

**LONG COUNTY, GEORGIA**  
**ANNUAL FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED**  
**JUNE 30, 2022**

**LONG COUNTY, GEORGIA**  
**ANNUAL FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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## **FINANCIAL SECTION**



## INDEPENDENT AUDITOR'S REPORT

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**Board of Commissioners  
of Long County, Georgia  
Ludowici, Georgia**

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

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of **Long 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, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, 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, and the budgetary comparisons for the General Fund, E911 Fund, American Rescue Plan Act ("ARPA") Fund, and the Development Authority Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Long County Board of Health, a discretely presented component unit of the County, which represents 100% of the assets, deferred outflows of resources, net position, and revenues of the discretely presented component unit as of June 30, 2022, and the respective changes in financial position for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinions, insofar as it relates to the amounts included for the Long County Board of Health, are based solely on the report of the other auditors.

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

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

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

Management is responsible for the preparation and fair presentation of 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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

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***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis ("MD&A") (on pages 5 – 11) be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors 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 nonmajor fund statements and schedules, the schedule of expenditures of Special Purpose Local Option Sales Tax proceeds as required by the Official Code of Georgia Annotated ("O.C.G.A.") §48-8-121, and the schedule of expenditures of Transportation Special Purpose Local Option Sales Tax proceeds as required by O.C.G.A. §48-8-121, are presented for the purpose of additional analysis and are not required parts 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 by us and other auditors. In our opinion, based on our audit, the combining and individual nonmajor fund statements and schedules, the schedule of expenditures of Special Purpose Local Option Sales Tax proceeds, and the schedule of expenditures of Transportation Special Purpose Local Option Sales Tax proceeds are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated March 13, 2023, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

*Mauldin & Jenkins, LLC*

Savannah, Georgia

March 13, 2023



# **LONG COUNTY, GEORGIA**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2022**

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Within this section of Long County, Georgia's (the "County") annual financial report, the County's management provides narrative discussion and analysis of the financial activities of the County for the 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. The discussion focuses on the County's primary government and, unless otherwise noted, component units reported separately from the primary government are not included.

### **FINANCIAL HIGHLIGHTS**

The County's net position is \$15,135,647 for the year reported. This compares to the previous year when net position was \$15,350,996.

Total net position is comprised of the following:

1. Net investment in capital assets of \$9,401,523 includes property and equipment, net of accumulated depreciation, and reduced by outstanding debt related to the purchase and construction of capital assets.
2. Net position of \$1,305,391 is restricted by constraints imposed upon the County by laws and regulations.
3. Unrestricted net position of \$4,428,733 represents the portion available to maintain the County's continuing obligations to citizens and creditors.

The County's governmental funds reported a total ending fund balance of \$5,373,630 for the fiscal year ended June 30, 2022, a decrease of \$947,398 over the prior year.

At the end of the current period, unassigned fund balance for the General Fund was a positive \$2,848,158.

### **USING THIS ANNUAL REPORT**

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities on pages 12 and 13 provide information about the activities of the County as a whole and present a longer term view of the County's finances. Fund financial statements start on page 14. For governmental activities, these statements tell how these services were financed in the short-term as well as what remains for future spending. Fund financial statements also report the County's operations in more detail than the government-wide statements by providing information about the County's most significant funds. The remaining statements provide financial information about activities for which the County acts solely as trustee or agent for the benefit of those outside of the government.

### **Overview of the Financial Statements**

This Management's Discussion and Analysis ("MD&A") is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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### **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 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 internal activities.

The first of these government-wide financial statements is the Statement of Net Position. This is the County-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 non-financial factors such as diversification to 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 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.

Governmental activities include general government, judicial, public safety, public works, health and welfare, culture and recreation, housing and development, and interest on long-term debt. Business-type activities include water services. The County's fiduciary activities simply hold resources temporarily for others and are not included in the government-wide statements since these assets are not available to fund County programs.

The County's financial reporting includes the funds of the County (primary government) and, additionally, organizations for which the County is accountable (component units). These component units operate independently or provide services directly to the citizens, though the County remains accountable for their activities. These component units are governed by a Board of Directors that the County Commission has appointed. The County Health Department is reported separately from the primary government, though included in the County's overall reporting entity.

The government-wide financial statements are presented on pages 12 and 13 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.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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### **Fund financial statements (Continued)**

All the funds of the County can be divided into categories: 1) governmental funds, 2) proprietary funds, and 3) custodial funds.

Governmental funds are reported in the fund financial statements and encompass essentially 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 spending 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.

Proprietary funds are reported in the fund financial statements and are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for its Water Fund. The accounting method used for these funds is much like that used for a business, the full accrual method.

Since the government-wide focus includes a 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 statement of revenues, expenditures and changes in fund balance provide a reconciliation to assist in understanding the differences between these two perspectives.

Fiduciary funds (i.e., the custodial funds) are reported in the fiduciary fund financial statements, but are excluded from government-wide reporting. Fiduciary fund financial statements report resources that are not available to fund County programs. Fiduciary fund financial statements report similarly to proprietary funds.

The basic fiduciary fund financial statements are presented on pages 25 and 26 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 financial statements are presented on pages 27 – 44 of this report.

### *Required Supplementary Information and Supplementary Information*

In addition to the basic financial statements and accompanying note disclosures, this report also presents this MD&A which is required supplementary information. Additionally, the County reports the combining and individual statements and schedules for nonmajor funds, the schedule of expenditures of Special Purpose Local Option Sales Tax proceeds, and the schedule of expenditures of Transportation Special Purpose Local Option Sales Tax proceeds as supplementary information which begins on page 45 of this report.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Financial Analysis of the County's Government-Wide Financial Statements

The County's assets exceeded its liabilities by \$15,135,647 at June 30, 2022. This is a \$215,349 decrease over the prior year. Assets increased primarily as the result of increased capital assets and receivables and a decrease in cash during 2022. Liabilities decreased as a result of debt payments made during fiscal year 2022 decreasing the long term debt balances. 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
<b>Assets</b>						
Current and other assets	\$ 7,125,164	\$ 9,602,315	\$ 4,503	\$ -	\$ 7,129,667	\$ 9,602,315
Capital assets	12,212,547	11,449,987	34,125	-	12,246,672	11,449,987
<b>Total assets</b>	<b>19,337,711</b>	<b>21,052,302</b>	<b>38,628</b>	<b>-</b>	<b>19,376,339</b>	<b>21,052,302</b>
<b>Liabilities</b>						
Long-term debt outstanding	2,845,149	3,099,137	-	-	2,845,149	3,099,137
Other liabilities	1,395,543	2,602,169	-	-	1,395,543	2,602,169
<b>Total liabilities</b>	<b>4,240,692</b>	<b>5,701,306</b>	<b>-</b>	<b>-</b>	<b>4,240,692</b>	<b>5,701,306</b>
<b>Net position</b>						
Net investment						
in capital assets	9,367,398	8,350,850	34,125	-	9,401,523	8,350,850
Restricted	1,305,391	1,636,872	-	-	1,305,391	1,636,872
Unrestricted	4,424,230	5,363,274	4,503	-	4,428,733	5,363,274
<b>Total net position</b>	<b>\$ 15,097,019</b>	<b>\$ 15,350,996</b>	<b>\$ 38,628</b>	<b>\$ -</b>	<b>\$ 15,135,647</b>	<b>\$ 15,350,996</b>

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Financial Analysis of the County's Government-Wide Financial Statements (Continued)

The County reported positive balances in net position for fiscal year 2022. As noted previously, net position decreased by \$215,349 over that of the prior year. While revenues increased in the current year, expenses increased significantly more than revenues, resulting in the decrease in net position for the fiscal year ended June 30, 2022.

Summary of Statement of Activities						
	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
<b>Revenues</b>						
Program revenues						
Charges for services	\$ 3,766,313	\$ 3,730,551	\$ 1,800	\$ -	\$ 3,768,113	\$ 3,730,551
Operating grants and contributions	1,685,557	1,140,137	-	-	1,685,557	1,140,137
Capital grants and contributions	2,077,724	1,404,454	-	-	2,077,724	1,404,454
General revenues:						
Property taxes	7,000,552	6,624,736	-	-	7,000,552	6,624,736
Other taxes	2,937,450	2,497,095	-	-	2,937,450	2,497,095
Interest	205,061	187,274	-	-	205,061	187,274
Other revenues	91,197	66,467	-	-	91,197	66,467
<b>Total revenues</b>	<b>17,763,854</b>	<b>15,650,714</b>	<b>1,800</b>	<b>-</b>	<b>17,765,654</b>	<b>15,650,714</b>
<b>Expenses</b>						
General government	4,233,267	3,092,418	-	-	4,233,267	3,092,418
Judicial	1,458,523	1,244,743	-	-	1,458,523	1,244,743
Public safety	6,361,837	4,953,053	-	-	6,361,837	4,953,053
Public works	4,459,105	2,698,074	-	-	4,459,105	2,698,074
Health and welfare	268,255	247,513	-	-	268,255	247,513
Culture and recreation	626,742	426,789	-	-	626,742	426,789
Housing and development	451,264	550,881	-	-	451,264	550,881
Water fund	-	-	3,172	-	3,172	-
Interest on long-term debt	118,838	103,927	-	-	118,838	103,927
<b>Total expenses</b>	<b>17,977,831</b>	<b>13,317,398</b>	<b>3,172</b>	<b>-</b>	<b>17,981,003</b>	<b>13,317,398</b>
Change in net position before transfers	(213,977)	2,333,316	(1,372)	-	(215,349)	2,333,316
Transfers	(40,000)	-	40,000	-	-	-
<b>Change in net position</b>	<b>(253,977)</b>	<b>2,333,316</b>	<b>38,628</b>	<b>-</b>	<b>(215,349)</b>	<b>2,333,316</b>
<b>Net position, beginning</b>	<b>15,350,996</b>	<b>13,017,680</b>	<b>-</b>	<b>-</b>	<b>15,350,996</b>	<b>13,017,680</b>
<b>Net position, end of year</b>	<b>\$ 15,097,019</b>	<b>\$ 15,350,996</b>	<b>\$ 38,628</b>	<b>\$ -</b>	<b>\$ 15,135,647</b>	<b>\$ 15,350,996</b>

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Financial Analysis of the County's Fund Level Financial Statements

#### *Governmental funds*

As discussed, governmental funds are reported in the fund statements with a current financial resources measurement focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financial requirements.

