

SUMTER COUNTY, GEORGIA
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
JUNE 30, 2021

SUMTER COUNTY, GEORGIA
Annual Financial Report
For the Year Ended June 30, 2021

TABLE OF CONTENTS

	<u>Pages</u>
FINANCIAL SECTION	
Independent Auditor's Report	1 - 3
Management's Discussion and Analysis	4 - 12
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	13
Statement of Activities	14
Fund Financial Statements:	
Balance Sheet — Governmental Funds	15
Statement of Revenues, Expenditures and Changes in Fund Balances — Governmental Funds	16
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	17
General Fund — Statement of Revenues, Expenditures, and Changes in Fund Balance — Budget (GAAP Basis) and Actual	18 - 20
Fire Fund — Statement of Revenues, Expenditures, and Changes in Fund Balance — Budget (GAAP Basis) and Actual	21
Statement of Net Position — Proprietary Funds	22
Statement of Revenues, Expenses and Changes in Fund Net Position — Proprietary Funds	23
Statement of Cash Flows — Proprietary Funds	24
Statement of Fiduciary Net Position	25
Statement of Changes in Fiduciary Net Position	26
Notes to Financial Statements	27 - 48
Required Supplementary Information:	
Schedule of Changes in the County's Net Pension Liability and Related Ratios	49
Schedule of County Contributions	50
Combining and Individual Fund Statements and Schedules:	
Combining Balance Sheet — Nonmajor Governmental Funds	51
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances — Nonmajor Governmental Funds	52
Schedule of Expenditures of Special Purpose Local Option Sales Tax Proceeds — 2007 SPLOST	53
Schedule of Expenditures of Special Purpose Local Option Sales Tax Proceeds — 2014 SPLOST	54
Schedule of Expenditures of Special Purpose Local Option Sales Tax Proceeds — 2021 SPLOST	55
Project Cost Schedule CDBG 2014	56
Combining Statement of Fiduciary Net Position – Custodial Funds	57
Combining Statement of Changes in Fiduciary Net Position – Custodial Funds	58

SUMTER COUNTY, GEORGIA
Annual Financial Report
For the Year Ended June 30, 2021

TABLE OF CONTENTS

	<u>Pages</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 <i>Government Auditing Standards</i>	59 - 60
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance	61 - 62
Schedule of Expenditures of Federal Awards	63
Schedule of Findings and Questioned Costs	64 - 66
Schedule of Prior Year Findings	67



INDEPENDENT AUDITOR'S REPORT

Board of Commissioners of Sumter County, Georgia
Americus, Georgia

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Sumter County Department of Public Health, which represents 100% of the assets, net position, and revenues of the discretely presented component unit. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Sumter County Department of Public Health is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

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

Emphasis of Matter

As discussed in Note 16, the County implemented Governmental Accounting Standards Board (“GASB”) Statement No. 84, Fiduciary Activities, as July 1, 2020. This standard changed the accounting for the County’s fiduciary activities and related disclosures. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (on pages 4 through 12) and the Schedule of Changes in the County's Net Pension Liability and Related Ratios and Schedule of County Contributions (on pages 49 and 50) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Sumter County, Georgia's basic financial statements. The combining and individual nonmajor fund financial statements and schedules, and the schedule of expenditures of special purpose local option sales tax proceeds, as required by the Official Code of Georgia 48-8-121, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis 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), and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules, and the schedule of expenditures of special purpose local option sales tax proceeds, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying

accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules, the schedule of expenditures of federal awards and the schedules of expenditures of special purpose local option sales tax proceeds are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 2, 2022, on our consideration of Sumter County, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 Sumter County, Georgia's internal control over financial reporting and compliance.

Hamblee Sheppard Roland Associates LLP

Americus, Georgia

March 2, 2022

FINANCIAL SECTION

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

Financial Highlights

- The assets of the County's governmental activities exceeded its liabilities by \$67,261,652 (net position) for the fiscal year reported.
- Total net position is comprised of the following:
 - (1) Net investment in capital assets of \$55,843,912 include property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets.
 - (2) Net position of \$6,676,776 is restricted by constraints imposed from outside the County such as debt covenants, grantors, laws, or regulations.
 - (3) Unrestricted net position of \$4,740,964.
- The County's governmental funds reported total ending fund balance of \$23,574,308 this year. This compares to the prior year ending fund balance of \$20,325,606 showing an increase of \$3,248,702 during the current year. Unassigned fund balance of \$9,822,878 at June 30, 2021, shows a \$2,349,986 increase over the prior year.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$9,822,581 or 54.19% of the total general fund expenditures. Overall, the County continues to maintain their financial position.

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

Overview of the Financial Statements

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

Government-wide Financial Statements

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

The first of these government-wide statements is the *Statement of Net Position*. This is the government-wide statement of position presenting information that includes all 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 is improving or deteriorating. Evaluation of the overall health of the County would extend to other nonfinancial factors such as diversification of the taxpayer base or the condition of County infrastructure, in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities*, which reports how the County's net position changed during the current calendar 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.

