2,913</u>	<u>\$ 4,167</u>
Liabilities		
Accounts payable	<u>\$ 2,913</u>	<u>\$ 4,167</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, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	<u>2022</u>			<u>2021</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>	<u>Actual</u>
Revenues					
Charges for services	\$ 39,100	\$ 39,100	\$ 35,324	\$ (3,776)	\$ 31,510
Expenditures					
Current:					
Health and welfare	39,100	39,100	35,324	3,776	31,510
Expenditures	<u>39,100</u>	<u>39,100</u>	<u>35,324</u>	<u>3,776</u>	<u>31,510</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>	-
Fund Balances Beginning of Year			<u>-</u>		<u>-</u>
Fund Balances End of Year			<u>\$ -</u>		<u>\$ -</u>

Harris County, Georgia
Jail Fee Fund
Comparative Balance Sheets
June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Assets		
Cash and cash equivalents	\$ 19,358	\$ 20,065
Receivables:		
Accounts	1,600	3,169
Interfund	<u>2,574</u>	<u>3,786</u>
Total Assets	<u>\$ 23,532</u>	<u>\$ 27,020</u>
Fund Balances		
Restricted for public safety	<u>\$ 23,532</u>	<u>\$ 27,020</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, 2022
(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	<u>2022</u>			<u>2021</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>	<u>Actual</u>
Revenues					
Court fees	\$ 65,000	\$ 65,000	\$ 61,512	\$ (3,488)	\$ 57,220
Expenditures					
Current:					
Public safety	<u>65,000</u>	<u>65,000</u>	<u>65,000</u>	<u>-</u>	<u>71,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	(3,488)	<u>\$ (3,488)</u>	(13,780)
Fund Balances Beginning of Year			<u>27,020</u>		<u>40,800</u>
Fund Balances End of Year			<u>\$ 23,532</u>		<u>\$ 27,020</u>

Harris County, Georgia
Comparative Balance Sheet
Callaway Debt Service Fund
June 30, 2022 and 2021

	2022	2021
Assets		
Equity in pooled cash and investments	\$ -	\$ 24,560
Notes receivable	-	778,717
Total Assets	\$ -	\$ 803,277
Liabilities and Fund Balances		
Liabilities		
Unearned revenue	\$ -	\$ 778,717
Fund Balances		
Restricted for debt service	-	24,560
Total Liabilities and Fund Balances	\$ -	\$ 803,277

Harris County, Georgia
Comparative Statement of Revenues, Expenditures
and Changes in Fund Balances
Callaway Debt Service Fund
For the Fiscal Years Ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Revenues		
Charges for services	\$ 778,717	\$ 60,764
Interest	11,994	11,214
Total Revenues	<u>790,711</u>	<u>71,978</u>
Expenditures		
<i>Debt Service</i>		
Principal	801,073	60,401
Interest	14,198	11,577
Total Expenditures	<u>815,271</u>	<u>71,978</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(24,560)	-
Fund Balances Beginning of Year	<u>24,560</u>	<u>24,560</u>
Fund Balances End of Year	<u>\$ -</u>	<u>\$ 24,560</u>

Harris County, Georgia
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2022

	CARES Act Grant Fund	Capital Projects	Public Improvements Authority	Transportation Investment Act	Total Nonmajor Capital Projects Funds
Assets					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 2,587,207	\$ 2,587,207
Receivables:					
Sales taxes	-	-	-	121,280	121,280
Interfund	-	277,056	-	-	277,056
Total Assets	\$ -	\$ 277,056	\$ -	\$ 2,708,487	\$ 2,985,543
Liabilities and Fund Balances					
Liabilities					
Accounts Payable	\$ -	\$ 249,351	\$ -	\$ -	\$ 249,351
Retainage Payable	-	27,705	-	-	27,705
Interfund Payable	-	-	-	277,056	\$ 277,056
Total Liabilities	-	277,056	-	277,056	554,112
Fund Balances					
Restricted	-	-	-	2,431,431	2,431,431
Total Fund Balances	-	-	-	2,431,431	2,431,431
Total Liabilities Fund Balances	\$ -	\$ 277,056	\$ -	\$ 2,708,487	\$ 2,985,543