The General Fund is the County's primary operating fund and the largest source of day-to-day service delivery. The General Fund reported ending fund balance of \$2,902,600. Of this year-end total, \$2,848,158 is unassigned. The remaining \$54,442 is reported as non-spendable related to prepaid items.

The County reports four additional major governmental funds in addition to the General Fund – the E911 Fund, the Development Authority Fund, the American Rescue Plan Act ("ARPA") Fund, and the Special Purpose Local Option Sales Tax ("SPLOST") Fund. Fund balance for the E911 Fund remained the same as the last fiscal year. Fund balance for the Development Authority Fund increased \$86,651 as a result of the decreased costs in the current year. Fund balance for the ARPA Fund increased \$2,488 as the result of interest income. Fund balance for the SPLOST Fund decreased \$468,241 as a result of decreased SPLOST collections.

### Capital Asset and Debt Administration

#### *Capital assets*

The County's investment in capital assets, net of accumulated depreciation, as of June 30, 2022, was \$12,246,672. The increase was the result of current year additions exceeding depreciation expense. Significant current year additions included equipment for various departments, road projects, as well as buildings and improvements.

Capital Asset Activity						
	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 1,419,724	\$ 1,094,724	\$ -	\$ -	\$ 1,419,724	\$ 1,094,724
Buildings and improvements	2,338,731	2,047,287	-	-	2,338,731	2,047,287
Machinery, equipment and vehicles	2,787,514	2,891,591	-	-	2,787,514	2,891,591
Infrastructure	5,666,578	5,416,385	34,125	-	5,700,703	5,416,385
	<u>\$ 12,212,547</u>	<u>\$ 11,449,987</u>	<u>\$ 34,125</u>	<u>\$ -</u>	<u>\$ 12,246,672</u>	<u>\$ 11,449,987</u>

See Note 6 for additional information about the County's capital assets.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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### Capital Asset and Debt Administration (Continued)

#### *Long-term debt*

At the end of the year, the County had total long-term debt outstanding of \$2,845,149. The decrease from the prior year was the result of principal payments made during the fiscal year ended June 30, 2022.

The County's long-term debt relates to capital leases and a note payable.

	Long-term Debt Activity					
	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Financed purchases	\$ 2,338,591	\$ 2,720,722	\$ -	\$ -	\$ 2,338,591	\$ 2,720,722
Note payable	506,558	378,415	-	-	506,558	378,415
	<u>\$ 2,845,149</u>	<u>\$ 3,099,137</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,845,149</u>	<u>\$ 3,099,137</u>

See Note 7 for additional information about the County's long-term debt.

### ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The County's elected and appointed officials considered many factors when setting the year ended June 30, 2022 budget and tax rates. General Fund revenues and expenditures were budgeted with a 3.03% and 6.58% increase, respectively, when compared to the previous year.

### 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 of public accountability. If you have questions about this report or would like to request additional information, contact:

Long County Board of Commissioners  
P.O. Box 476  
Ludowici, Georgia 31316

## **BASIC FINANCIAL STATEMENTS**



# LONG COUNTY, GEORGIA

## STATEMENT OF NET POSITION JUNE 30, 2022

	Primary Government			Component Unit
	Governmental	Business-Type		Long County
	Activities	Activities	Total	Board of Health
ASSETS				
Cash and cash equivalents	\$ 5,619,618	\$ 2,703	\$ 5,622,321	\$ 724,833
Receivables, net	863,831	-	863,831	1,491
Due from other governments	185,809	-	185,809	16,577
Prepaid items	54,442	-	54,442	-
Internal balances	(1,800)	1,800	-	-
Assets held for resale	403,264	-	403,264	-
Net OPEB asset	-	-	-	2,071
Capital assets, non-depreciable	1,419,724	-	1,419,724	-
Capital assets, depreciable, net of accumulated depreciation	10,792,823	34,125	10,826,948	3,025
Total assets	19,337,711	38,628	19,376,339	747,997
DEFERRED OUTFLOWS OF RESOURCES				
Pension	-	-	-	98,163
OPEB	-	-	-	20,783
Total deferred outflows of resources	-	-	-	118,946
LIABILITIES				
Accounts payable	617,973	-	617,973	5,350
Accrued liabilities	193,737	-	193,737	4,671
Unearned revenue	583,833	-	583,833	-
Financed purchases due within one year	785,266	-	785,266	-
Financed purchases due in more than one year	1,553,325	-	1,553,325	-
Note payable due within one year	170,204	-	170,204	-
Note payable due in more than one year	336,354	-	336,354	-
Net pension liability due in more than one year	-	-	-	148,215
Other non-current liabilities due in more than one year	-	-	-	18,682
Total liabilities	4,240,692	-	4,240,692	176,918
DEFERRED INFLOWS OF RESOURCES				
Pension	-	-	-	136,987
OPEB	-	-	-	65,896
Total deferred inflows of resources	-	-	-	202,883
NET POSITION				
Net investment in capital assets	9,367,398	34,125	9,401,523	3,025
Restricted for:				
Capital projects	1,135,773	-	1,135,773	-
Judicial	21,566	-	21,566	-
Public safety	139,665	-	139,665	-
Housing and development	8,387	-	8,387	-
Prior year program income	-	-	-	202,698
Unrestricted	4,424,230	4,503	4,428,733	281,419
Total net position	\$ 15,097,019	\$ 38,628	\$ 15,135,647	\$ 487,142

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

# LONG COUNTY, GEORGIA

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

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position			Component Unit Long County Board of Health
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	
<b>Primary government</b>								
Governmental activities:								
General government	\$ 4,233,267	\$ 905,234	\$ 1,067,326	\$ -	\$ (2,260,707)	\$ -	\$ (2,260,707)	\$ -
Judicial	1,458,523	846,200	-	-	(612,323)	-	(612,323)	-
Public safety	6,361,837	621,565	534,876	-	(5,205,396)	-	(5,205,396)	-
Public works	4,459,105	1,279,065	-	1,979,224	(1,200,816)	-	(1,200,816)	-
Health and welfare	268,255	26,946	14,000	-	(227,309)	-	(227,309)	-
Culture and recreation	626,742	84,803	14,168	-	(527,771)	-	(527,771)	-
Housing and development	451,264	2,500	55,187	98,500	(295,077)	-	(295,077)	-
Interest on long-term debt	118,838	-	-	-	(118,838)	-	(118,838)	-
Total governmental activities	17,977,831	3,766,313	1,685,557	2,077,724	(10,448,237)	-	(10,448,237)	-
Business-type activities:								
Water Fund	3,172	1,800	-	-	-	(1,372)	(1,372)	-
Total business-type activities	3,172	1,800	-	-	-	(1,372)	(1,372)	-
Total primary government	\$ 17,981,003	\$ 3,768,113	\$ 1,685,557	\$ 2,077,724	\$ (10,448,237)	\$ (1,372)	\$ (10,449,609)	\$ -
<b>Component unit</b>								
Long County Board of Health	\$ 385,207	\$ 202,764	\$ 235,249	\$ -	\$ -	\$ -	\$ -	\$ 52,806
Total component unit	\$ 385,207	\$ 202,764	\$ 235,249	\$ -	\$ -	\$ -	\$ -	\$ 52,806
General revenues:								
Property taxes					7,000,552	-	7,000,552	-
Sales taxes					1,934,343	-	1,934,343	-
Other taxes					1,003,107	-	1,003,107	-
Unrestricted investment earnings					205,061	-	205,061	-
Gain on sale of capital assets					91,197	-	91,197	-
Intra/inter agency					-	-	-	136,271
Other local funds					-	-	-	825
Transfers					(40,000)	40,000	-	-
Total general revenues					10,194,260	40,000	10,234,260	137,096
Change in net position					(253,977)	38,628	(215,349)	189,902
Net position, beginning of year					15,350,996	-	15,350,996	297,240
Net position, end of year					\$ 15,097,019	\$ 38,628	\$ 15,135,647	\$ 487,142

