

LONG COUNTY, GEORGIA
ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2023

LONG COUNTY, GEORGIA
ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

**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, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County as of June 30, 2023, and the respective changes in financial position and, 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, 2023, 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.

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.

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, the Schedule of Expenditures of the Transportation Special Purpose Local Option Sales Tax proceeds as required by O.C.G.A. §48-8-269.5, and the Schedule of Expenditures of Federal Awards as required by Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") 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, the combining and individual nonmajor fund statements and schedules, the Schedule of Expenditures of the Special Purpose Local Option Sales Tax proceeds, the Schedule of Expenditures of the Transportation Special Purpose Local Option Sales Tax proceeds, and the Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 28, 2024, 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
February 28, 2024

LONG COUNTY, GEORGIA

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2023

Within this section of Long County, Georgia's (the "County") annual financial report, the County's management provides a narrative discussion and analysis of the financial activities of the County for the year ended June 30, 2023. 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 \$14,308,009 for the year reported. This compares to the previous year when net position was \$15,135,647.

Total net position is comprised of the following:

1. Net investment in capital assets of \$10,380,409 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 \$1,040,233 is restricted by constraints imposed upon the County by laws and regulations.
3. Unrestricted net position of \$2,887,367 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 \$7,500,576 for the fiscal year ended June 30, 2023, an increase of \$2,126,946 over the prior year.

At the end of the current period, unassigned fund balance for the General Fund was a positive \$697,732.

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

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

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 27 and 28 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 29 – 47 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 ("SPLOST") proceeds, and the Schedule of Expenditures of Transportation Special Purpose Local Option Sales Tax ("TSPLOST") proceeds as supplementary information which begins on page 48 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 \$14,308,009 at June 30, 2023. This is an \$827,638 decrease over the prior year. Assets increased during 2023 as a result of increased cash and capital assets related to the jail bond proceeds received and spent on the jail complex project. Liabilities increased as a result of the 2022 series bonds issued in the current year. The following table provides a summary of the County's net position:

Summary of Net Position						
	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Assets						
Current and other assets	\$ 9,708,124	\$ 7,125,164	\$ 48,873	\$ 4,503	\$ 9,756,997	\$ 7,129,667
Capital assets	19,070,253	12,212,547	32,725	34,125	19,102,978	12,246,672
Total assets	28,778,377	19,337,711	81,598	38,628	28,859,975	19,376,339
Liabilities						
Long-term debt outstanding	12,698,910	2,845,149	-	-	12,698,910	2,845,149
Other liabilities	1,844,877	1,395,543	8,179	-	1,853,056	1,395,543
Total liabilities	14,543,787	4,240,692	8,179	-	14,551,966	4,240,692
Net position						
Net investment in capital assets	10,347,684	9,367,398	32,725	34,125	10,380,409	9,401,523
Restricted	1,040,233	1,305,391	-	-	1,040,233	1,305,391
Unrestricted	2,846,673	4,424,230	40,694	4,503	2,887,367	4,428,733
Total net position	\$ 14,234,590	\$ 15,097,019	\$ 73,419	\$ 38,628	\$ 14,308,009	\$ 15,135,647

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 2023. As noted previously, net position decreased by \$827,638 over that of the prior year. While revenues increased in the current year, expenses increased slightly more than revenues, resulting in the decrease in net position for the fiscal year ended June 30, 2023.

Summary of Statement of Activities

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues						
Program revenues:						
Charges for services	\$ 6,770,422	\$ 3,766,313	\$ 58,441	\$ 1,800	\$ 6,828,863	\$ 3,768,113
Operating grants and contributions	1,791,023	1,685,557	-	-	1,791,023	1,685,557
Capital grants and contributions	1,667,617	2,077,724	-	-	1,667,617	2,077,724
General revenues:						
Property taxes	7,506,650	7,000,552	-	-	7,506,650	7,000,552
Other taxes	3,165,230	2,937,450	-	-	3,165,230	2,937,450
Interest	244,242	205,061	14	-	244,256	205,061
Other revenues	76,484	91,197	-	-	76,484	91,197
Total revenues	21,221,668	17,763,854	58,455	1,800	21,280,123	17,765,654
Expenses						
General government	5,060,698	4,233,267	-	-	5,060,698	4,233,267
Judicial	1,425,067	1,458,523	-	-	1,425,067	1,458,523
Public safety	7,407,844	6,361,837	-	-	7,407,844	6,361,837
Public works	5,559,885	4,459,105	-	-	5,559,885	4,459,105
Health and welfare	471,945	268,255	-	-	471,945	268,255
Culture and recreation	687,506	626,742	-	-	687,506	626,742
Housing and development	1,067,945	451,264	-	-	1,067,945	451,264
Water fund	-	-	27,264	3,172	27,264	3,172
Interest on long-term debt	399,607	118,838	-	-	399,607	118,838
Total expenses	22,080,497	17,977,831	27,264	3,172	22,107,761	17,981,003
Change in net position before transfers	(858,829)	(213,977)	31,191	(1,372)	(827,638)	(215,349)
Transfers	(3,600)	(40,000)	3,600	40,000	-	-
Change in net position	(862,429)	(253,977)	34,791	38,628	(827,638)	(215,349)
Net position, beginning	15,097,019	15,350,996	38,628	-	15,135,647	15,350,996
Net position, end of year	\$ 14,234,590	\$ 15,097,019	\$ 73,419	\$ 38,628	\$ 14,308,009	\$ 15,135,647

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 \$751,904. Of this year-end total, \$697,732 is unassigned. The remaining \$54,172 is reported as non-spendable related to prepaid items.

The County reports seven additional major governmental funds in addition to the General Fund – the E911 Fund, the Development Authority Fund, the American Rescue Plan Act (“ARPA”) Fund, the Impact Fee Fund, the TSPLOST Fund, the Building and Public Facilities Authority (“BPFA”) Fund, and the SPLOST Fund. There were relatively minor changes to E911 and the Development Authority funds as compared to the prior year. Fund balance for the ARPA Fund increased \$395,000 as the result of transfers from the General Fund. Fund balance for the Impact Fee Fund increased approximately \$160,000 as a result of impact fee revenue exceeding those respective expenditures. Fund balance for the SPLOST and TSPLOST funds decreased as a result of capital outlay expenditures exceeding collections during 2023. The BPFA is a new fund for the current year, accounting for the debt issued and capital outlay incurred related to the new Jail Complex.