Harris County, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Funds
For the Year Ended June 30, 2022

	2022				
	CARES Act Grant Fund	Capital Projects	Public Improvements Authority	Transportation Investment Act	Total Nonmajor Capital Projects Funds
Revenues					
Intergovernmental	\$ 45,000	\$ -	\$ 733,868	\$ -	\$ 778,868
Taxes	-	-	-	1,332,926	1,332,926
Interest	-	-	-	4,120	4,120
Total Revenues	<u>45,000</u>	<u>-</u>	<u>733,868</u>	<u>1,337,046</u>	<u>2,115,914</u>
Expenditures					
Current:					
Public Safety	45,000	-	-	-	45,000
Capital Outlay	-	46,804	-	1,686,893	1,733,697
Debt Service:					
Principal retirement	-	-	630,000	-	630,000
Interest and fiscal charges	-	-	103,868	-	103,868
Total Expenditures	<u>45,000</u>	<u>46,804</u>	<u>733,868</u>	<u>1,686,893</u>	<u>2,512,565</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>(46,804)</u>	<u>-</u>	<u>(349,847)</u>	<u>(396,651)</u>
Net Change in Fund Balance	<u>-</u>	<u>(46,804)</u>	<u>-</u>	<u>(349,847)</u>	<u>(396,651)</u>
Fund Balances Beginning of Year	<u>-</u>	<u>46,804</u>	<u>-</u>	<u>2,781,278</u>	<u>2,828,082</u>
Fund Balances End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,431,431</u>	<u>\$ 2,431,431</u>

Harris County, Georgia
CARES Act Grant Fund
Comparative Balance Sheets
June 30, 2022 and 2021

	2022	2021
Assets		
Intergovernmental receivable	\$ -	\$ -
Liabilities and Fund Balance		
Liabilities		
Interfund payable	\$ -	\$ -
Fund Balances		
Restricted (deficit)	-	-
Total Fund Balances	-	-
Total Liabilities and Fund Balance	\$ -	\$ -

Harris County, Georgia
CARES Act Grant Fund
Comparative Statement of Expenditures
and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Revenues		
Intergovernmental	\$ 45,000	\$ 550,279
Expenditures		
Current:		
Public safety	45,000	550,279
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-
Net Changes in Fund Balances	-	-
Fund Balances Beginning of Year	-	-
Fund Balances End of Year	<u>\$ -</u>	<u>\$ -</u>

Harris County, Georgia
Comparative Balance Sheet
Capital Projects Fund
June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Assets		
Cash and cash equivalents	\$ -	\$ 5,009
Interfund receivable	<u>277,056</u>	<u>391,539</u>
Total Assets	<u>\$ 277,056</u>	<u>\$ 396,548</u>
Liabilities and Fund Balances		
Liabilities		
Accounts payable	\$ 249,351	\$ 318,909
Retainage payable	<u>27,705</u>	<u>30,835</u>
Total Liabilities	<u>277,056</u>	<u>349,744</u>
Fund Balances		
Restricted for construction	<u>-</u>	<u>46,804</u>
Total Liabilities and Fund Balances	<u>\$ 277,056</u>	<u>\$ 396,548</u>

Harris County, Georgia
Comparative Statement of Revenues, Expenditures
and Changes in Fund Balances
Capital Projects Fund
For the Fiscal Years Ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Revenues		
Intergovernmental	\$ -	\$ 61,743
Expenditures		
<i>Capital Outlay</i>	46,804	456,257
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(46,804)</u>	<u>(394,514)</u>
Net Changes in Fund Balances	(46,804)	(394,514)
Fund Balances Beginning of Year	<u>46,804</u>	<u>441,318</u>
Fund Balances End of Year	<u>\$ -</u>	<u>\$ 46,804</u>