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

# LONG COUNTY, GEORGIA

## BALANCE SHEET GOVERNMENTAL FUNDS JUNE 30, 2022

	General	E911	Development Authority	ARPA Fund	SPLOST	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>							
Cash and cash equivalents	\$ 2,892,684	\$ 213,516	\$ 209,218	\$ 586,321	\$ 386,478	\$ 1,331,401	\$ 5,619,618
Receivables, net of allowances	829,935	26,799	-	-	-	7,097	863,831
Due from other governments	74,546	-	-	-	111,263	-	185,809
Due from other funds	-	-	-	-	-	20,084	20,084
Assets held for resale	-	-	403,264	-	-	-	403,264
Prepaid items	54,442	-	-	-	-	-	54,442
Total assets	<u>\$ 3,851,607</u>	<u>\$ 240,315</u>	<u>\$ 612,482</u>	<u>\$ 586,321</u>	<u>\$ 497,741</u>	<u>\$ 1,358,582</u>	<u>\$ 7,147,048</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>							
<b>LIABILITIES</b>							
Accounts payable	\$ 377,435	\$ 228,578	\$ -	\$ -	\$ 11,960	\$ -	\$ 617,973
Accrued liabilities	179,157	-	-	-	-	-	179,157
Due to other funds	21,844	-	-	-	-	40	21,884
Unearned revenue	-	-	-	583,833	-	-	583,833
Total liabilities	<u>578,436</u>	<u>228,578</u>	<u>-</u>	<u>583,833</u>	<u>11,960</u>	<u>40</u>	<u>1,402,847</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Unavailable revenue	-	-	-	-	-	-	-
Property taxes	370,571	-	-	-	-	-	370,571
Total deferred inflows of resources	<u>370,571</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>370,571</u>
<b>FUND BALANCES</b>							
Non-spendable:							
Prepaid items	54,442	-	-	-	-	-	54,442
Restricted for:							
Judicial	-	-	-	-	-	21,566	21,566
Public safety programs	-	11,737	-	-	-	127,928	139,665
Capital projects	-	-	-	-	485,781	649,992	1,135,773
Housing and development	-	-	-	-	-	8,387	8,387
Assigned for:							
Industrial development	-	-	612,482	-	-	550,669	1,163,151
ARPA funds	-	-	-	2,488	-	-	2,488
Unassigned	2,848,158	-	-	-	-	-	2,848,158
Total fund balances	<u>2,902,600</u>	<u>11,737</u>	<u>612,482</u>	<u>2,488</u>	<u>485,781</u>	<u>1,358,542</u>	<u>5,373,630</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 3,851,607</u>	<u>\$ 240,315</u>	<u>\$ 612,482</u>	<u>\$ 586,321</u>	<u>\$ 497,741</u>	<u>\$ 1,358,582</u>	
Amounts reported for governmental activities in the Statement of Net Position are different because:							
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.							12,212,547
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as deferred inflows of resources in the funds.							370,571
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.							(2,845,149)
Accrued interest is not due and payable in the current period and, therefore, is not reported in the funds.							(14,580)
Net position of governmental activities							<u>\$ 15,097,019</u>

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

# LONG COUNTY, GEORGIA

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

	General	E911	Development Authority	ARPA Fund	SPLOST	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues</b>							
Taxes	\$ 9,110,754	\$ -	\$ -	\$ -	\$ 1,155,652	\$ -	\$ 10,266,406
Licenses and permits	575,253	-	-	-	-	-	575,253
Intergovernmental	1,186,293	-	98,500	1,315,720	21,413	1,139,197	3,761,123
Charges for services	2,278,057	311,252	-	-	-	396,468	2,985,777
Fines and forfeitures	73,564	-	-	-	-	26,946	100,510
Investment earnings	201,246	-	150	2,488	678	2,657	207,219
Miscellaneous	102,273	-	2,500	-	-	-	104,773
Total revenues	<u>13,527,440</u>	<u>311,252</u>	<u>101,150</u>	<u>1,318,208</u>	<u>1,177,743</u>	<u>1,565,268</u>	<u>18,001,061</u>
<b>Expenditures</b>							
Current:							
General government	3,871,520	-	-	21,465	-	-	3,892,985
Judicial	1,437,666	-	-	-	-	12,859	1,450,525
Public safety	4,865,002	311,252	-	534,876	-	21,814	5,732,944
Public works	3,865,539	-	-	-	-	-	3,865,539
Health and welfare	219,325	-	-	14,000	-	-	233,325
Culture and recreation	411,298	-	-	-	-	-	411,298
Housing and development	349,336	-	53,444	-	-	47,300	450,080
Intergovernmental	80,300	-	-	-	135,621	-	215,921
Capital outlay	-	-	-	-	1,236,081	1,167,855	2,403,936
Debt service:							
Principal	416,977	-	19,077	-	411,061	-	847,115
Interest and fiscal charges	28,289	-	14,478	-	81,348	-	124,115
Total expenditures	<u>15,545,252</u>	<u>311,252</u>	<u>86,999</u>	<u>570,341</u>	<u>1,864,111</u>	<u>1,249,828</u>	<u>19,627,783</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,017,812)</u>	<u>-</u>	<u>14,151</u>	<u>747,867</u>	<u>(686,368)</u>	<u>315,440</u>	<u>(1,626,722)</u>
<b>Other financing sources (uses)</b>							
Proceeds from sale of capital assets	91,197	-	-	-	-	-	91,197
Note proceeds	375,000	-	-	-	218,127	-	593,127
Transfers in	740,379	-	72,500	-	-	-	812,879
Transfers out	(72,500)	-	-	(745,379)	-	-	(817,879)
Total other financing sources (uses)	<u>1,134,076</u>	<u>-</u>	<u>72,500</u>	<u>(745,379)</u>	<u>218,127</u>	<u>-</u>	<u>679,324</u>
Net change in fund balances	(883,736)	-	86,651	2,488	(468,241)	315,440	(947,398)
<b>Fund balances, beginning of year</b>	<u>3,786,336</u>	<u>11,737</u>	<u>525,831</u>	<u>-</u>	<u>954,022</u>	<u>1,043,102</u>	<u>6,321,028</u>
<b>Fund balances, end of year</b>	<u>\$ 2,902,600</u>	<u>\$ 11,737</u>	<u>\$ 612,482</u>	<u>\$ 2,488</u>	<u>\$ 485,781</u>	<u>\$ 1,358,542</u>	<u>\$ 5,373,630</u>

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

## LONG COUNTY, GEORGIA

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

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

Net change in fund balances - total governmental funds	\$	(947,398)
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Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the current period.

Capital outlay	\$	2,115,604	
Depreciation expense		<u>(1,268,044)</u>	847,560

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.	(85,000)
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Revenues in the Statement of Activities that do not provide current financial resources are reported as unavailable revenue in the funds.	(328,404)
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Proceeds from financed purchases	\$	(218,127)	
Note proceeds		(375,000)	
Financed purchases principal payments		600,258	
Note payable principal payments		<u>246,857</u>	253,988

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

Accrued interest		<u>5,277</u>
	\$	<u><u>(253,977)</u></u>

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

# LONG COUNTY, GEORGIA

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

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 7,800,983	\$ 8,676,863	\$ 9,110,754	\$ 433,891
Licenses and permits	482,900	575,254	575,253	(1)
Intergovernmental	358,500	1,186,293	1,186,293	-
Charges for services	2,275,300	2,234,758	2,278,057	43,299
Fines and forfeitures	44,000	64,869	73,564	8,695
Investment income	182,000	188,633	201,246	12,613
Miscellaneous	116,000	81,601	102,273	20,672
<b>Total revenues</b>	<b>11,259,683</b>	<b>13,008,271</b>	<b>13,527,440</b>	<b>519,169</b>
<b>Expenditures</b>				
<b>General government:</b>				
Legislative	435,473	612,011	611,550	461
Clerk of commissioners	399,513	502,821	503,683	(862)
County administrator	79,024	106,843	110,802	(3,959)
Elections	251,798	234,499	245,019	(10,520)
Financial administration	176,750	194,040	194,828	(788)
Tax commissioner	338,318	379,936	381,900	(1,964)
Tax assessor	296,692	256,487	257,949	(1,462)
Risk management	121,369	-	158,412	(158,412)
Government buildings	539,555	810,530	1,407,377	(596,847)
Total general government	<u>2,638,492</u>	<u>3,097,167</u>	<u>3,871,520</u>	<u>(774,353)</u>
<b>Judicial:</b>				
Superior court	96,900	84,750	84,750	-
Clerk of superior court	412,258	468,686	471,211	(2,525)
District attorney	64,951	64,066	64,066	-
State court	61,967	71,375	71,955	(580)
Misdemeanor probation	109,483	114,366	115,821	(1,455)
Solicitor	51,234	57,313	57,506	(193)
Magistrate/Probate court	354,248	394,764	397,009	(2,245)
Juvenile court	42,050	47,319	47,319	-
Public defender	138,972	128,029	128,029	-
Total judicial	<u>1,332,063</u>	<u>1,430,668</u>	<u>1,437,666</u>	<u>(6,998)</u>
<b>Public safety:</b>				
Sheriff	2,556,051	3,041,672	3,016,522	25,150
Housing of prisoners	497,500	441,006	441,006	-
Fire department	551,669	828,689	835,265	(6,576)
Emergency medical services	314,262	295,975	295,975	-
Coroner	44,330	45,570	45,596	(26)
Emergency management	213,864	93,802	230,638	(136,836)
Total public safety	<u>4,177,676</u>	<u>4,746,714</u>	<u>4,865,002</u>	<u>(118,288)</u>
<b>Public works:</b>				
Street department	933,703	1,781,849	2,612,115	(830,266)
Sanitation department	982,132	1,153,308	1,253,424	(100,116)
Total public works	<u>1,915,835</u>	<u>2,935,157</u>	<u>3,865,539</u>	<u>(930,382)</u>

(Continued)