Capital Asset and Debt Administration

Capital assets

The County's investment in capital assets, net of accumulated depreciation, as of June 30, 2023, was \$13,155,874. 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	
	2023	2022	2023	2022	2023	2022
Land	\$ 1,419,724	\$ 1,419,724	\$ -	\$ -	\$ 1,419,724	\$ 1,419,724
Construction	5,947,104				5,947,104	-
Buildings and improvements	2,393,234	2,338,731	-	-	2,393,234	2,338,731
Machinery, equipment and vehicles	3,838,661	2,787,514	-	-	3,838,661	2,787,514
Infrastructure	5,471,530	5,666,578	32,725	34,125	5,504,255	5,700,703
	<u>\$ 19,070,253</u>	<u>\$ 12,212,547</u>	<u>\$ 32,725</u>	<u>\$ 34,125</u>	<u>\$ 19,102,978</u>	<u>\$ 12,246,672</u>

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

Capital Asset and Debt Administration (Continued)

Long-term debt

At the end of the year, the County had total long-term debt outstanding of \$2,773,910. The decrease from the prior year was the result of principal payments made during the fiscal year ended June 30, 2023.

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

	Long-term Debt Activity					
	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Financed purchases	\$ 2,437,556	\$ 2,338,591	\$ -	\$ -	\$ 2,437,556	\$ 2,338,591
Bonds payable	9,925,000	-	-	-	9,925,000	-
Note payable	336,354	506,558	-	-	336,354	506,558
	<u>\$ 12,698,910</u>	<u>\$ 2,845,149</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,698,910</u>	<u>\$ 2,845,149</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, 2023 budget and tax rates. General Fund revenues and expenditures were budgeted with a 2.4% and 3.4% 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, 2023

	Primary Government			Component Unit
	Governmental	Business-Type		Long County
	Activities	Activities	Total	Board of Health
ASSETS				
Cash and cash equivalents	\$ 8,270,402	\$ 13,999	\$ 8,284,401	\$ 837,426
Receivables, net	838,523	-	838,523	2,105
Due from other governments	176,637	-	176,637	19,487
Prepaid items	54,172	-	54,172	-
Internal balances	(34,874)	34,874	-	-
Assets held for resale	403,264	-	403,264	-
Capital assets, non-depreciable	7,366,828	-	7,366,828	-
Capital assets, depreciable, net of accumulated depreciation	11,703,425	32,725	11,736,150	32,677
Total assets	28,778,377	81,598	28,859,975	891,695
DEFERRED OUTFLOWS OF RESOURCES				
Pension	-	-	-	203,166
OPEB	-	-	-	28,612
Total deferred outflows of resources	-	-	-	231,778
LIABILITIES				
Accounts payable	1,648,848	1,199	1,650,047	48,467
Accrued liabilities	193,615	-	193,615	5,153
Customer deposits payable	-	6,980	6,980	-
Unearned revenue	2,414	-	2,414	-
Financed purchases due within one year	1,029,085	-	1,029,085	-
Financed purchases due in more than one year	1,408,471	-	1,408,471	-
Note payable due within one year	23,666	-	23,666	-
Note payable due in more than one year	312,688	-	312,688	-
Bonds payable due within one year	75,000	-	75,000	-
Bonds payable due in more than one year	9,850,000	-	9,850,000	-
Net pension liability due in more than one year	-	-	-	452,198
Net OPEB liability due in more than one year	-	-	-	11,333
Other non-current liabilities due in more than one year	-	-	-	20,610
Total liabilities	14,543,787	8,179	14,551,966	537,761
DEFERRED INFLOWS OF RESOURCES				
Pension	-	-	-	4,101
OPEB	-	-	-	29,820
Total deferred inflows of resources	-	-	-	33,921
NET POSITION				
Net investment in capital assets	10,347,684	32,725	10,380,409	32,677
Restricted for:				
Capital projects	817,984	-	817,984	-
Judicial	31,225	-	31,225	-
Public safety	191,024	-	191,024	-
Prior year program income	-	-	-	200,275
Unrestricted	2,846,673	40,694	2,887,367	318,839
Total net position	\$ 14,234,590	\$ 73,419	\$ 14,308,009	\$ 551,791

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

LONG COUNTY, GEORGIA

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

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	
Primary government								
Governmental activities:								
General government	\$ 5,060,698	\$ 5,107,494	\$ 204,888	\$ -	\$ 251,684	\$ -	\$ 251,684	\$ -
Judicial	1,425,067	-	-	-	(1,425,067)	-	(1,425,067)	-
Public safety	7,407,844	711,793	639,547	-	(6,056,504)	-	(6,056,504)	-
Public works	5,559,885	785,697	-	1,609,117	(3,165,071)	-	(3,165,071)	-
Health and welfare	471,945	165,438	228,652	-	(77,855)	-	(77,855)	-
Culture and recreation	687,506	-	54,173	-	(633,333)	-	(633,333)	-
Housing and development	1,067,945	-	663,763	58,500	(345,682)	-	(345,682)	-
Interest on long-term debt	399,607	-	-	-	(399,607)	-	(399,607)	-
Total governmental activities	22,080,497	6,770,422	1,791,023	1,667,617	(11,851,435)	-	(11,851,435)	-
Business-type activities:								
Water Fund	27,264	58,441	-	-	-	31,177	31,177	-
Total business-type activities	27,264	58,441	-	-	-	31,177	31,177	-
Total primary government	\$ 22,107,761	\$ 6,828,863	\$ 1,791,023	\$ 1,667,617	(11,851,435)	31,177	(11,820,258)	-
Component unit								
Long County Board of Health	\$ 580,898	\$ 199,081	\$ 289,622	\$ -	-	-	-	(92,195)
Total component unit	\$ 580,898	\$ 199,081	\$ 289,622	\$ -	-	-	-	(92,195)
General revenues:								
Property taxes					7,506,650	-	7,506,650	-
Sales taxes					1,943,453	-	1,943,453	-
Other taxes					1,221,777	-	1,221,777	-
Unrestricted investment earnings					244,242	14	244,256	-
Gain on sale of capital assets					76,484	-	76,484	-
Intra/inter agency					-	-	-	154,549
Other local funds					-	-	-	2,295
Transfers					(3,600)	3,600	-	-
Total general revenues					10,989,006	3,614	10,992,620	156,844
Change in net position					(862,429)	34,791	(827,638)	64,649
Net position, beginning of year					15,097,019	38,628	15,135,647	487,142
Net position, end of year					\$ 14,234,590	\$ 73,419	\$ 14,308,009	\$ 551,791