Harris County, Georgia
Comparative Balance Sheet
Public Improvements Authority Fund
June 30, 2022 and 2021

	<u>2022</u>	<u>2021</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, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Revenues		
Intergovernmental	\$ 733,868	\$ 731,878
Total Revenues	<u>733,868</u>	<u>731,878</u>
Expenditures		
<i>Debt Service</i>		
Principal	630,000	615,000
Interest	103,868	116,878
Total Expenditures	<u>733,868</u>	<u>731,878</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	-	-
Fund Balances Beginning of Year	<u>-</u>	<u>-</u>
Fund Balances End of Year	<u>\$ -</u>	<u>\$ -</u>

Harris County, Georgia
Comparative Balance Sheet
Transportation Investment Act Fund
June 30, 2022 and 2021

	2022	2021
Assets		
Equity in pooled cash and investments	\$ 2,587,207	\$ 3,108,616
Taxes receivable	121,280	113,177
Total Assets	\$ 2,708,487	\$ 3,221,793
Liabilities and Fund Balances		
Liabilities		
Accounts payable	\$ -	\$ 29,697
Retainage payable	-	19,279
Interfund payable	277,056	391,539
Total Liabilities	277,056	440,515
Fund Balances		
Restricted for capital projects	\$ 2,431,431	\$ 2,781,278

Harris County, Georgia
Comparative Statement of Revenues, Expenditures
and Changes in Fund Balances
Transportation Investment Act Fund
For the Fiscal Years Ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Revenues		
Taxes	\$ 1,332,926	\$ 1,343,096
Interest	4,120	1,481
Total Revenues	<u>1,337,046</u>	<u>1,344,577</u>
Expenditures		
Capital Outlay	<u>1,686,893</u>	<u>1,171,447</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(349,847)</u>	<u>173,130</u>
Net Changes in Fund Balances	(349,847)	173,130
Fund Balances Beginning of Year	<u>2,781,278</u>	<u>2,608,148</u>
Fund Balances End of Year	<u>\$ 2,431,431</u>	<u>\$ 2,781,278</u>

Harris County, Georgia
Comparative Statement of Net Position
Proprietary Fund - Water Works Fund
June 30, 2022 and 2021

Assets	2022	2021
Current Assets:		
Cash and cash equivalents	\$ 2,754,352	\$ 1,972,082
Restricted cash	785,104	779,516
Investments	1,272,500	1,270,593
Receivable:		
Accounts (net)	499,899	516,541
Interest	314	454
Prepaid items	29,485	19,805
Inventories	227,113	141,796
Total Current Assets	5,568,767	4,700,787
Noncurrent Assets:		
Capital assets:		
Nondepreciable	456,830	1,402,837
Depreciable, net	22,128,514	21,909,140
Total Noncurrent Assets	22,585,344	23,311,977
Deferred Outflows of Resources	283,306	269,209
Total Assets and Deferred Outflows of Resources	28,437,417	28,281,973
Liabilities		
Current Liabilities:		
Accounts payable	341,651	103,521
Accrued expenses payable	99,646	82,806
Accrued interest payable	7,230	8,169
Interfund payable	702,486	387,040
Customer deposits payable	497,973	483,283
Compensated absences payable	66,277	51,575
Revenue bonds payable	540,000	530,000
GEFA loans payable	168,818	114,869
Total Current Liabilities	2,424,081	1,761,263
Long-term Liabilities (net of current portion):		
Compensated absences payable	16,569	12,894
Revenue bonds payable	2,979,035	3,531,780
GEFA loans payable	2,982,248	3,213,883
Net pension liability	381,263	405,995
Total Long-term Liabilities	6,359,115	7,164,552
Total Liabilities	8,783,196	8,925,815
Deferred Inflows of Resources	272,890	250,281
Total Liabilities and Deferred Inflows of Resources	9,056,086	9,176,096
Net Position		
Net investment in capital assets	15,915,243	15,921,445
Restricted	322,230	317,335
Unrestricted	3,143,858	2,867,097
Total Net Position	\$ 19,381,331	\$ 19,105,877