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

The government-wide financial statements are presented on pages 13 & 14 of this report.

Fund Financial Statements

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

The County has three kinds of funds:

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

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

The basic governmental fund financial statements are presented on pages 15-21 of this report.

Individual fund information for nonmajor governmental funds is found in the supplementary section of this report.

The *proprietary fund* is reported in the fund financial statements and include a statement of net position, an operating statement and a cash flow statement. These statements are presented on pages 22-24 of this report.

The *fiduciary funds* are reported in the fund financial statements. Statement of Fiduciary Net Position for its custodial funds is presented on page 25, and Statement of Changes in Fiduciary Net Position is presented on page 26.

Notes to the Basic Financial Statements

The accompanying notes to the basic financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the basic financial statements begin on page 27 of this report.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the County's defined benefit pension plan on pages 49 and 50.

Other Supplementary Information

This section includes combining and individual comparative statements and schedules for the nonmajor governmental funds and the fiduciary funds. These funds are added together by fund type and presented in single columns in the basic financial statements, but are not reported individually, as major funds are, on the governmental fund financial statements. The combining and individual statements and schedules can be found on pages 51-58.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
As of and For The Year Ended June 30, 2021

Sumter County, Georgia

Financial Analysis of the County as a Whole

The County's net position at fiscal year-end is \$69,348,499. The following table provides a summary of the County's net position:

	Summary of Net Position						2021 % of Total	
	Governmental Activities		Business-type Activities		Total			
	2021	2020	2021	2020	2021	2020		
Assets								
Current assets	\$ 28,658,194	\$ 23,459,683	\$ 2,189,380	\$ 2,117,413	\$ 30,847,574	\$ 25,577,096	35%	
Capital assets	58,535,651	60,317,472	-	-	58,535,651	60,317,472	65%	
Total assets	<u>87,193,845</u>	<u>83,777,155</u>	<u>2,189,380</u>	<u>2,117,413</u>	<u>89,383,225</u>	<u>85,894,568</u>	100%	
Deferred outflows of Resources-Pensions	<u>597,978</u>	<u>864,408</u>	<u>-</u>	<u>-</u>	<u>597,978</u>	<u>864,408</u>		
Liabilities								
Current liabilities	7,301,037	5,873,960	102,533	101,121	7,403,570	5,975,081	37%	
Long-term liabilities	12,560,175	14,748,619	-	-	12,560,175	14,748,619	63%	
Total liabilities	<u>19,861,212</u>	<u>20,622,579</u>	<u>102,533</u>	<u>101,121</u>	<u>19,963,745</u>	<u>20,723,700</u>	100%	
Deferred inflows of Resources-Pensions	<u>668,959</u>	<u>595,603</u>	<u>-</u>	<u>-</u>	<u>668,959</u>	<u>595,603</u>		
Net position								
Net investment in capital assets	55,843,912	56,483,590	-	-	55,843,912	56,483,590	81%	
Restricted	6,676,776	5,366,483	-	-	6,676,776	5,366,483	10%	
Unrestricted	4,740,964	1,573,488	2,086,847	2,016,292	6,827,811	3,589,780	10%	
Total net position	<u>\$ 67,261,652</u>	<u>\$ 63,423,561</u>	<u>\$ 2,086,847</u>	<u>\$ 2,016,292</u>	<u>\$ 69,348,499</u>	<u>\$ 65,439,853</u>	100%	

The County maintains a high current ratio. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for governmental activities is 3.93 to 1, which compares favorably to 3.99 to 1 at June 30, 2020. The business-type activities is 21.35 to 1, which compares favorably to 20.94 to 1 at June 30, 2020. Overall, the total current ratio at June 30, 2021 is 4.17 to 1 as compared to 4.28 to 1 at June 30, 2020.

The County reported positive balances in net position for governmental activities. Net position increased \$3,838,091 in 2021 governmental activities or 6% above the stated 2020 amount. The net position for business-type activities increased \$70,555 or 3.5% above the stated 2020 amount. The County's overall financial position increased during fiscal year by \$3,908,646 or 5.97% above the stated 2020 amount.