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

LONG COUNTY, GEORGIA

BALANCE SHEET GOVERNMENTAL FUNDS JUNE 30, 2023

	General	E911	Development Authority	ARPA Fund	Impact Fee	TSPLOST
ASSETS						
Cash and cash equivalents	\$ 1,132,327	\$ 71,985	\$ 225,034	\$ 393,402	\$ 549,748	502,157
Receivables, net of allowances	660,635	28,291	-	5,500	144,000	-
Due from other governments	70,851	-	-	-	-	-
Due from other funds	7,540	154,610	-	1,000	20,084	-
Assets held for resale	-	-	403,264	-	-	-
Prepaid items	54,172	-	-	-	-	-
Total assets	<u>\$ 1,925,525</u>	<u>\$ 254,886</u>	<u>\$ 628,298</u>	<u>\$ 399,902</u>	<u>\$ 713,832</u>	<u>\$ 502,157</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
LIABILITIES						
Accounts payable	\$ 380,761	\$ 254,886	\$ -	\$ -	\$ -	-
Accrued liabilities	185,611	-	-	-	-	-
Due to other funds	236,574	-	-	-	-	20
Unearned revenue	-	-	-	2,414	-	-
Total liabilities	<u>802,946</u>	<u>254,886</u>	<u>-</u>	<u>2,414</u>	<u>-</u>	<u>20</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue	-	-	-	-	-	-
Property taxes	370,675	-	-	-	-	-
Total deferred inflows of resources	<u>370,675</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES						
Non-spendable:						
Prepaid items	54,172	-	-	-	-	-
Restricted for:						
Judicial	-	-	-	-	-	-
Public safety programs	-	-	-	-	-	-
Capital projects	-	-	-	-	-	502,137
Assigned for:						
Industrial development	-	-	628,298	-	713,832	-
ARPA funds	-	-	-	397,488	-	-
Unassigned	697,732	-	-	-	-	-
Total fund balances	<u>751,904</u>	<u>-</u>	<u>628,298</u>	<u>397,488</u>	<u>713,832</u>	<u>502,137</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,925,525</u>	<u>\$ 254,886</u>	<u>\$ 628,298</u>	<u>\$ 399,902</u>	<u>\$ 713,832</u>	<u>\$ 502,157</u>

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

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

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

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

Accrued interest is not due and payable in the current period and, therefore, is not reported in the funds.

Net position of governmental activities

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

Building & Public Facilities Authority	SPLOST	Nonmajor Governmental Funds	Total Governmental Funds
\$ 4,912,830	\$ 260,767	\$ 222,152	\$ 8,270,402
	-	97	838,523
	105,786	-	176,637
	26,006	-	209,240
-	-	-	403,264
-	-	-	54,172
<u>\$ 4,912,830</u>	<u>\$ 392,559</u>	<u>\$ 222,249</u>	<u>\$ 9,952,238</u>

\$ 936,489	\$ 76,712	\$ -	\$ 1,648,848
-	-	-	185,611
-	-	7,520	244,114
-	-	-	2,414
<u>936,489</u>	<u>76,712</u>	<u>7,520</u>	<u>2,080,987</u>

-	-	-	370,675
-	-	-	370,675

-	-	-	54,172
-	-	31,225	31,225
-	-	191,024	191,024
3,976,341	315,847	-	4,794,325
-	-	-	1,342,130
-	-	-	397,488
-	-	(7,520)	690,212
<u>3,976,341</u>	<u>315,847</u>	<u>214,729</u>	<u>7,500,576</u>

<u>\$ 4,912,830</u>	<u>\$ 392,559</u>	<u>\$ 222,249</u>
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19,070,253

370,675

(12,698,910)

(8,004)

\$ 14,234,590

LONG COUNTY, GEORGIA

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

	General	E911	Development Authority	ARPA Fund	Impact Fee	TSPLOST
Revenues						
Taxes	\$ 9,496,513	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	486,874	-	-	-	-	-
Intergovernmental	800,788	-	58,500	970,894	-	960,750
Charges for services	2,718,545	327,590	-	-	785,697	-
Fines and forfeitures	156,946	-	-	-	-	-
Investment earnings	205,591	-	567	5,525	1,849	2,587
Miscellaneous	2,081,718	-	-	-	-	-
Total revenues	15,946,975	327,590	59,067	976,419	787,546	963,337
Expenditures						
Current:						
General government	3,954,976	-	-	692,323	102,162	-
Judicial	1,414,936	-	-	-	-	-
Public safety	5,982,605	387,455	-	639,547	-	-
Public works	3,663,526	-	-	-	-	-
Health and welfare	214,593	-	-	228,320	-	-
Culture and recreation	461,936	-	-	-	-	-
Housing and development	306,079	-	82,196	-	-	-
Intergovernmental	90,808	-	-	-	-	-
Capital outlay	-	11,727	-	920,782	522,221	1,111,192
Debt service:						
Principal	369,401	94,039	22,984	-	-	-
Interest and fiscal charges	139,532	716	10,571	-	-	-
Total expenditures	16,598,392	493,937	115,751	2,480,972	624,383	1,111,192
Excess (deficiency) of revenues over (under) expenditures	(651,417)	(166,347)	(56,684)	(1,504,553)	163,163	(147,855)
Other financing sources (uses)						
Proceeds from sale of capital assets	76,484	-	-	-	-	-
Debt proceeds	554,500	-	-	-	-	-
Transfers in	-	154,610	72,500	1,899,553	-	-
Transfers out	(2,130,263)	-	-	-	-	-
Total other financing sources (uses)	(1,499,279)	154,610	72,500	1,899,553	-	-
Net change in fund balances	(2,150,696)	(11,737)	15,816	395,000	163,163	(147,855)
Fund balances, beginning of year	2,902,600	11,737	612,482	2,488	550,669	649,992
Fund balances, end of year	\$ 751,904	\$ -	\$ 628,298	\$ 397,488	\$ 713,832	\$ 502,137

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

Building & Public Facilities Authority	SPLOST	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ 1,175,263	\$ -	\$ 10,671,776
-	-	-	486,874
-	-	663,763	3,454,695
-	-	47,614	3,879,446
-	-	165,438	322,384
30,243	1,358	467	248,187
-	-	-	2,081,718
30,243	1,176,621	877,282	21,145,080
-	-	-	4,749,461
-	-	2,936	1,417,872
-	-	25,953	7,035,560
-	-	-	3,663,526
-	-	-	442,913
-	-	-	461,936
-	-	679,670	1,067,945
-	141,662	-	232,470
5,947,104	953,887	-	9,466,913
-	380,765	50,000	917,189
106,798	86,691	61,875	406,183
6,053,902	1,563,005	820,434	29,861,968
(6,023,659)	(386,384)	56,848	(8,716,888)
-	-	-	76,484
10,000,000	216,450	-	10,770,950
-	-	-	2,126,663
-	-	-	(2,130,263)
10,000,000	216,450	-	10,843,834
3,976,341	(169,934)	56,848	2,126,946
-	485,781	157,881	5,373,630
\$ 3,976,341	\$ 315,847	\$ 214,729	\$ 7,500,576

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, 2023

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

Net change in fund balances - total governmental funds	\$	2,126,946
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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	\$	8,481,164	
Depreciation expense		<u>(1,623,458)</u>	6,857,706

Revenues in the Statement of Activities that do not provide current financial resources are reported as unavailable revenue in the funds.