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, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Operating Revenues		
Charges for services	\$ 5,797,666	\$ 5,520,956
Operating Expenses		
Personal services	1,836,298	1,723,311
Purchased services	1,886,230	1,326,529
Materials and supplies	1,071,414	858,634
Depreciation	959,105	985,719
Total Operating Expenses	<u>5,753,047</u>	<u>4,894,193</u>
Operating Income	<u>44,619</u>	<u>626,763</u>
Non-Operating Revenues (Expenses)		
Investment earnings	2,187	4,977
Interest and fiscal charges	<u>(130,680)</u>	<u>(131,852)</u>
Total Non-Operating Revenues (Expenses)	<u>(128,493)</u>	<u>(126,875)</u>
Income Before Contributions	(83,874)	499,888
Capital Contributions	<u>359,328</u>	<u>621,593</u>
Change in Net Position	275,454	1,121,481
Net Position Beginning of Year	<u>19,105,877</u>	<u>17,984,396</u>
Net Position End of Year	<u>\$ 19,381,331</u>	<u>\$ 19,105,877</u>

Harris County, Georgia
Comparative Statement of Cash Flows
Proprietary Fund - Water Works Fund
For the Years Ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Increase (Decrease) in Cash and Cash Equivalents		
Cash Flows from Operating Activities		
Cash received from customers	\$ 5,868,608	\$ 5,490,769
Cash payments to employees for services	(1,801,081)	(1,701,285)
Cash payments for goods and services	<u>(2,854,121)</u>	<u>(2,370,640)</u>
Net Cash Provided by (Used in) Operating Activities	<u>1,213,406</u>	<u>1,418,844</u>
Cash Flows from Noncapital Financing Activities		
Interfund payable	<u>315,446</u>	<u>185,244</u>
Net Cash Provided by (Used in) Noncapital Financing Activities	<u>315,446</u>	<u>185,244</u>
Cash Flows from Capital and Related Financing Activities		
Principal paid on GEFA loan	(127,879)	(113,273)
Principal paid on revenue bonds	(530,000)	(520,000)
Interest paid on capital debt	(130,680)	(131,852)
Acquisition of capital assets	(232,470)	(861,328)
Capital grants	<u>279,615</u>	<u>1,004,110</u>
Net Cash Provided by (Used in) Capital and Related Financing Activities	<u>(741,414)</u>	<u>(622,343)</u>
Cash Flows from Investing Activities		
Investment earnings	<u>2,327</u>	<u>5,549</u>
Net Increase (Decrease) in Cash and Cash Equivalents	789,765	987,294
Cash and Cash Equivalents Beginning of Year	<u>4,022,191</u>	<u>3,034,897</u>
Cash and Cash Equivalents End of Year	<u>\$ 4,811,956</u>	<u>\$ 4,022,191</u>
Reconciliation to Statement of Net Position		
Cash and cash equivalents	\$ 2,754,352	\$ 1,972,082
Restricted	785,104	779,516
Investments	<u>1,272,500</u>	<u>1,270,593</u>
Total Cash and Cash Equivalents	<u>\$ 4,811,956</u>	<u>\$ 4,022,191</u>

(continued)

Harris County, Georgia
Comparative Statement of Cash Flows
Proprietary Fund - Water Works Fund
For the Years Ended June 30, 2022 and 2021

(continued)