# LONG COUNTY, GEORGIA

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

	Budget			Variance With
	Original	Final	Actual	Final Budget
<b>Expenditures (Continued):</b>				
<b>Health and welfare:</b>				
Public welfare	\$ 123,000	\$ 456	\$ 456	\$ -
Meals programs	158,400	159,140	159,140	-
Transportation services	79,948	59,729	59,729	-
Total health and welfare	<u>361,348</u>	<u>219,325</u>	<u>219,325</u>	<u>-</u>
<b>Culture and recreation:</b>				
Recreation	336,449	399,046	411,298	(12,252)
Total culture and recreation	<u>336,449</u>	<u>399,046</u>	<u>411,298</u>	<u>(12,252)</u>
<b>Housing and development:</b>				
County extension	39,207	45,353	46,178	(825)
Forestry conservation	23,903	21,122	21,092	30
Planning and zoning	17,800	24,188	24,381	(193)
Code enforcement	189,551	268,750	257,685	11,065
Total housing and development	<u>270,461</u>	<u>359,413</u>	<u>349,336</u>	<u>10,077</u>
<b>Debt service:</b>				
Principal	131,809	134,178	416,977	(282,799)
Interest and fiscal charges	-	-	28,289	(28,289)
Total debt service	<u>131,809</u>	<u>134,178</u>	<u>445,266</u>	<u>(311,088)</u>
<b>Intergovernmental assistance</b>	<u>80,300</u>	<u>80,300</u>	<u>80,300</u>	<u>-</u>
<b>Total expenditures</b>	<u>11,244,433</u>	<u>13,401,968</u>	<u>15,545,252</u>	<u>(2,143,284)</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>15,250</u>	<u>(393,697)</u>	<u>(2,017,812)</u>	<u>(1,624,115)</u>
<b>Other financing sources (uses)</b>				
Sale of general capital assets	57,000	91,197	91,197	-
Note proceeds	-	375,000	375,000	-
Transfers in	-	-	740,379	740,379
Transfers out	<u>(72,500)</u>	<u>(72,500)</u>	<u>(72,500)</u>	<u>-</u>
Total other financing sources (uses)	<u>(15,500)</u>	<u>393,697</u>	<u>1,134,076</u>	<u>740,379</u>
<b>Net change in fund balances</b>	(250)	-	(883,736)	(883,736)
<b>Fund balance, beginning of year</b>	<u>3,786,336</u>	<u>3,786,336</u>	<u>3,786,336</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 3,786,086</u>	<u>\$ 3,786,336</u>	<u>\$ 2,902,600</u>	<u>\$ (883,736)</u>

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

# LONG COUNTY, GEORGIA

## E911 FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Budget			Variance With
	Original	Final	Actual	Final Budget
<b>Revenues</b>				
Charges for services	\$ 375,000	\$ 375,000	\$ 311,252	\$ (63,748)
<b>Total revenues</b>	<u>375,000</u>	<u>375,000</u>	<u>311,252</u>	<u>(63,748)</u>
<b>Expenditures</b>				
Current:				
Public safety	375,000	375,000	311,252	63,748
<b>Total expenditures</b>	<u>375,000</u>	<u>375,000</u>	<u>311,252</u>	<u>63,748</u>
<b>Net change in fund balances</b>	-	-	-	-
<b>Fund balance, beginning of year</b>	<u>11,737</u>	<u>11,737</u>	<u>11,737</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 11,737</u>	<u>\$ 11,737</u>	<u>\$ 11,737</u>	<u>\$ -</u>

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



# LONG COUNTY, GEORGIA

## DEVELOPMENT AUTHORITY FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Budget			Variance With
	Original	Final	Actual	Final Budget
<b>Revenues</b>				
Intergovernmental	\$ 26,000	\$ 26,000	\$ 98,500	\$ 72,500
Investment earnings	60	60	150	90
Miscellaneous	-	-	2,500	2,500
<b>Total revenues</b>	<u>26,060</u>	<u>26,060</u>	<u>101,150</u>	<u>75,090</u>
<b>Expenditures</b>				
Current:				
Housing and development	63,250	63,250	53,444	9,806
Debt service:				
Principal	19,077	19,077	19,077	-
Interest	14,478	14,478	14,478	-
<b>Total expenditures</b>	<u>96,805</u>	<u>96,805</u>	<u>86,999</u>	<u>9,806</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(70,745)</u>	<u>(70,745)</u>	<u>14,151</u>	<u>84,896</u>
<b>Other financing sources</b>				
Transfers in	72,500	72,500	72,500	-
<b>Total other financing sources</b>	<u>72,500</u>	<u>72,500</u>	<u>72,500</u>	<u>-</u>
<b>Net change in fund balances</b>	1,755	1,755	86,651	84,896
<b>Fund balance, beginning of year</b>	<u>525,831</u>	<u>525,831</u>	<u>525,831</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 527,586</u>	<u>\$ 527,586</u>	<u>\$ 612,482</u>	<u>\$ 84,896</u>

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

# LONG COUNTY, GEORGIA

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

	Budget		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ -	\$ -	\$ 1,315,720	\$ 1,315,720
Investment earnings	-	-	2,488	2,488
<b>Total revenues</b>	-	-	1,318,208	1,318,208
<b>Expenditures</b>				
Current:				
General government	-	-	21,465	(21,465)
Public safety	-	-	534,876	(534,876)
Health and welfare	-	-	14,000	(14,000)
<b>Total expenditures</b>	-	-	570,341	(570,341)
<b>Excess of revenues over expenditures</b>	-	-	747,867	747,867
<b>Other financing uses</b>				
Transfers out	-	-	(745,379)	(745,379)
Total other financing uses	-	-	(745,379)	(745,379)
<b>Net change in fund balances</b>	-	-	2,488	2,488
<b>Fund balance, beginning of year</b>	-	-	-	-
<b>Fund balance, end of year</b>	\$ -	\$ -	\$ 2,488	\$ 2,488

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

# LONG COUNTY, GEORGIA

## STATEMENT OF NET POSITION PROPRIETARY FUND JUNE 30, 2022

		Water Fund
ASSETS		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents		\$ 2,703
Due from other funds		1,800
Total current assets		<u>4,503</u>
<b>NON-CURRENT ASSETS</b>		
Capital assets		
Depreciable, net of accumulated depreciation		<u>34,125</u>
Total non-current assets		<u>34,125</u>
Total assets		<u><u>\$ 38,628</u></u>
<b>NET POSITION</b>		
Investment in capital assets		\$ 34,125
Unrestricted		<u>4,503</u>
Total net position		<u><u>\$ 38,628</u></u>

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

# LONG COUNTY, GEORGIA

## STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION PROPRIETARY FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Water Fund
<b>OPERATING REVENUE</b>	
Charges for services and sales	\$ 1,800
Total operating revenues	<u>1,800</u>
<b>OPERATING EXPENSES</b>	
Materials and supplies	2,297
Depreciation	875
Total operating expenses	<u>3,172</u>
Operating loss before capital contributions and transfers	<u>(1,372)</u>
<b>CAPITAL CONTRIBUTIONS AND TRANSFERS</b>	
Capital contributions	35,000
Transfers in	5,000
Total contributions and transfers	<u>40,000</u>
Change in net position	38,628
<b>Net position, beginning of year</b>	<u>-</u>
<b>Net position, end of year</b>	<u><u>\$ 38,628</u></u>

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

# LONG COUNTY, GEORGIA

## STATEMENT OF CASH FLOWS PROPRIETARY FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	<u>Water Fund</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash paid to suppliers	<u>\$ (2,297)</u>
Net cash used in operating activities	<u>(2,297)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Transfers in	<u>5,000</u>
Net cash provided by noncapital financing activities	<u>5,000</u>
Net increase in cash and cash equivalents	2,703
Cash and cash equivalents, beginning of year	<u>-</u>
Cash and cash equivalents, end of year	<u><u>\$ 2,703</u></u>
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES</b>	
Operating loss	\$ (1,372)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation	875
Increase in:	
Due from other funds	<u>(1,800)</u>
Net cash used in operating activities	<u><u>\$ (2,297)</u></u>
<b>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES</b>	
Contributions of capital assets from governmental activities	<u><u>\$ 35,000</u></u>

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

# LONG COUNTY, GEORGIA

## STATEMENT OF FIDUCIARY NET POSITION CUSTODIAL FUNDS JUNE 30, 2022

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ASSETS	Custodial Funds
Cash and cash equivalents	\$ 931,717
Taxes receivable	727,105
Total assets	1,658,822
LIABILITIES	
Due to others	882,075
Uncollected taxes	727,105
Total liabilities	1,609,180
NET POSITION	
Restricted:	
Individuals, organizations and other governments	49,642
Total net position	\$ 49,642

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

# LONG COUNTY, GEORGIA

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

	<u>Custodial Funds</u>
<b>ADDITIONS</b>	
Taxes	\$ 21,052,255
Fines and fees	<u>2,746,689</u>
Total additions	<u>23,798,944</u>
<b>DEDUCTIONS</b>	
Taxes and fees paid to other governments	21,052,255
Other custodial disbursements	<u>2,749,615</u>
Total deductions	<u>23,801,870</u>
Change in fiduciary net position	(2,926)
<b>NET POSITION, beginning of year</b>	<u>52,568</u>
<b>NET POSITION, end of year</b>	<u><u>\$ 49,642</u></u>

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

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The government-wide statements (i.e. the statement of net position and the statement of activities) report information on all the non-fiduciary activities of the primary government and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from its legally separate component units for which the primary government is financially accountable.