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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	\$	(770,950)	
Proceeds from bonds		(10,000,000)	
Bond principal payments		75,000	
Financed purchases principal payments		671,985	
Note payable principal payments		<u>170,204</u>	(9,853,761)

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>6,576</u>
	\$		<u>(862,429)</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, 2023

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues				
Taxes	\$ 9,078,919	\$ 9,078,919	\$ 9,496,513	\$ 417,594
Licenses and permits	865,600	865,600	486,874	(378,726)
Intergovernmental	1,571,261	1,571,261	800,788	(770,473)
Charges for services	2,587,913	2,587,913	2,718,545	130,632
Fines and forfeitures	60,500	60,500	156,946	96,446
Investment income	184,369	184,369	205,591	21,222
Miscellaneous	168,274	168,274	2,081,718	1,913,444
Total revenues	14,516,836	14,516,836	15,946,975	1,430,139
Expenditures				
General government:				
Legislative	551,803	551,803	1,285,814	(734,011)
Clerk of commissioners	379,916	379,916	367,976	11,940
County administrator	136,733	136,733	166,523	(29,790)
Elections	272,315	272,315	222,540	49,775
Financial administration	573,280	573,280	362,282	210,998
Tax commissioner	395,050	395,050	409,305	(14,255)
Tax assessor	295,813	295,813	291,087	4,726
Risk management	171,000	171,000	323,288	(152,288)
Government buildings	1,015,795	1,015,795	526,161	489,634
Total general government	3,791,705	3,791,705	3,954,976	(163,271)
Judicial:				
Superior court	109,565	109,565	90,649	18,916
Clerk of superior court	462,484	462,484	467,973	(5,489)
District attorney	64,951	64,951	83,979	(19,028)
State court	68,243	68,243	68,933	(690)
Misdemeanor probation	132,379	132,379	135,775	(3,396)
Solicitor	51,285	51,285	53,497	(2,212)
Magistrate/Probate court	399,993	399,993	357,864	42,129
Juvenile court	51,450	51,450	34,474	16,976
Public defender	140,000	140,000	121,792	18,208
Total judicial	1,480,350	1,480,350	1,414,936	65,414
Public safety:				
Sheriff	3,382,690	3,382,690	3,088,912	293,778
Housing of prisoners	547,500	547,500	505,584	41,916
Fire department	782,079	782,079	1,078,962	(296,883)
Emergency medical services	452,500	452,500	720,470	(267,970)
Coroner	59,913	59,913	50,287	9,626
Emergency management	231,503	231,503	538,390	(306,887)
Total public safety	5,456,185	5,456,185	5,982,605	(526,420)
Public works:				
Street department	1,272,679	1,272,679	1,950,887	(678,208)
Sanitation department	1,159,597	1,159,597	1,712,639	(553,042)
Total public works	2,432,276	2,432,276	3,663,526	(1,231,250)

(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, 2023

	Budget			Variance With
	Original	Final	Actual	Final Budget
Expenditures (Continued):				
Health and welfare:				
Public welfare	\$ 1,457	\$ 1,457	\$ 2,591	\$ (1,134)
Meals programs	158,400	158,400	159,195	(795)
Transportation services	76,192	76,192	52,807	23,385
Total health and welfare	236,049	236,049	214,593	21,456
Culture and recreation:				
Recreation	401,720	401,720	461,936	(60,216)
Total culture and recreation	401,720	401,720	461,936	(60,216)
Housing and development:				
County extension	42,316	42,316	41,131	1,185
Forestry conservation	23,903	23,903	38,176	(14,273)
Planning and zoning	78,192	78,192	27,624	50,568
Code enforcement	212,656	212,656	199,148	13,508
Total housing and development	357,067	357,067	306,079	50,988
Debt service:				
Principal	282,139	282,139	369,401	(87,262)
Interest and fiscal charges	-	-	139,532	(139,532)
Total debt service	282,139	282,139	508,933	(226,794)
Intergovernmental assistance	90,000	90,000	90,808	(808)
Total expenditures	14,527,491	14,527,491	16,598,392	(2,070,901)
Deficiency of revenues under expenditures	(10,655)	(10,655)	(651,417)	(640,762)
Other financing sources (uses)				
Sale of general capital assets	83,155	83,155	76,484	(6,671)
Note proceeds	-	-	554,500	554,500
Transfers out	(72,500)	(72,500)	(2,130,263)	(2,057,763)
Total other financing sources (uses)	10,655	10,655	(1,499,279)	(1,509,934)
Net change in fund balances	-	-	(2,150,696)	(2,150,696)
Fund balance, beginning of year	2,902,600	2,902,600	2,902,600	-
Fund balance, end of year	\$ 2,902,600	\$ 2,902,600	\$ 751,904	\$ (2,150,696)

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, 2023

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Charges for services	\$ 500,000	\$ 500,000	\$ 327,590	\$ (172,410)
Total revenues	<u>500,000</u>	<u>500,000</u>	<u>327,590</u>	<u>(172,410)</u>
Expenditures				
Current:				
Public safety	500,000	500,000	387,455	112,545
Capital outlay			11,727	
Debt service:				
Principal	-	-	94,039	(94,039)
Interest	-	-	716	(716)
Total expenditures	<u>500,000</u>	<u>500,000</u>	<u>493,937</u>	<u>17,790</u>
Deficiency of revenues under expenditures	<u>-</u>	<u>-</u>	<u>(166,347)</u>	<u>(166,347)</u>
Other financing sources:				
Transfers in	-	-	154,610	154,610
Total other financing sources	<u>-</u>	<u>-</u>	<u>154,610</u>	<u>154,610</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>(11,737)</u>	<u>(11,737)</u>
Fund balance, beginning of year	<u>11,737</u>	<u>11,737</u>	<u>11,737</u>	<u>-</u>
Fund balance, end of year	<u>\$ 11,737</u>	<u>\$ 11,737</u>	<u>\$ -</u>	<u>\$ (11,737)</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, 2023