	2022	2021
Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities		
Operating Income	\$ 44,619	\$ 626,763
Adjustments:		
Depreciation and amortization	959,105	985,719
(Increase) Decrease in Assets:		
Accounts receivable	16,642	(40,320)
Prepaid items	(9,680)	1,676
Inventories	(85,317)	20,393
Increase (Decrease) in Liabilities:		
Accounts payable	238,130	(207,546)
Accrued expenses payable	16,840	17,229
Customer deposits	14,690	10,133
Compensated absences payable	18,377	4,797
Net Cash Provided by (Used in) Operating Activities	\$ 1,213,406	\$ 1,418,844

Harris County, Georgia
Comparative Statement of Net Position
Proprietary Fund - Solid Waste Fund
June 30, 2022 and 2021

Assets	2022	2021
Current Assets:		
Cash and cash equivalents	\$ 479,023	\$ 406,525
Investments	6,715,809	5,801,483
Receivable:		
Accounts (net)	48,334	36,679
Prepaid items	15,590	8,586
Total Current Assets	7,258,756	6,253,273
Noncurrent Assets:		
Capital assets:		
Nondepreciable	250,939	199,250
Depreciable, net	1,494,564	1,036,330
Total Noncurrent Assets	1,745,503	1,235,580
Total Assets	9,004,259	7,488,853
Deferred Outflows of Resources	84,705	73,432
Total Assets and Deferred Outflows of Resources	9,088,964	7,562,285
Liabilities		
Current Liabilities:		
Accounts payable	314,583	46,994
Accrued expenses payable	39,774	28,704
Interfund payable	1,486,053	404,300
Compensated absences payable	18,733	21,900
Closure and postclosure care payable	29,711	24,159
Total Current Liabilities	1,888,854	526,057
Long-term Liabilities (net of current portion):		
Compensated absences payable	4,683	5,475
Closure and postclosure care payable	113,079	133,771
Net pension liability	141,796	152,431
Total Long-term Liabilities	259,558	291,677
Total Liabilities	2,148,412	817,734
Deferred Inflows of Resources	103,647	93,925
Total Liabilities and Deferred Inflows of Resources	2,252,059	911,659
Net Position		
Net investment in capital assets	1,745,503	1,235,580
Unrestricted	5,091,402	5,415,046
Total Net Position	\$ 6,836,905	\$ 6,650,626

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, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Operating Revenues		
Charges for services	\$ 2,350,776	\$ 2,217,593
Intergovernmental revenue	-	4,599
Other financing sources	17,300	2,600
Total Operating Revenues	<u>2,368,076</u>	<u>2,224,792</u>
Operating Expenses		
Personal services	797,956	724,788
Purchased services	294,268	261,145
Purchased services - tipping fees	563,361	503,532
Materials and supplies	220,085	146,765
Depreciation	324,713	255,932
Total Operating Expenses	<u>2,200,383</u>	<u>1,892,162</u>
Operating Income	<u>167,693</u>	<u>332,630</u>
Non-Operating Revenues (Expenses)		
Investment earnings	18,586	11,385
Total Non-Operating Revenues (Expenses)	<u>18,586</u>	<u>11,385</u>
Income Before Transfers In and Contributions	<u>186,279</u>	<u>344,015</u>
Change in Net Position	186,279	344,015
Net Position Beginning of Year	<u>6,650,626</u>	<u>6,306,611</u>
Net Position End of Year	<u><u>\$ 6,836,905</u></u>	<u><u>\$ 6,650,626</u></u>