#### B. Reporting Entity

The County was incorporated in 1921 under the provisions of the laws of the State of Georgia. The County operates under a Board of Commissioners, which consists of a Chairman and four Commissioners and provides the following services: general government, judicial, public safety, public works, health and welfare, culture and recreation, and housing and development. Blended component units, although legally separate entities, are, in substance, part of the government's operations. Discretely presented component units are reported in a separate column of the government-wide financial statements (see note below for description) to emphasize that it is legally separate from the government.

**Blended component unit** – Long County Development Authority (the “Authority”) – included based on funding of budget requirements and the Authority provides services almost entirely to the benefit of the County. This unit is blended into the financial statements as a Special Revenue Fund.

**Discretely presented component unit** – Long County Board of Health D/B/A Long County Public Health Center (the “Center”) – The Center provides various health services for citizens in the County under a contract with the Georgia Department of Human Resources (“DHR”). The County Commission approves a majority of the board members of the Board of Health and approves the budget for its operations.

Complete financial statements for the Long County Board of Health may be obtained at the following address:

Long County Board of Health  
District Health Director, District 9, Unit 1  
150 Scranton Connector  
Brunswick, Georgia 31525-0540



## NOTES TO FINANCIAL STATEMENTS

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

#### C. Basis of Presentation – Government-wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from the governmental funds. Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

#### D. Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the government's funds, proprietary fund, including its fiduciary fund. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented. The emphasis of fund financial statements is on major governmental funds and the major proprietary fund, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The government reports the following major governmental funds:

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

The **E911 Fund** accounts for all financial resources related to the Enhanced 911 system ("E911") that are legally restricted to expenditures for operation of the system.

The **Development Authority ("DDA") Fund** accounts for the promotion and expansion of industry and trade within Long County.

The **American Rescue Plan Act ("ARPA") Fund** accounts for the revenues and expenditures associated with the U.S. Department of Treasury's Coronavirus State and Local Recovery Funds established by the American Rescue Plan Act of 2021.

The **Special Purpose Local Option Sales Tax ("SPLOST") Fund** is used to account for 1% sales tax proceeds restricted for the acquisition or construction of specific capital projects as authorized by local referendum.

The government reports the following major business-type fund:

The **Water Fund** accounts for the promotion and maintenance of new water systems that serve the County.

## NOTES TO FINANCIAL STATEMENTS

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

#### D. Basis of Presentation – Fund Financial Statements (Continued)

Additionally, the government reports the following fund types:

**Special Revenue Funds** – used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

**Capital Projects Funds** – used to account for expenditures for capital improvements made by the County. Financing is provided by the Transportation Special Purpose Local Option Sales Tax (“TSPLOST”) proceeds and impact fees.

**Custodial Funds** – used to account for, on a temporary basis, amounts collected by the Sheriff, Tax Commissioner, Clerk of Court, Magistrate Court and Probate Court that ultimately are transferred to the General Fund or distributed to others.

#### E. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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

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

## NOTES TO FINANCIAL STATEMENTS

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

#### E. Measurement Focus and Basis of Accounting (Continued)

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

#### F. Cash and Cash Equivalents

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

State statutes authorize the County to invest in obligations of the United States Government and agencies or corporations of the United States Government; obligations of any political subdivision of any state; certificates of deposit or time deposits of any national state bank or savings and loan which have deposits insured by the Federal Deposit Insurance Corporation ("FDIC") of Federal Savings and Loan Insurance Corporation ("FSLIC"); prime bankers' acceptances; repurchase agreements; and Georgia Fund 1. The local government investment pool, ("Georgia Fund 1"), created by the Official Code of Georgia Annotated ("O.C.G.A.") §36-83-8, is a stable asset value investment pool, which follows Standard and Poor's criteria for AAAf rated money market funds and is regulated by the Georgia Office of the State Treasurer. Georgia Fund 1 is not registered with the Securities and Exchange Commission ("SEC") as an investment company. Georgia Fund 1's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal (\$1 per share value). The asset value is calculated weekly to ensure stability. Georgia Fund 1 distributes earnings (net of management fees) on a monthly basis and determines participants' shares sold and redeemed based on \$1 per share. The County considers amounts held in Georgia Fund 1 as cash equivalents for financial statement presentation. Georgia Fund 1 is exempt from any disclosure of custodial credit risk. All investments are stated at fair value.

#### G. Receivables

In the fund financial statements, material receivables include revenue accruals such as property taxes, franchise fees, grants and other similar intergovernmental revenues since they are usually both measurable and available. Non-exchange transactions collectible but not available are reported as deferred inflows of resources in the fund financial statements. Accounts receivable includes unpaid sanitation charges. Property taxes and trade receivables are shown net of an allowance for uncollectibles.

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., current portion of interfund loans) or "advances to/from other funds" (i.e., non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

## NOTES TO FINANCIAL STATEMENTS

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

#### H. Prepaid Items

Prepaid balances are for payments made by the County in the current year to provide services occurring in the subsequent fiscal year, and the reserve for prepaid items has been recorded to signify that a portion of fund balance is not available for the subsequent expenditures.

#### I. Capital Assets

In the government-wide financial statements, capital assets which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported as assets in the applicable governmental or business-type activities statement of net position. Capital assets, other than infrastructure assets, are defined by the County as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of three years. Infrastructure assets are defined by the County as assets with a cost of more than \$100,000. Pursuant to the Governmental Accounting Standards Board ("GASB") Statement 34, the County has reported infrastructure completed during the year and included construction in progress in its capital assets. Infrastructure completed prior to implementation of GASB 34 has not been reported. As the County constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical costs. The reported value excludes normal maintenance and repairs which are essentially the amount spent in relation to capital assets that do not increase the capacity or efficiency of the item or extend its useful life beyond the original estimate. In the case of donations, the County values these capital assets at their acquisition value on the date of donation.

Depreciation has been calculated on each class of depreciable property, using the straight-line method. The estimated useful lives are as follows:

Buildings and improvements	20 – 50 years
Infrastructure	20 – 35 years
Machinery, equipment and vehicles	5 – 10 years

#### J. Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. The financed purchase obligations are stated at the original fair market value of leased assets capitalized, less payments since the inception of the lease, discounted at the implicit rate of interest in the lease.

## NOTES TO FINANCIAL STATEMENTS

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

#### K. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County had no items that required reporting in this category.

In addition to liabilities, the statement of net position and the governmental funds balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents the acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has only one type of item, which arises only under a modified accrual basis of accounting, which qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

#### L. Equity Classifications

Equity is classified as net position and displayed in three components in the government-wide financial statements.

- **Net investment in capital assets** consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.
- **Restricted net position** consists of net position with constraints placed on the use either by: 1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or 2) law through constitutional provisions or enabling legislation.
- **Unrestricted net position** consists of all other net position that does not meet the definition of “restricted” or “net investment in capital assets”. In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on constraints imposed on the use of these resources. The non-spendable fund balance classification includes amounts that cannot be spent because they are either: a) not in spendable form – prepaid costs or inventories; or b) legally or contractually required to be maintained intact.

## NOTES TO FINANCIAL STATEMENTS

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

#### L. Equity Classifications (Continued)

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

- **Non-spendable fund balance** reflects the amounts reported as non-spendable when amounts cannot be spent because they are either: (a) not in spendable form (i.e., items that are not expected to be converted to cash), or (b) legally or contractually required to be maintained intact.
- **Restricted fund balance** reflects the constraints imposed on resources either: a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.
- **Committed fund balance** can only be used for specific purposes pursuant to constraints imposed by formal resolution or ordinances of the County Commission – the County's highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the County Commission removes the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.
- **Assigned fund balance** reflects the amounts constrained by the County's "intent" to be used for a specific purpose, but are neither restricted nor committed. The County Commission and the County Administrator have the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as non-spendable and are neither restricted nor committed.
- **Unassigned fund balance** is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

At June 30, 2022, the County did not have committed amounts. The County's restricted fund balance consisted of SPLOST and TSPLOST resources restricted for capital projects and grant resources restricted for judiciary, housing and development, and public safety purposes. The County's assigned fund balance consisted of resources assigned to economic development and ARPA funds.

## NOTES TO FINANCIAL STATEMENTS

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

#### **M. Net Position Flow Assumption**

Sometimes the County will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

#### **N. Fund Balance Flow Assumption**

Sometimes the County will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted 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, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

#### **O. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that may affect the amounts reported in the financial statements and the related notes. Accordingly, actual results could differ from these estimates.

#### **P. Program Revenues**

Amounts reported as program revenues include: 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenue.

## NOTES TO FINANCIAL STATEMENTS

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

#### Q. Property Taxes

Property taxes were levied on September 10, 2021, on property values assessed as of January 1, 2021. A millage rate of 15.597 was adopted on August 31, 2021. Property tax bills were mailed on October 14, 2021 and were considered past due on January 2, 2022, at which time the applicable property was subject to lien, and penalties and interest are assessed.

#### R. Compensated Absences

Employees can earn vacation leave at the rate of five days during the first two years of employment; ten days after three through six years of employment; and 15 days after seven years of employment. Vacation leave may not be carried from one anniversary year to the next. Unused vacation is forfeited. Employees resigning voluntarily and in good standing from County service will be paid for earned, unused vacation leave. Employees dismissed or not resigning in good standing will not be paid for earned, unused vacation leave. The County does not record a liability for vested vacation leave. Expenses are recognized in the financial statements at the time of payment.