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 77,000	\$ 77,000	\$ 58,500	\$ (18,500)
Investment earnings	-	-	567	567
Miscellaneous	11,000	11,000	-	(11,000)
Total revenues	<u>88,000</u>	<u>88,000</u>	<u>59,067</u>	<u>(28,933)</u>
Expenditures				
Current:				
Housing and development	54,445	54,445	82,196	(27,751)
Debt service:				
Principal	22,984	22,984	22,984	-
Interest	10,571	10,571	10,571	-
Total expenditures	<u>88,000</u>	<u>88,000</u>	<u>115,751</u>	<u>(27,751)</u>
Deficiency of revenues under expenditures	<u>-</u>	<u>-</u>	<u>(56,684)</u>	<u>(56,684)</u>
Other financing sources				
Transfers in	-	-	72,500	72,500
Total other financing sources	<u>-</u>	<u>-</u>	<u>72,500</u>	<u>72,500</u>
Net change in fund balances	-	-	15,816	15,816
Fund balance, beginning of year	<u>612,482</u>	<u>612,482</u>	<u>612,482</u>	<u>-</u>
Fund balance, end of year	<u>\$ 612,482</u>	<u>\$ 612,482</u>	<u>\$ 628,298</u>	<u>\$ 15,816</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, 2023

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 1,899,553	\$ 1,899,553	\$ 970,894	\$ (928,659)
Investment earnings	5,525	5,525	5,525	-
Total revenues	<u>1,905,078</u>	<u>1,905,078</u>	<u>976,419</u>	<u>(928,659)</u>
Expenditures				
Current:				
General government	584,755	584,755	692,323	(107,568)
Public safety	399,553	399,553	639,547	(239,994)
Health and welfare		-	228,320	(228,320)
Capital outlay	920,770	920,770	920,782	(12)
Total expenditures	<u>1,905,078</u>	<u>1,905,078</u>	<u>2,480,972</u>	<u>(575,894)</u>
Deficiency of revenues under expenditures	<u>-</u>	<u>-</u>	<u>(1,504,553)</u>	<u>(1,504,553)</u>
Other financing sources				
Transfers in	-	-	1,899,553	1,899,553
Total other financing sources	<u>-</u>	<u>-</u>	<u>1,899,553</u>	<u>1,899,553</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>395,000</u>	<u>395,000</u>
Fund balance, beginning of year	<u>2,488</u>	<u>2,488</u>	<u>2,488</u>	<u>-</u>
Fund balance, end of year	<u>\$ 2,488</u>	<u>\$ 2,488</u>	<u>\$ 397,488</u>	<u>\$ 395,000</u>

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

LONG COUNTY, GEORGIA

STATEMENT OF NET POSITION PROPRIETARY FUND JUNE 30, 2023

	<u>Water Fund</u>
ASSETS	
CURRENT ASSETS	
Cash and cash equivalents	\$ 13,999
Due from other funds	34,874
Total current assets	<u>48,873</u>
NON-CURRENT ASSETS	
Capital assets	
Depreciable, net of accumulated depreciation	32,725
Total non-current assets	<u>32,725</u>
Total assets	<u>81,598</u>
LIABILITIES	
CURRENT LIABILITIES	
Accounts payable	1,199
Customer deposits payable	6,980
Total current liabilities	<u>8,179</u>
Total liabilities	<u>8,179</u>
NET POSITION	
Investment in capital assets	32,725
Unrestricted	40,694
Total net position	<u>\$ 73,419</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, 2023

	<u>Water Fund</u>
OPERATING REVENUE	
Charges for services and sales	\$ 58,441
Total operating revenues	<u>58,441</u>
OPERATING EXPENSES	
Materials and supplies	157
Sanitation	25,707
Depreciation	1,400
Total operating expenses	<u>27,264</u>
Operating income	<u>31,177</u>
NON-OPERATING REVENUES	
Interest income	14
Total non-operating revenues	<u>14</u>
Income before transfers	31,191
TRANSFERS	
Transfers in	<u>3,600</u>
Change in net position	34,791
Net position, beginning of year	<u>38,628</u>
Net position, end of year	<u><u>\$ 73,419</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, 2023

	Water Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers	\$ 25,367
Cash paid to suppliers	(17,685)
Net cash provided by operating activities	<u>7,682</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfers in	<u>3,600</u>
Net cash provided by noncapital financing activities	<u>3,600</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest earned on investments	<u>14</u>
Net cash provided by investing activities	<u>14</u>
Net increase in cash and cash equivalents	11,296
Cash and cash equivalents, beginning of year	<u>2,703</u>
Cash and cash equivalents, end of year	<u><u>\$ 13,999</u></u>
RECONCILIATION OF OPERATING INCOME	
TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating income	\$ 31,177
Adjustments to reconcile operating income	
to net cash provided by operating activities:	
Depreciation	1,400
(Increase) decrease in:	
Due from other funds	(33,074)
Increase (decrease) in:	
Accounts payable	1,199
Customer deposits	6,980
Net cash provided by operating activities	<u><u>\$ 7,682</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, 2023**

	Custodial Funds
ASSETS	
Cash and cash equivalents	\$ 811,309
Taxes receivable	640,131
Total assets	1,451,440
LIABILITIES	
Due to others	755,546
Uncollected taxes	640,131
Total liabilities	1,395,677
NET POSITION	
Restricted:	
Individuals, organizations and other governments	55,763
Total net position	\$ 55,763

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, 2023**

	Custodial Funds
ADDITIONS	
Taxes	\$ 21,991,309
Fines and fees	2,716,154
Total additions	24,707,463
DEDUCTIONS	
Taxes and fees paid to other governments	21,991,309
Other custodial disbursements	2,710,033
Total deductions	24,701,342
Change in fiduciary net position	6,121
NET POSITION, beginning of year	49,642
NET POSITION, end of year	\$ 55,763

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

NOTES TO THE FINANCIAL STATEMENTS

LONG COUNTY, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2023

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 units – 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. The Authority is included as a Special Revenue Fund.

The Long County Building & Public Facilities Authority (“BPFA”) is included with the purpose of issuance of debt for capital projects and is included as the BPFA provides services almost entirely to the benefit of the County. The BPFA is included as a Capital Projects 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 THE FINANCIAL STATEMENTS

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

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The ***Building & Public Facilities Authority Fund*** (“BPFA”) is used to account for the activity of the Authority which is typically the issuance of debt and corresponding acquisition of capital outlay.

The ***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.

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.

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Measurement Focus and Basis of Accounting (Continued)

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

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") or 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.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.”

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.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Capital Assets (Continued)

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 the assets capitalized, less payments since the inception of the agreement, discounted at the implicit rate of interest.

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.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Equity Classifications (Continued)

- **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, 2023, 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.

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.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 revenues.