Harris County, Georgia
Comparative Statement of Cash Flows
Proprietary Fund - Solid Waste Fund
For the Years Ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Increase (Decrease) in Cash and Cash Equivalents		
Cash Flows from Operating Activities		
Cash received from customers	\$ 2,350,776	\$ 2,195,176
Cash payments to employees for services	(787,321)	(699,176)
Cash payments for goods and services	<u>(815,008)</u>	<u>(867,486)</u>
Net Cash Provided by (Used in) Operating Activities	<u>748,447</u>	<u>628,514</u>
Cash Flows from Noncapital Financing Activities		
Interfund payable	<u>1,081,753</u>	<u>(138,648)</u>
Net Cash Provided by (Used in) Noncapital Financing Activities	<u>1,081,753</u>	<u>(138,648)</u>
Cash Flows from Capital and Related Financing Activities		
Acquisition of capital assets	<u>(861,962)</u>	<u>(591,368)</u>
Net Cash Provided by (Used in) Capital and Related Financing Activities	<u>(861,962)</u>	<u>(591,368)</u>
Cash Flows from Investing Activities		
Investment earnings	<u>18,586</u>	<u>11,385</u>
Net Increase (Decrease) in Cash and Cash Equivalents	986,824	(90,117)
Cash and Cash Equivalents Beginning of Year	<u>6,208,008</u>	<u>6,298,125</u>
Cash and Cash Equivalents End of Year	<u>\$ 7,194,832</u>	<u>\$ 6,208,008</u>
Reconciliation to Statement of Net Position		
Cash and cash equivalents	\$ 479,023	\$ 406,525
Investments	<u>6,715,809</u>	<u>5,801,483</u>
Total Cash and Cash Equivalents	<u>\$ 7,194,832</u>	<u>\$ 6,208,008</u>

(continued)

Harris County, Georgia
Comparative Statement of Cash Flows
Proprietary Fund - Solid Waste Fund
For the Years Ended June 30, 2022 and 2021

(continued)

	2022	2021
Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities		
Operating Income	\$ 167,693	\$ 332,630
Adjustments:		
Depreciation and amortization	324,713	255,932
(Increase) Decrease in Assets:		
Accounts receivable	(11,655)	30,179
Prepaid items	(7,004)	83
Increase (Decrease) in Liabilities:		
Accounts payable	267,589	(7,658)
Accrued expenses payable	11,070	8,048
Compensated absences payable	(3,959)	7,008
Other net	-	2,292
Net Cash Provided by (Used in) Operating Activities	\$ 748,447	\$ 628,514

Harris County, Georgia
Comparative Statement of Net Position
Proprietary Fund - Airport Fund
June 30, 2022 and 2021

Assets	2022	2021
Current Assets:		
Accounts receivable	\$ 5,533	\$ 2,525
Prepaid items	12,502	437
Inventories	85,635	55,158
Total Current Assets	103,670	58,120
Noncurrent Assets:		
Capital assets:		
Nondepreciable	314,471	287,971
Depreciable, net	7,825,999	8,184,815
Total Noncurrent Assets	8,140,470	8,472,786
Total Assets	8,244,140	8,530,906
Deferred Outflow of Resources	11,889	10,656
Total Assets and Deferred Inflows	8,256,029	8,541,562
Liabilities		
Current Liabilities:		
Accounts payable	73,648	2,381
Accrued expenses payable	4,358	4,562
Compensated absences payable	1,146	1,789
Interfund payable	976,372	999,338
Total Current Liabilities	1,055,524	1,008,070
Long-term Liabilities (Net of current portion)		
Compensated absences payable	287	447
Net pension liability	11,006	12,169
Total Long-term Liabilities	11,293	12,616
Total Liabilities	1,066,817	1,020,686
Deferred Inflows of Resources	13,663	12,600
Total Liabilities and Deferred Inflows of Resources	1,080,480	1,033,286
Net Position		
Investment in capital assets	8,140,470	8,472,786
Unrestricted (deficit)	(964,921)	(964,510)
Total Net Position	\$ 7,175,549	\$ 7,508,276