Employees can earn sick leave at the rate of five days during the first two years of employment and ten days after two years of service. Ten days is the maximum leave which can be earned per year. Sick leave may be accumulated up to a maximum of 60 days. Unused sick leave will not be paid upon the employee's termination. Accumulated sick leave benefits have not been recorded as a liability because these benefits are paid only upon the illness of an employee, and the amount of such payments cannot be reasonably estimated.

### NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

#### A. Budgets and Budgetary Accounting

State law requires that the County adopt, by ordinance or resolution, an annual balanced budget for the General Fund and all Special Revenue Funds. A budget is balanced when the sum of estimated revenues and appropriated fund balance is equal to appropriations. The legal level of budgetary control over expenditures is exercised by the County at the department level for its General and Special Revenue Funds. Appropriations lapse at year-end.

The County follows these procedures in establishing the budgetary data reflected in the financial statements:

- Prior to year-end, the Finance Director submits to the Board of Commissioners a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.



## NOTES TO FINANCIAL STATEMENTS

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### **NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)**

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

- Public hearings are conducted at the County Courthouse to obtain taxpayer comments.
- Prior to July 1, the budget is legally enacted through approval by the Board of Commissioners.
- Budget for the General Fund is adopted on a basis consistent with generally accepted accounting principles ("GAAP").

The Board of Commissioners has the authority to amend its budget as follows:

Any increase in appropriation for a department, whether accomplished through a change in anticipated revenue or through a transfer of appropriations in any fund among the various accounts within a department shall require only the approval of the budget officer.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

#### B. Excess Expenditures over Appropriations

For the fiscal year ended June 30, 2022, expenditures exceeded appropriations at the legal level of budgetary control (department) as follows:

##### General Fund

##### General government

Clerk of commissioners	\$	862
County administrator		3,959
Elections		10,520
Financial administration		788
Tax commissioner		1,964
Tax assessor		1,462
Risk management		158,412
Government buildings		596,847

##### Judicial

Clerk of superior court		2,525
State court		580
Misdemeanor probation		1,455
Solicitor		193
Magistrate/Probate court		2,245

##### Public safety

Fire department		6,576
Coroner		26
Emergency management		136,836

##### Public works

Street department		830,266
Sanitation department		100,116

##### Culture and recreation

Recreation		12,252
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##### Housing and development

County extension		825
Planning and zoning		193

##### Debt service

Principal		282,799
Interest		28,289

##### ARPA Fund

General government		21,465
Public safety		534,876
Health and welfare		14,000

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

#### B. Excess Expenditures over Appropriations (Continued)

Overspending in the General Fund was funded by excess revenues, transfers from other funds, and fund balance. Overspending in the ARPA Fund was funded by excess revenues over appropriations.

### NOTE 3. CASH AND INVESTMENTS

At year-end, the carrying amount of the County's deposits, including its custodial funds, was \$6,554,038. As of June 30, 2022, the entire bank balance was insured and collateralized with securities held by the pledging financial institution's trust department or agent in the government's name.

Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The O.C.G.A. §45-8-12 provides that there shall not be on deposit at any time in any depository for a time longer than ten days a sum of money which has not been secured by a surety bond, by guarantee of insurance, or by collateral. The aggregate of the face value of such surety bond and the market value of securities pledged shall be equal to and not less than 110% of the public funds being secured after the deduction of the amount of depository insurance. The County has no custodial credit risk policy that would require additional collateral requirements.

As of June 30, 2022, the County had the following investment:

<u>Investment</u>	<u>Average Credit Rating</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (in days)</u>
Georgia Fund 1	AAAf	\$ 11,346	43

Deposit and investment transactions are subject to a variety of risks. The County seeks to promote the safety of principal, provide adequate liquidity for operational needs, earn market rates of return on investments consistent with liquidity needs and investment quality, and conform to legal requirements.

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment. The County does not have a policy that addresses this risk.

Credit risk is the risk that an issuer or counterparty to an investment will not fulfill its obligations. The County does not have a policy that addresses this risk.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 4. RECEIVABLES

Receivables as of June 30, 2022, including the applicable allowances for uncollectible accounts are as follows:

Receivable	General	E911	SPLOST	Nonmajor Governmental	Total
Taxes	\$ 902,286	\$ -	\$ -	\$ -	\$ 902,286
Due from other governments	74,546	-	111,263	-	185,809
Accounts	117,181	26,799	-	7,097	151,077
Gross Receivables	1,094,013	26,799	111,263	7,097	1,239,172
Less: Allowances for uncollectibles	(189,532)	-	-	-	(189,532)
Net Receivables	<u>\$ 904,481</u>	<u>\$ 26,799</u>	<u>\$ 111,263</u>	<u>\$ 7,097</u>	<u>\$ 1,049,640</u>

### NOTE 5. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund receivable and payable balances as of June 30, 2022 are as follows:

Receivable Fund	Payable Fund	Amount
Nonmajor governmental funds	General Fund	\$ 20,044
Nonmajor governmental funds	Nonmajor governmental funds	40
Water Fund	General Fund	1,800
		<u>\$ 21,884</u>

The outstanding balances between funds result mainly from the time lag between the dates that: 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system, and 3) payments between funds are made.

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

Transfers In	Transfers Out	Amount
Development Authority Fund	General Fund	\$ 72,500
Water Fund	ARPA Fund	5,000
General Fund	ARPA Fund	740,379
		<u>\$ 817,879</u>

Transfers are used to move unrestricted General Fund and ARPA Fund revenues to finance various programs that the government must account for in the other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 6. CAPITAL ASSETS

Capital asset activity for governmental activities for the fiscal year ended June 30, 2022, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
<b>Governmental activities:</b>					
Capital assets, not being depreciated					
Land	\$ 1,094,724	\$ 375,000	\$ (50,000)	\$ -	\$ 1,419,724
Total	<u>1,094,724</u>	<u>375,000</u>	<u>(50,000)</u>	<u>-</u>	<u>1,419,724</u>
Capital assets, being depreciated					
Buildings and improvements	4,647,843	431,500	-	-	5,079,343
Machinery, equipment and vehicles	8,656,825	828,863	(145,419)	-	9,340,269
Infrastructure	7,321,683	480,241	-	(35,000)	7,766,924
Total	<u>20,626,351</u>	<u>1,740,604</u>	<u>(145,419)</u>	<u>(35,000)</u>	<u>22,186,536</u>
Less accumulated depreciation for:					
Buildings and improvements	(2,600,556)	(140,056)	-	-	(2,740,612)
Machinery, equipment and vehicles	(5,765,234)	(932,940)	145,419	-	(6,552,755)
Infrastructure	(1,905,298)	(195,048)	-	-	(2,100,346)
Total	<u>(10,271,088)</u>	<u>(1,268,044)</u>	<u>145,419</u>	<u>-</u>	<u>(11,393,713)</u>
Total capital assets, being depreciated, net	<u>10,355,263</u>	<u>472,560</u>	<u>-</u>	<u>(35,000)</u>	<u>10,792,823</u>
Governmental activities capital assets, net	<u>\$ 11,449,987</u>	<u>\$ 847,560</u>	<u>\$ (50,000)</u>	<u>\$ (35,000)</u>	<u>\$ 12,212,547</u>

Depreciation expense was charged to functions/programs of the governmental activities of the primary government as follows:

General government	\$ 55,819
Judicial	7,998
Public safety	543,068
Public works	470,369
Health and welfare	32,747
Culture and recreation	156,859
Housing and development	<u>1,184</u>
Total depreciation expense - governmental activities	<u>\$ 1,268,044</u>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 6. CAPITAL ASSETS (CONTINUED)

Capital asset activity for business-type activities for the fiscal year ended June 30, 2022 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
<b>Business-type activities:</b>					
Capital assets, being depreciated					
Infrastructure	\$ -	\$ -	\$ -	\$ 35,000	\$ 35,000
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>35,000</u>	<u>35,000</u>
Less accumulated depreciation for:					
Infrastructure	-	(875)	-	-	(875)
Total	<u>-</u>	<u>(875)</u>	<u>-</u>	<u>-</u>	<u>(875)</u>
Total capital assets, being depreciated, net	<u>-</u>	<u>(875)</u>	<u>-</u>	<u>35,000</u>	<u>34,125</u>
Governmental activities capital assets, net	<u>\$ -</u>	<u>\$ (875)</u>	<u>\$ -</u>	<u>\$ 35,000</u>	<u>\$ 34,125</u>

Depreciation expense of \$875 was charged to Water for the year ended June 30, 2022.

### NOTE 7. LONG-TERM DEBT

#### A. Note Payable

In April 2020, the County entered into a note payable agreement with Ameris Bank to finance the acquisition of public safety radio and phone equipment. Payments in the amount of \$2,796 are due monthly through May 10, 2035. The note bears interest at a rate of 3%.

The debt service requirements for the County's note payable are as follows:

<u>Fiscal year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 170,204	\$ 13,241	\$ 183,445
2024	23,666	9,889	33,555
2025	24,423	9,132	33,555
2026	25,176	8,379	33,555
2027	25,953	7,602	33,555
2028 – 2032	142,248	25,527	167,775
2033 – 2035	94,888	8,573	103,461
	<u>\$ 506,558</u>	<u>\$ 82,343</u>	<u>\$ 588,901</u>

## NOTES TO FINANCIAL STATEMENTS

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

#### B. Financed Purchases

The County has entered into financed purchase agreements for financing the acquisition of land, buildings, vehicles, and other equipment. Interest rates range from 3.10% to 5.55%. The duration of the agreements are for three to ten years.