Q. Property Taxes

Property taxes were levied on September 15, 2022 on property values assessed as of January 1, 2022. A millage rate of 14.748 was adopted on August 31, 2022. Property tax bills were mailed on October 20, 2022 and were considered past due on January 18, 2023, 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.

NOTES TO THE FINANCIAL STATEMENTS

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.
- 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 THE FINANCIAL STATEMENTS

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

B. Excess Expenditures over Appropriations

For the fiscal year ended June 30, 2023, expenditures exceeded appropriations at the legal level of budgetary control (department) as follows:

General Fund	
General government	
Legislative	\$ 734,011
County administrator	29,790
Tax commissioner	14,255
Risk management	152,288
Judicial	
Clerk of superior court	5,489
District attorney	19,028
State court	690
Misdemeanor probation	3,396
Solicitor	2,212
Public safety	
Fire department	296,883
Emergency medical services	267,970
Emergency management	306,887
Public works	
Street department	678,208
Sanitation department	553,042
Health and welfare	
Public welfare	1,134
Meals programs	795
Culture and recreation	
Recreation	60,216
Housing and development	
Forestry conservation	14,273
Debt service	
Principal	87,262
Interest	139,532
E911 Fund	
Debt Service	94,755
Development Authority Fund	
Housing and development	27,751
ARPA Fund	
General government	107,568
Public safety	239,994
Health and welfare	228,320
Capital outlay	12

NOTES TO THE FINANCIAL STATEMENTS

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

B. Excess Expenditures over Appropriations (Continued)

Overspending in the General Fund was funded by fund balance. Overspending in the ARPA Fund, E911 Fund and Development Authority Fund were funded by fund balance and transfers from the General Fund.

C. Deficit Fund Balance

The Community Development Block Grant ("CDBG") Fund reported a deficit fund balance of \$7,520 for the fiscal year ended June 30, 2023. The CDBG Fund's deficit is the result of timing and will be eliminated in the next fiscal year as reimbursement requests are submitted and the remaining grant funds are received.

NOTE 3. CASH AND INVESTMENTS

At year-end, the carrying amount of the County's deposits, including its custodial funds, was \$9,095,710. As of June 30, 2023, 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, 2023, 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	\$ 11,800	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.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 3. CASH AND INVESTMENTS (CONTINUED)

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.

NOTE 4. RECEIVABLES

Receivables as of June 30, 2023, including the applicable allowances for uncollectible accounts are as follows:

Receivable	General	E911	ARPA	Impact Fee	SPLOST	Nonmajor Governmental
Taxes	\$ 699,538	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other governments	70,851	-	-	-	105,786	-
Accounts	128,791	28,291	5,500	144,000	-	97
Gross Receivables	899,180	28,291	5,500	144,000	105,786	97
Less: Allowances for uncollectibles	(167,694)	-	-	-	-	-
Net Receivables	<u>\$ 731,486</u>	<u>\$ 28,291</u>	<u>5,500</u>	<u>144,000</u>	<u>\$ 105,786</u>	<u>\$ 97</u>

NOTE 5. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund receivable and payable balances as of June 30, 2023 are as follows:

Receivable Fund	Payable Fund	Amount
Impact Fee Fund	General Fund	\$ 20,084
General Fund	TSPLOST Fund	20
General Fund	Nonmajor governmental funds	7,520
E911 Fund	General Fund	154,610
ARPA Fund	General Fund	1,000
SPLOST	General Fund	26,006
Water Fund	General Fund	34,874
		<u>\$ 244,114</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.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 5. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)

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

Transfers In	Transfers Out	Amount
Development Authority Fund	General Fund	\$ 72,500
Water Fund	General Fund	3,600
E911 Fund	General Fund	154,610
ARPA Fund	General Fund	1,899,553
		<u>\$ 2,130,263</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.

NOTE 6. CAPITAL ASSETS

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

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities:					
Capital assets, not being depreciated					
Land	\$ 1,419,724	\$ -	\$ -	\$ -	\$ 1,419,724
Construction in progress	-	5,947,104	-	-	5,947,104
Total	<u>1,419,724</u>	<u>5,947,104</u>	<u>-</u>	<u>-</u>	<u>7,366,828</u>
Capital assets, being depreciated					
Buildings and improvements	5,079,343	215,437	-	-	5,294,780
Machinery, equipment and vehicles	9,340,269	2,318,623	(59,415)	-	11,599,477
Infrastructure	7,766,924	-	-	-	7,766,924
Total	<u>22,186,536</u>	<u>2,534,060</u>	<u>(59,415)</u>	<u>-</u>	<u>24,661,181</u>
Less accumulated depreciation for:					
Buildings and improvements	(2,740,612)	(160,934)	-	-	(2,901,546)
Machinery, equipment and vehicles	(6,552,755)	(1,267,476)	59,415	-	(7,760,816)
Infrastructure	(2,100,346)	(195,048)	-	-	(2,295,394)
Total	<u>(11,393,713)</u>	<u>(1,623,458)</u>	<u>59,415</u>	<u>-</u>	<u>(12,957,756)</u>
Total capital assets, being depreciated, net	<u>10,792,823</u>	<u>910,602</u>	<u>-</u>	<u>-</u>	<u>11,703,425</u>
Governmental activities capital assets, net	<u>\$ 12,212,547</u>	<u>\$ 6,857,706</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,070,253</u>

NOTES TO THE FINANCIAL STATEMENTS

NOTE 6. CAPITAL ASSETS (CONTINUED)

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

General government	\$ 78,767
Judicial	7,195
Public safety	725,432
Public works	629,386
Health and welfare	29,032
Culture and recreation	153,646
Total depreciation expense - governmental activities	<u>\$ 1,623,458</u>

Capital asset activity for business-type activities for the fiscal year ended June 30, 2023 was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type activities:					
Capital assets, being depreciated					
Infrastructure	\$ 35,000	\$ -	\$ -	\$ -	\$ 35,000
Total	<u>35,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>35,000</u>
Less accumulated depreciation for:					
Infrastructure	(875)	(1,400)	-	-	(2,275)
Total	<u>(875)</u>	<u>(1,400)</u>	<u>-</u>	<u>-</u>	<u>(2,275)</u>
Total capital assets, being depreciated, net	<u>34,125</u>	<u>(1,400)</u>	<u>-</u>	<u>-</u>	<u>32,725</u>
Governmental activities capital assets, net	<u>\$ 34,125</u>	<u>\$ (1,400)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,725</u>

Depreciation expense of \$1,400 was charged to Water for the year ended June 30, 2023.