Harris County, Georgia
Comparative Statement of Revenues,
Expenses and Changes in Fund Net Position
Proprietary Fund - Airport Fund
For the Years Ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Operating Revenues		
Hanger fees	\$ 114,976	\$ 105,714
Fuel sales	250,921	184,625
Total Operating Revenues	<u>365,897</u>	<u>290,339</u>
Operating Expenses		
Personal services	119,840	99,541
Cost of sales	243,852	139,725
Purchased services	32,647	36,138
Materials and supplies	29,810	62,303
Depreciation	374,906	379,698
Total Operating Expenses	<u>801,055</u>	<u>717,405</u>
Operating Loss Before Contributions and Transfers In	<u>(435,158)</u>	<u>(427,066)</u>
Contributions	<u>102,431</u>	<u>6,063</u>
Total Contributions and Transfers In	<u>102,431</u>	<u>6,063</u>
Change in Net Position	(332,727)	(421,003)
Net Position Beginning of Year	<u>7,508,276</u>	<u>7,929,279</u>
Net Position End of Year	<u>\$ 7,175,549</u>	<u>\$ 7,508,276</u>

Harris County, Georgia
Comparative Statement of Cash Flows
Proprietary Fund - Airport Fund
For the Years Ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Increase (Decrease) in Cash and Cash Equivalents		
Cash Flows from Operating Activities		
Cash received from customers	\$ 365,897	\$ 290,339
Cash payments to employees for services	(120,643)	(97,609)
Cash payments for goods and services	<u>(277,788)</u>	<u>(272,465)</u>
Net Cash Provided by (Used in) Operating Activities	<u>(32,534)</u>	<u>(79,735)</u>
Cash Flows from Noncapital Financing Activities		
Accounts receivable	(3,008)	(2,525)
Interfund payable	<u>(22,966)</u>	<u>77,197</u>
Net Cash Provided by (Used in) Noncapital Financing Activities	<u>(25,974)</u>	<u>74,672</u>
Cash Flows from Capital and Related Financing Activities		
Capital grants	102,431	5,063
Acquisition of capital assets	<u>(43,923)</u>	<u>-</u>
Net Cash Provided by (Used in) Capital and Related Financing Activities	<u>58,508</u>	<u>5,063</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, 2022 and 2021

(continued)

	2022	2021
Reconciliation of Operating (Loss) to Net Cash Provided by (Used in) Operating Activities		
Operating Loss	\$ (435,158)	\$ (427,066)
Adjustments:		
Depreciation and amortization	374,906	379,698
(Increase) Decrease in Assets:		
Prepaid items	(12,065)	269
Inventories	(30,477)	(26,479)
Increase (Decrease) in Liabilities:		
Accounts payable	71,267	(9,546)
Retainage payable	-	(654)
Accrued expenses payable	(204)	1,608
Compensated absences payable	(803)	1,932
Other net	-	503
Net Cash Provided by (Used in) Operating Activities	\$ (32,534)	\$ (79,735)

HARRIS COUNTY, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED WITH SPECIAL SALES TAX PROCEEDS
FOR THE YEAR ENDED JUNE 30, 2022

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	23,993	358,012	382,005
Public Works Facility	1,200,000	0	0	0
Public Safety	2,730,000	1,673,399	338,129	2,011,528
Rails to Trails Recreation Project	245,900	245,900	0	245,900
Fire	1,000,000	166,670	166,670	333,340
Broadband	1,000,000	0	0	0
Roads & Bridges				0
County	982,100	0	0	0
Cities				
Hamilton	565,000	268,761	133,342	402,103
Pine Mountain	625,000	297,816	147,758	445,574
Shiloh	300,000	145,276	72,077	217,353
Waverly Hall	493,000	232,442	115,324	347,766
West Point	459,000	217,914	108,116	326,030
Community Center Debt Repayment	3,700,000	731,878	733,868	1,465,746
Totals	<u>\$ 15,300,000</u>	<u>\$ 4,037,544</u>	<u>\$ 2,173,296</u>	<u>\$ 6,210,840</u>

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

Year began	Authorized amount to be collected	Amount collected to date	Interest collected to date	Expenditures to date	Amount available for future expenditures
2019	<u>\$ 15,300,000</u>	<u>\$ 11,241,811</u>	<u>\$ 6,660</u>	<u>\$ 6,210,840</u>	<u>\$ 5,037,631</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, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated January 5, 2023. Our report includes a reference to other auditors who audited the financial statements of the Harris County Health Department, as described in our report on the County's financial statements. This report includes our consideration of the results of the other auditor's testing of internal control over financial reporting and compliance and other matters that are reported on separately by those auditors. However, this report, insofar as it relates to the results of the other auditors, is based solely on the reports of the other auditors.