The debt service requirements for the County's financed purchase agreements are as follows:

<u>Fiscal year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 785,266	\$ 78,391	\$ 863,657
2024	769,787	50,998	820,785
2025	307,226	16,793	324,019
2026	279,077	8,181	287,258
2027	30,462	6,254	36,716
2028 – 2032	166,773	16,284	183,057
	<u>\$ 2,338,591</u>	<u>\$ 176,901</u>	<u>\$ 2,515,492</u>

Long-term liability activity for the fiscal year ended June 30, 2022 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities					
Financed purchases	\$ 2,720,722	\$ 218,127	\$ (600,258)	\$ 2,338,591	\$ 785,266
Note payable from direct borrowing	378,415	375,000	(246,857)	506,558	170,204
Total long-term liabilities	<u>\$ 3,099,137</u>	<u>\$ 593,127</u>	<u>\$ (847,115)</u>	<u>\$ 2,845,149</u>	<u>\$ 955,470</u>

### NOTE 8. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and workers compensation for which the County carries the following insurance coverages:

The County joined the Georgia Interlocal Risk Management Agency ("GIRMA"). Insurance coverage and deductible options for property, casualty and crime under the policy are selected by County's management based on the anticipated needs. The County is required to pay all premiums, applicable deductibles and assessments billed by GIRMA, as well as following loss reduction and prevention procedures established by GIRMA. GIRMA's responsibility includes paying claims and representing the County in defense and settlement of claims. GIRMA's basis for estimating the liabilities for unpaid claims is Incurred But Not Reported ("IBNR") established by an actuary. The County has not compiled a record of the claims paid up to the applicable deductible for the prior year or the current fiscal year.

## NOTES TO FINANCIAL STATEMENTS

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### **NOTE 8. RISK MANAGEMENT (CONTINUED)**

The County is unaware of any claims which the County is liable for (up to the applicable deductible) which were outstanding and unpaid at June 30, 2022. No provisions have been made in the financial statements for the year ended June 30, 2022, for any estimate of potential unpaid claims.

The County has elected to be a member of the Georgia Municipal Association Workers' Compensation Self-Insurance Fund ("GMAWCSIF"), a risk management agency created under Georgia law. As a participant in the GMAWCSIF, the County has no legal obligation to pay its own workers' compensation claims. The County is required to make an annual contribution to the fund in an amount that is determined on the basis of actuarial projections of losses. With payment of the County's annual contribution, the County has effectively transferred the risk and responsibility for payment of its workers' compensation claims. However, the enabling statute creating the GMAWCSIF permits the fund to levy an assessment upon its members to make up any deficiency the fund may have in surplus or reserves. No amount has been recorded in the financial statements for this contingency as management believes the likelihood for assessment is remote.

The County pays unemployment claims to the State Department of Labor on a reimbursement basis. Liabilities for such claims are immaterial and are not accrued.

### **NOTE 9. COMMITMENTS AND CONTINGENCIES**

The County has participated in a number of federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. Such audits could result in request for reimbursement by the Federal and State agencies for expenditures disallowed under the terms and conditions of the appropriate agency. The amount of expenditures which may be disallowed by granting agencies cannot be determined at this time; although, the County expects such amounts, if any, to be immaterial.

Various claims and lawsuits are pending against the County. The County estimates that the potential claims from the pending lawsuits against the County, not covered by insurance, would not materially affect the financial statements of the County.

In October 2003, the County entered into a third-party leasing arrangement with the Georgia Department of Human Services Division of Family and Children Services to fund the debt service on the building housing the Georgia Department of Family and Children Services in Long County. The arrangement is renewed on an annual basis. The County expects the arrangement to continue for the term of the debt obligation. In the event that the Georgia Department of Human Resources does not renew the third-party leasing arrangement, the County is obligated to make payments sufficient to pay the principal and interest on the debt obligation. Annual debt service on the building is \$111,541. The debt obligation matures on April 1, 2024. At June 30, 2022, the outstanding amount of the debt totaled \$195,655.



## NOTES TO FINANCIAL STATEMENTS

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### **NOTE 10. EMPLOYEE RETIREMENT PLAN**

#### **ACCG 457(b) Deferred Compensation Plan for Long County Employees**

The County offers its employees a deferred compensation plan created in accordance with the Internal Revenue Code Section 457. The plan, a defined contribution plan, is available to all County employees and permits employees to defer a portion of their salary until future years. Plan provisions and contribution requirements are established/amended by the Long County Board of County Commissioners. The County matches the first \$20 of each employee's deferral. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. Plan assets are held in trust for the benefit of the plan participants and their beneficiaries, and will not be diverted to any other purpose. The plan is administered by the Government Employee Benefits Corporation of Georgia. Actual contributions to the plan by plan members were \$85,997 and employer contributions were \$29,708 for the fiscal year ended June 30, 2022.

### **NOTE 11. JOINT VENTURES AND JOINTLY GOVERNED ORGANIZATIONS**

Under Georgia law, the County, in conjunction with other cities and counties in the Coastal Georgia area, is a member of the Coastal Regional Commission of Georgia ("CRC") and is required to pay annual dues thereto. Membership in a CRC is automatic for each municipality and county of the State. The O.C.G.A. §50-8-34 (Georgia Planning Act of 1989) provides for the organization structure of the CRC's. Each county and municipality in the State is required by law to pay minimum annual dues to the CRC based on population. The Board of the CRC includes elected officials from member counties and cities and nonpublic appointed members. The law defines CRC's as "public agencies and instrumentalities of their members". Georgia laws also provide that the member governments are liable for any debts or obligations of a CRC beyond its resources. Complete financial statements of the CRC can be obtained from:

Coastal Regional Commission  
P.O. Box 1917  
Brunswick, Georgia 31521

## **SUPPLEMENTARY INFORMATION**

# LONG COUNTY, GEORGIA

## NONMAJOR GOVERNMENTAL FUNDS

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### SPECIAL REVENUE FUNDS

**Law Library Fund** is used to account for costs of operating and maintaining the County Law Library. Financing is provided from a charge added to and collected on all costs in civil and criminal cases.

**Jail Fund** is used to account for proceeds from jail inmate commissary sales.

**Drug Abuse and Treatment Fund** is used to account for the collection of additional penalties for certain drug related crimes, donations related to drug education and for expenditure of those funds solely and exclusively for drug abuse treatment and education programs relating to controlled substances.

**Seized Assets Fund** is used to account for monies confiscated under federal and state law by Long County law enforcement officers related to controlled substance offenses. Such monies are restricted to defray the cost of complex investigations and to purchase equipment relating to said investigations.

**Community Development Block Grant ("CDBG") Fund** is used to account for the receipt and expenditures of monies received from community block grants for improvements to the community.

### CAPITAL PROJECTS FUNDS

**Impact Fees Fund** is used to account for the receipt and disbursement of impact fees collected in the County.

**Transportation Special Purpose Local Option Sales Tax ("TSPLOST") Fund** is used to account for the collection of the TSPLOST funds collected by the County. These funds are used for transportation projects as approved by voter referendum.

**LONG COUNTY, GEORGIA**

**COMBINING BALANCE SHEET**

**NONMAJOR GOVERNMENTAL FUNDS**

**JUNE 30, 2022**

	Special Revenue				
	Law Library	Jail	Drug Abuse and Treatment	Seized Assets	CDBG
<b>ASSETS</b>					
Cash and cash equivalents	\$ 21,566	\$ 86,910	\$ 21,906	\$ 19,015	\$ 8,407
Receivables	-	-	97	-	-
Due from other funds	-	-	-	-	-
Total assets	<u>\$ 21,566</u>	<u>\$ 86,910</u>	<u>\$ 22,003</u>	<u>\$ 19,015</u>	<u>\$ 8,407</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ 20
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20</u>
<b>FUND BALANCES</b>					
Restricted for:					
Judicial	21,566	-	-	-	-
Public safety	-	86,910	22,003	19,015	-
Capital projects	-	-	-	-	-
Housing and development	-	-	-	-	8,387
Assigned for:					
Industrial development	-	-	-	-	-
Total fund balances	<u>21,566</u>	<u>86,910</u>	<u>22,003</u>	<u>19,015</u>	<u>8,387</u>
Total liabilities and fund balances	<u>\$ 21,566</u>	<u>\$ 86,910</u>	<u>\$ 22,003</u>	<u>\$ 19,015</u>	<u>\$ 8,407</u>

Capital Projects		Total Nonmajor Governmental Funds
Impact Fees	TSPLOST	
\$ 523,585	\$ 650,012	\$ 1,331,401
7,000	-	7,097
20,084	-	20,084
<u>\$ 550,669</u>	<u>\$ 650,012</u>	<u>\$ 1,358,582</u>

\$ -	\$ 20	\$ 40
<u>-</u>	<u>20</u>	<u>40</u>

-	-	21,566
-	-	127,928
-	649,992	649,992
-	-	8,387
<u>550,669</u>	<u>-</u>	<u>550,669</u>
<u>550,669</u>	<u>649,992</u>	<u>1,358,542</u>
<u>\$ 550,669</u>	<u>\$ 650,012</u>	<u>\$ 1,358,582</u>