NOTE 7. LONG-TERM DEBT

Long-term liability activity for the fiscal year ended June 30, 2023 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Financed purchases	\$ 2,338,591	\$ 770,950	\$ (671,985)	\$ 2,437,556	\$ 1,029,085
Note payable from direct borrowing	506,558	-	(170,204)	336,354	23,666
Revenue bonds	-	10,000,000	(75,000)	9,925,000	75,000
Total long-term liabilities	<u>\$ 2,845,149</u>	<u>\$ 10,770,950</u>	<u>\$ (917,189)</u>	<u>\$ 12,698,910</u>	<u>\$ 1,127,751</u>

NOTES TO THE FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

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 to maturity are as follows:

<u>Fiscal year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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	26,735	6,820	33,555
2029 – 2033	146,554	21,221	167,775
2034 and 2035	63,847	6,059	69,906
	<u>\$ 336,354</u>	<u>\$ 69,102</u>	<u>\$ 405,456</u>

B. Bonds Payable

In July 2022, the Long County Building and Public Facilities Authority issued the Series 2022A, 2022B, and 2022C revenue bonds, in the aggregate amount of \$10,000,000, to finance the construction of a jail complex. Semi-annual interest payments and annual principal payments are due through 2039 on November 1 and May 1 of each year. The bonds bear interest at a rate of 3.75%.

The debt service requirements to maturity are as follows:

<u>Fiscal year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 75,000	\$ 372,189	\$ 447,189
2025	501,000	369,375	870,375
2026	520,000	350,589	870,589
2027	539,000	331,088	870,088
2028	560,000	310,875	870,875
2029 – 2033	3,129,000	1,223,325	4,352,325
2034 – 2038	3,762,000	590,963	4,352,963
2039	839,000	31,464	870,464
	<u>\$ 9,925,000</u>	<u>\$ 3,579,868</u>	<u>\$ 13,504,868</u>

NOTES TO THE FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

C. 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>
2024	\$ 1,029,085	\$ 85,469	\$ 1,114,554
2025	450,609	46,101	496,710
2026	443,312	28,069	471,381
2027	191,358	24,233	215,591
2028	188,086	14,567	202,653
2029 – 2032	135,106	10,988	146,094
	<u>\$ 2,437,556</u>	<u>\$ 209,427</u>	<u>\$ 2,646,983</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.

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, 2023. No provisions have been made in the financial statements for the year ended June 30, 2023 for any estimate of potential unpaid claims.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8. RISK MANAGEMENT (CONTINUED)

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, 2023, the outstanding amount of the debt totaled \$91,000.

NOTES TO THE FINANCIAL STATEMENTS

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 \$105,341 and employer contributions were \$52,788 for the fiscal year ended June 30, 2023.

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 CRCs. 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 CRCs 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

NOTE 12. SUBSEQUENT EVENTS

On February 7, 2024, Long County entered into a tax anticipation note agreement in the amount of \$1,000,000 which is a short-term note payable due on December 31, 2024.

On February 16, 2024, the Long County Building and Public Facilities Authority adopted a parameters bond resolution authorizing the issuance of its Long County Building and Public Facilities Authority Revenue Bonds (Long County Project), Series 2024, in the aggregate principal amount not to exceed \$6,250,000, for the purposes of providing the funds required to complete the acquisition, construction and equipping of a new jail complex and to pay the costs of issuance of the Series 2024 Bonds.

SUPPLEMENTARY INFORMATION

LONG COUNTY, GEORGIA

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.

LONG COUNTY, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2023

	Special Revenue Funds					Total Nonmajor Governmental Funds
	Law Library	Jail	Drug Abuse and Treatment	Seized Assets	CDBG	
ASSETS						
Cash and cash equivalents	\$ 31,225	\$ 22,998	\$ 19,150	\$ 148,779	\$ -	\$ 222,152
Receivables	-	-	97	-	-	97
Total assets	<u>\$ 31,225</u>	<u>\$ 22,998</u>	<u>\$ 19,247</u>	<u>\$ 148,779</u>	<u>\$ -</u>	<u>\$ 222,249</u>
LIABILITIES AND FUND BALANCES (DEFICITS)						
LIABILITIES						
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ 7,520	\$ 7,520
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,520</u>	<u>7,520</u>
FUND BALANCES (DEFICITS)						
Restricted for:						
Judicial	31,225	-	-	-	-	31,225
Public safety	-	22,998	19,247	148,779	-	191,024
Unassigned	-	-	-	-	(7,520)	(7,520)
Total fund balances	<u>31,225</u>	<u>22,998</u>	<u>19,247</u>	<u>148,779</u>	<u>(7,520)</u>	<u>214,729</u>
Total liabilities and fund balances (deficits)	<u>\$ 31,225</u>	<u>\$ 22,998</u>	<u>\$ 19,247</u>	<u>\$ 148,779</u>	<u>\$ -</u>	<u>\$ 222,249</u>

LONG COUNTY, GEORGIA

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

	Special Revenue Funds					Total Nonmajor Governmental Funds
	Law Library	Jail	Drug Abuse and Treatment	Seized Assets	CDBG	
Revenues						
Fines and forfeitures	\$ 12,515	\$ -	\$ 13,805	\$ 139,118	\$ -	\$ 165,438
Intergovernmental	-	-	-	-	663,763	663,763
Charges for services	-	47,614	-	-	-	47,614
Interest income	80	349	38	-	-	467
Total revenues	<u>12,595</u>	<u>47,963</u>	<u>13,843</u>	<u>139,118</u>	<u>663,763</u>	<u>877,282</u>
Expenditures						
Current:						
General government:						-
Judicial	2,936	-	-	-	-	2,936
Public safety	-	-	16,599	9,354	-	25,953
Housing and development	-	-	-	-	679,670	679,670
Capital outlay	-	-	-	-	-	-
Debt service:						
Principal	-	50,000	-	-	-	50,000
Interest and fiscal charges	-	61,875	-	-	-	61,875
Total expenditures	<u>2,936</u>	<u>111,875</u>	<u>16,599</u>	<u>9,354</u>	<u>679,670</u>	<u>820,434</u>
Net change in fund balances	9,659	(63,912)	(2,756)	129,764	(15,907)	56,848
Fund balances, beginning of year	<u>21,566</u>	<u>86,910</u>	<u>22,003</u>	<u>19,015</u>	<u>8,387</u>	<u>157,881</u>
Fund balances (deficit), end of year	<u>\$ 31,225</u>	<u>\$ 22,998</u>	<u>\$ 19,247</u>	<u>\$ 148,779</u>	<u>\$ (7,520)</u>	<u>\$ 214,729</u>