Report on Internal Control over Financial Reporting

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

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

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

We did identify a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2022-1 that we consider to be a material weakness.

Report on Compliance and Other Matters

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

The County's Response to Findings

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

Purpose of this Report

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

Robinson, Grimes + Company, P.C.

Certified Public Accountants

January 5, 2023

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

Harris County Board of Commissioners
Harris County, Georgia

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Harris County, Georgia's (the "County") compliance with the types of compliance requirements identified as subject to the audit in the OMB Compliance Supplement that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2022.

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

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

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

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

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

Robinson, Grimes + Company, P.C.

Certified Public Accountants

January 5, 2023

HARRIS COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

FUNDING AGENCY PROGRAM/GRANT	FEDERAL ASSISTANCE LISTINGS NUMBER	PASS-THROUGH ENTITY ID NUMBER	TOTAL EXPENDITURES
DEPARTMENT OF THE TREASURY			
Coronavirus Relief Fund	21.019		\$ 45,000
Coronavirus State and Local Fiscal Recovery Funds	21.027		732,417
			<u>777,417</u>
ENVIRONMENTAL PROTECTION AGENCY			
Pass-Through From Georgia Environmental Finance Authority			
Drinking Water State Revolving Funds Cluster:			
Capitalization Grants for Drinking Water State			
Revolving Funds	66.468	DW2016030	20,688
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION			
Pass-Through From the Governor's Office of Highway Safety			
Highway Safety Cluster:			
State and Community Highway Safety	20.600	TEN-20210FAST 402 PT-026	3,611
FEDERAL AVIATION ADMINISTRATION			
Pass-Through From Georgia Department of Transportation			
Airport Improvement Program	20.106	AP022-9052-17(145)	102,431
DEPARTMENT OF HOMELAND SECURITY			
Pass-Through From Georgia Emergency Management Agency			
Emergency Management Performance Grant	97.042	OEM20-074	9,607
			<u>9,607</u>
Total Expenditures of Federal Awards			<u>\$ 913,754</u>

See Independent Auditor's Report.

HARRIS COUNTY, GEORGIA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

NOTE 1: Summary of Significant Accounting Policies

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

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

NOTE 2: De Minimis Indirect Cost Rate

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

HARRIS COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2022

Summary of Auditor's Results

1. An unmodified opinion, dated January 5, 2023, was issued on the financial statements for the year ended June 30, 2022.
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 January 5, 2023, disclosed one material weakness for the year ended June 30, 2022.
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 January 5, 2023, disclosed no instances of noncompliance for the year ended June 30, 2022.
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 January 5, 2023, disclosed no significant deficiencies or material weaknesses in internal control over major programs for the year ended June 30, 2022.
5. An unmodified opinion, dated January 5, 2023, 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, 2022.
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, 2022.
7. The County's major program for the year ended June 30, 2022 is the Coronavirus State and Local Fiscal Recovery Funds, Federal Assistance Listings Number 21.027.
8. The dollar threshold used to distinguish between Type A and Type B programs was \$750,000, as described in section 200.518 of the Uniform Guidance.
9. The County did not qualify as a low-risk auditee for the year ended June 30, 2022 as described in section 200.520 of the Uniform Guidance.

Harris County, Georgia
Schedule of Findings and Responses
For the year ended June 30, 2022

FINDINGS RELATED TO THE FINANCIAL STATEMENTS

MATERIAL WEAKNESSES

2022-1 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, 2022*

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.

Status – Unresolved: See current year compliance finding 2022-1.