# LONG COUNTY, GEORGIA

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

	Special Revenue				
	Law Library	Jail	Drug Abuse and Treatment	Seized Assets	CDBG
<b>Revenues</b>					
Fines and forfeitures	\$ 12,900	\$ -	\$ 11,480	\$ 2,566	\$ -
Intergovernmental	-	-	-	-	55,187
Charges for services	-	50,446	-	-	-
Interest income	22	125	22	-	-
Total revenues	<u>12,922</u>	<u>50,571</u>	<u>11,502</u>	<u>2,566</u>	<u>55,187</u>
<b>Expenditures</b>					
Current:					
Judicial	12,859	-	-	-	-
Public safety	-	6,813	12,038	2,963	-
Housing and development	-	-	-	-	47,300
Capital outlay	-	-	-	-	-
Total expenditures	<u>12,859</u>	<u>6,813</u>	<u>12,038</u>	<u>2,963</u>	<u>47,300</u>
Net change in fund balances	63	43,758	(536)	(397)	7,887
<b>Fund balances, beginning of year</b>	<u>21,503</u>	<u>43,152</u>	<u>22,539</u>	<u>19,412</u>	<u>500</u>
<b>Fund balances, end of year</b>	<u>\$ 21,566</u>	<u>\$ 86,910</u>	<u>\$ 22,003</u>	<u>\$ 19,015</u>	<u>\$ 8,387</u>

Capital Projects		Total Nonmajor Governmental Funds
Impact Fees	TSPLOST	
\$ -	\$ -	\$ 26,946
-	1,084,010	1,139,197
346,022	-	396,468
1,008	1,480	2,657
<u>347,030</u>	<u>1,085,490</u>	<u>1,565,268</u>
-	-	12,859
-	-	21,814
-	-	47,300
<u>168,350</u>	<u>999,505</u>	<u>1,167,855</u>
<u>168,350</u>	<u>999,505</u>	<u>1,249,828</u>
178,680	85,985	315,440
371,989	564,007	1,043,102
<u>\$ 550,669</u>	<u>\$ 649,992</u>	<u>\$ 1,358,542</u>

# LONG COUNTY, GEORGIA

## CUSTODIAL FUNDS

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### CUSTODIAL FUNDS

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

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

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

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

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



# LONG COUNTY, GEORGIA

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

ASSETS	Tax Commissioner	Clerk of Superior Court	Probate Court	Magistrate Court	Sheriff	Total
Cash and cash equivalents	\$ 763,563	\$ 121,302	\$ 1,510	\$ 9,360	\$ 35,982	\$ 931,717
Taxes receivable	727,105	-	-	-	-	727,105
Total assets	1,490,668	121,302	1,510	9,360	35,982	1,658,822
LIABILITIES						
Due to others	763,563	71,660	1,510	9,360	35,982	882,075
Uncollected taxes	727,105	-	-	-	-	727,105
Total liabilities	1,490,668	71,660	1,510	9,360	35,982	1,609,180
NET POSITION						
Restricted:						
Individuals, organizations and other governments	-	49,642	-	-	-	49,642
Total net position	\$ -	\$ 49,642	\$ -	\$ -	\$ -	\$ 49,642

# LONG COUNTY, GEORGIA

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

	<u>Tax Commissioner</u>	<u>Clerk of Superior Court</u>	<u>Probate Court</u>	<u>Magistrate Court</u>	<u>Sheriff</u>	<u>Total</u>
<b>ADDITIONS</b>						
Taxes	\$ 21,052,255	\$ -	\$ -	\$ -	\$ -	\$ 21,052,255
Fines and fees	-	2,144,055	79,901	124,542	398,191	2,746,689
Total additions	<u>21,052,255</u>	<u>2,144,055</u>	<u>79,901</u>	<u>124,542</u>	<u>398,191</u>	<u>23,798,944</u>
<b>DEDUCTIONS</b>						
Taxes and fees paid to other governments	21,052,255	-	-	-	-	21,052,255
Other custodial disbursements	-	2,145,437	79,901	126,086	398,191	2,749,615
Total deductions	<u>21,052,255</u>	<u>2,145,437</u>	<u>79,901</u>	<u>126,086</u>	<u>398,191</u>	<u>23,801,870</u>
Net decrease in fiduciary net position	-	(1,382)	-	(1,544)	-	(2,926)
<b>Net position, beginning of year</b>	<u>-</u>	<u>51,024</u>	<u>-</u>	<u>1,544</u>	<u>-</u>	<u>52,568</u>
<b>Net position, end of year</b>	<u><u>\$ -</u></u>	<u><u>\$ 49,642</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 49,642</u></u>

# LONG COUNTY, GEORGIA

## SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Project Description	Original Estimated Cost	Revised Estimated Cost	Expenditures		
			Prior Years	Current Year	Total
SPLOST					
Road, street, bridge improvements:					
Long County	\$ 1,764,000	\$ 1,022,741	\$ 2,880,960	\$ 645,589	\$ 3,526,549
City of Ludowici	336,000	336,000	638,058	135,621	773,679
Long County Recreation Complex	875,000	580,449	795,122	740,959	1,536,081
Public safety vehicles and equipment:					
Long County	441,000	341,469	1,515,884	5,025	1,520,909
City of Ludowici	84,000	84,000	79,861	-	79,861
Debt Service:					
Road, street and bridge equipment	-	741,259	1,052,329	-	1,052,329
Recreation complex equipment	-	294,551	284,303	-	284,303
Public safety vehicles and equipment	-	99,531	99,531	-	99,531
Total	\$ 3,500,000	\$ 3,500,000	\$ 7,346,048	\$ 1,527,194	\$ 8,873,242

Reconciliation of SPLOST schedule to financial statements:

Total of SPLOST Fund expenditures \$ 1,864,111

Less debt service payments on equipment included on schedule (336,917)

\$ 1,527,194

# LONG COUNTY, GEORGIA

## SCHEDULE OF EXPENDITURES OF TRANSPORTATION SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Project Description	Original Estimated Cost	Revised Estimated Cost	Expenditures		
			Prior Years	Current Year	Total
<b>TSPLOST</b>					
Road, street and bridge purposes	\$ 1,760,000	\$ 1,760,000	\$ 11,094	\$ 999,505	\$ 1,010,599
Total	<u>\$ 1,760,000</u>	<u>\$ 1,760,000</u>	<u>\$ 11,094</u>	<u>\$ 999,505</u>	<u>\$ 1,010,599</u>

## **COMPLIANCE SECTION**



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

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**Board of Commissioners  
of Long County, Georgia  
Ludowici, Georgia**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of Long 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 March 13, 2023. Our report includes a reference to other auditors who audited the financial statements of the Long County Board of Health, as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

### **Report On Internal Control Over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a certain deficiency in internal control, as described in the accompanying Schedule of Findings and Responses as item 2022-001 that we consider to be a material weakness.

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**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*.

**Long County, Georgia's Response to Finding**

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

**Purpose of this Report**

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



Savannah, Georgia  
March 13, 2023

# LONG COUNTY, GEORGIA

## SCHEDULE OF FINDINGS AND RESPONSES FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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### SECTION I SUMMARY OF AUDIT RESULTS

#### **Financial Statements**

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

Unmodified

Internal control over financial reporting:

Material weaknesses identified?

☒ Yes ☐ No

Significant deficiencies identified not considered  
to be material weaknesses?

☐ Yes ☒ No

Noncompliance material to financial statements noted?

☐ Yes ☒ No

#### **Federal Awards**

The Uniform Guidance allows for an alternative to the Single Audit (in the form of a compliance attestation engagement) for those governments who meet two criteria: 1) a total Coronavirus State and Local Fiscal Recovery Funds award of \$10 million or less, and 2) other expenditures from other programs of less than \$750,000 in total. Long County, Georgia meets both criteria and has elected to do a compliance attestation engagement for the year ended June 30, 2022.



# LONG COUNTY, GEORGIA

## SCHEDULE OF FINDINGS AND RESPONSES FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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### SECTION II FINANCIAL STATEMENT FINDINGS AND RESPONSES

#### 2022-001. Segregation of Duties

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

**Condition/Context:** There is not appropriate segregation of duties among recording, distribution and reconciliation of cash accounts and other operational functions in the various funds possessed by the elected officials.

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

**Effect:** Failure to properly segregate duties among recording, distribution and reconciliation of accounts can lead to misappropriation of funds that is not detected during the normal course of business.

**Cause:** The lack of segregation of duties is due to the lack of a properly developed integrated work plan with appropriate controls. In addition, in certain circumstances, there are a limited number of trained individuals in each office available to perform all of the duties.

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

**Views of Responsible Officials and Planned Corrective Action:** We concur. The County is in the process of reviewing their respective systems and processes to evaluate and determine the most efficient and effective solution to properly segregate duties among all County functions to provide reasonable assurance that an individual cannot misappropriate funds without being detected during the normal course of business.

### SECTION III FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None reported.

**LONG COUNTY, GEORGIA**  
**SUMMARY OF PRIOR YEAR FINDINGS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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**STATUS OF PRIOR YEAR AUDIT FINDINGS**

**2021-001.      Segregation of Duties**

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

**Condition:** There is not appropriate segregation of duties among recording, distribution and reconciliation of cash accounts and other operational functions in the various funds possessed by the County and elected officials. Additionally, there is a lack of approval of manual journal entries posted to the accounting system.

**Context:** Several instances of overlapping duties were noted during interviews regarding internal control procedures. Journal entries are not approved or reviewed prior to posting.

**Auditee Response/Status:** Unresolved. See current year finding 2022-001.