LONG COUNTY, GEORGIA

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, 2023

	Tax Commissioner	Clerk of Superior Court	Probate Court	Magistrate Court	Sheriff	Total
ASSETS						
Cash and cash equivalents	\$ 674,607	\$ 108,773	\$ 631	\$ 5,763	\$ 21,535	\$ 811,309
Taxes receivable	640,131	-	-	-	-	640,131
Total assets	1,314,738	108,773	631	5,763	21,535	1,451,440
LIABILITIES						
Due to others	674,607	56,709	631	2,064	21,535	755,546
Uncollected taxes	640,131	-	-	-	-	640,131
Total liabilities	1,314,738	56,709	631	2,064	21,535	1,395,677
NET POSITION						
Restricted:						
Individuals, organizations and other governments	-	52,064	-	3,699	-	55,763
Total net position	\$ -	\$ 52,064	\$ -	\$ 3,699	\$ -	\$ 55,763

LONG COUNTY, GEORGIA

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

	Tax Commissioner	Clerk of Superior Court	Probate Court	Magistrate Court	Sheriff	Total
ADDITIONS						
Taxes	\$ 21,991,309	\$ -	\$ -	\$ -	\$ -	\$ 21,991,309
Fines and fees	-	2,112,333	99,144	108,335	396,342	2,716,154
Total additions	21,991,309	2,112,333	99,144	108,335	396,342	24,707,463
DEDUCTIONS						
Taxes and fees paid to other governments	21,991,309	-	-	-	-	21,991,309
Other custodial disbursements	-	2,109,911	99,144	104,636	396,342	2,710,033
Total deductions	21,991,309	2,109,911	99,144	104,636	396,342	24,701,342
Net change in fiduciary net position	-	2,422	-	3,699	-	6,121
Net position, beginning of year	-	49,642	-	-	-	49,642
Net position, end of year	<u>\$ -</u>	<u>\$ 52,064</u>	<u>\$ -</u>	<u>\$ 3,699</u>	<u>\$ -</u>	<u>\$ 55,763</u>

LONG COUNTY, GEORGIA

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

Project Description	Original Estimated Cost	Revised Estimated Cost	Expenditures			
			Prior Years	Current Year	Total	
SPLOST						
Road, street, and bridge improvements:						
Long County	\$ 1,764,000	\$ 1,022,741	\$ 3,526,549	\$ 724,318	\$ 4,250,867	
City of Ludowici	336,000	336,000	773,679	141,662	915,341	
Long County Recreation Complex	875,000	580,449	1,536,081	-	1,536,081	
Public safety vehicles and equipment:						
Long County	441,000	341,469	1,520,909	229,570	1,750,479	
City of Ludowici	84,000	84,000	79,861	-	79,861	
Debt Service:						
Road, street and bridge equipment	-	741,259	1,052,329	170,323	1,222,652	
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	\$ 8,873,242	\$ 1,265,873	\$ 10,139,115	

Reconciliation of SPLOST schedule to financial statements:

Total of SPLOST Fund expenditures

\$ 1,563,005

Less debt service payments on equipment included on schedule

(297,132)

\$ 1,265,873

LONG COUNTY, GEORGIA

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

Project Description	Original Estimated Cost	Revised Estimated Cost	Expenditures		
			Prior Years	Current Year	Total
TSPLOST					
Road, street and bridge purposes	\$ 1,760,000	\$ 1,760,000	\$ 1,010,599	\$ 1,111,192	\$ 2,121,791
Total	<u>\$ 1,760,000</u>	<u>\$ 1,760,000</u>	<u>\$ 1,010,599</u>	<u>\$ 1,111,192</u>	<u>\$ 2,121,791</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

**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, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated February 28, 2024. 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 2023-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

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

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.

Mauldin & Jenkins, LLC

Savannah, Georgia
February 28, 2024



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

Board of Commissioners
of Long County, Georgia
Ludowici, Georgia

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

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

In our opinion, Long County, Georgia complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

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

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

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

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

Mauldin & Jenkins, LLC

Savannah, Georgia
February 28, 2024



LONG COUNTY, GEORGIA

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

Federal Grantor/ Pass-Through Program Title	Federal AL Number	Grant ID Number	Federal Expenditures	Passed-Through to Subrecipients
U.S. Department of Housing and Urban Development Passed through Georgia Department of Community Affairs				
Community Development Block Grant	14.228	P-03K-01	\$ 564,190	\$ -
Community Development Block Grant	14.228	P-03K-02	76,250	-
Community Development Block Grant	14.228	T-03K-00	12,010	-
Community Development Block Grant	14.228	A-21A-00	27,220	-
Total U.S. Department of Housing and Urban Development			<u>679,670</u>	<u>-</u>
U.S. Department of the Treasury Direct				
Coronavirus State and Local Fiscal Recovery Funds	21.027	14629-CRF	2,480,972	-
Total U.S. Department of the Treasury			<u>2,480,972</u>	<u>-</u>
Total Expenditures of Federal Awards			<u>\$ 3,160,642</u>	<u>\$ -</u>

See Notes to Schedule of Expenditures of Federal Awards.

LONG COUNTY, GEORGIA

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

NOTE 1. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Long County, Georgia (the "County"), and is presented on the accrual basis of accounting. The County reporting entity is defined in Note 1 of the County's basic financial statements.

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

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

Measurement Focus

The determination of when an award is expended is based on when the activity related to the award occurred.

Program Type Determination

Type A programs are defined as federal programs with federal expenditures exceeding the larger of \$750,000, or 3% of total federal expenditures. The threshold of \$750,000 was used in distinguishing between Type A and Type B programs.

Method of Major Program Selection

The risk-based approach was used in the selection of federal programs to be tested as major programs. The County did not qualify as a low-risk auditee for the fiscal year ended June 30, 2023.

De-Minimis Indirect Cost Rate

During 2023, the County did not use the de-minimis indirect cost rate.

LONG COUNTY, GEORGIA

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

SECTION I SUMMARY OF AUDIT RESULTS

Financial Statements

Type of 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?

 X Yes No

Significant deficiencies identified not considered to be material weaknesses?

 Yes X No

Noncompliance material to financial statements noted?

 Yes X No

Federal Awards

Internal control over major programs:

Material weaknesses identified?

 Yes X No

Significant deficiencies identified not considered to be material weaknesses?

 Yes X No

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

Unmodified

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

 Yes X No

Identification of major programs:

AL Number
21.027

Name of Federal Program
U.S. Department of the Treasury
Coronavirus Relief Fund

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

\$750,000

Auditee qualified as low-risk auditee?

 Yes X No

LONG COUNTY, GEORGIA

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

SECTION II FINANCIAL STATEMENT FINDINGS AND RESPONSES

2023-001. 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, 2023

STATUS OF PRIOR YEAR AUDIT FINDINGS

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: 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 2023-001.