About 83.02% of the governmental activities net position is tied up in capital assets compared to 89.06% at June 30, 2020. The County uses these capital assets to provide services to its citizens.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
As of and For The Year Ended June 30, 2021

Sumter County, Georgia

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

Summary of Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program:						
Charges for services	\$ 7,861,336	\$ 7,705,760	\$ 1,327,013	\$ 1,378,375	\$ 9,188,349	\$ 9,084,135
Operating grants	1,079,437	1,063,921	-	-	1,079,437	1,063,921
Capital grants & contributions	718,113	928,456	-	-	718,113	928,456
General:						
Taxes	20,867,945	18,812,092	-	-	20,867,945	18,812,092
Other	98,353	148,999	18,391	16,519	116,744	165,518
Total revenues	<u>30,625,184</u>	<u>28,659,228</u>	<u>1,345,404</u>	<u>1,394,894</u>	<u>31,970,588</u>	<u>30,054,122</u>
Program Expenses:						
General government	\$ 3,940,778	\$ 5,248,611	-	-	3,940,778	5,248,611
Judicial	2,289,152	2,409,323	-	-	2,289,152	2,409,323
Public safety	13,160,236	13,755,373	-	-	13,160,236	13,755,373
Public works	5,386,743	8,886,705	-	-	5,386,743	8,886,705
Health and welfare	262,037	261,387	-	-	262,037	261,387
Recreation	1,104,031	1,312,559	-	-	1,104,031	1,312,559
Housing & development	480,669	699,611	-	-	480,669	699,611
Interest	214,847	17,720	-	-	214,847	17,720
Solid waste management	-	-	1,223,449	1,197,909	1,223,449	1,197,909
Total expenses	<u>26,838,493</u>	<u>32,591,289</u>	<u>1,223,449</u>	<u>1,197,909</u>	<u>28,061,942</u>	<u>33,789,198</u>
Transfers	<u>51,400</u>	<u>67,790</u>	<u>(51,400)</u>	<u>(67,790)</u>	<u>-</u>	<u>-</u>
Excess	3,838,091	(3,864,271)	70,555	129,195	3,908,646	(3,735,076)
Beginning net position	<u>63,423,561</u>	<u>67,287,832</u>	<u>2,016,292</u>	<u>1,887,097</u>	<u>65,439,853</u>	<u>69,174,929</u>
Ending net position	<u>\$ 67,261,652</u>	<u>\$ 63,423,561</u>	<u>\$ 2,086,847</u>	<u>\$ 2,016,292</u>	<u>\$ 69,348,499</u>	<u>\$ 65,439,853</u>

GOVERNMENTAL REVENUES

The County is heavily reliant on property taxes to support governmental operations. Property taxes provided \$10,796,221 or 35.25% of the County's total governmental revenues as compared to 36.52% in 2020.

Sales taxes are the second largest revenue source with \$8,703,101 of revenues or 28.42% as compared to 24.71% in 2020.

Because of the County's financial position, we have been able to earn \$20,546 in unrestricted interest earnings to support governmental activities. Also, note that program revenue covers 35.99% of governmental operating expenses compared to 29.76% in fiscal year 2020. This means that the government's taxpayers and the County's other general governmental revenues fund 64.01% of the governmental activities. Therefore, the general economy and the County businesses have a major impact on the County's revenue streams.

The County reported public works program revenues of \$739,298.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
As of and For The Year Ended June 30, 2021

Sumter County, Georgia

GOVERNMENTAL FUNCTIONAL EXPENSES

The public safety and the public works functions make up approximately 69.11% of the total governmental activities expenses as compared 69.47% in 2020. General government expenditures are over \$3.9 million and the court system expenditures are over \$2.289 million annually of total cost of services for 2021.

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

Governmental Activities

	2021		2020	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
General government	\$ 3,940,778	\$ 2,657,386	\$ 5,248,611	\$ 3,912,421
Judicial	2,289,152	1,304,681	2,409,323	1,356,038
Public safety	13,160,236	6,851,014	13,755,373	7,724,516
Public works	5,386,743	4,647,445	8,886,705	8,155,860
Health and welfare	262,037	262,037	261,387	261,387
Recreation	1,104,031	993,227	1,312,559	1,185,426
Housing and development	480,669	248,970	699,611	279,784
Interest	214,847	214,847	17,720	17,720
Total	\$ 26,838,493	\$ 17,179,607	\$ 32,591,289	\$ 22,893,152

After reducing gross expenses by program revenues, public safety totals 39.88% of the net cost of services and public works totals 27.05% of these costs. The primary revenue streams that reduced gross expenses were charges for services, capital contributions and capital grants.

Business-Type Activities

The County operates a *Solid Waste Management program* and accounts for the revenues recognized from services billed to customers and the for payment of costs of collection.

In fiscal year 2021, this fund reported operating income of \$107,514 compared to operating income of \$180,466 in fiscal year 2020. Charges for services decreased \$46,922 or 3.42%.

Total operating expenses increased just \$25,540 or 2.08% over the prior year. The unrestricted net position is \$2,086,847 as compared to a balance of \$2,016,292 at June 30, 2020, or a \$70,555 or 3.5% increase.

Financial Analysis of the County's Funds

Governmental Funds

As discussed, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$23,574,308, an increase of \$3,248,702 or 15.98% above the prior year amount.

Of this year-end total, \$9,822,581 is unassigned indicating availability for continuing County service requirements. Legally restricted fund balances include \$1,046,395 restricted to public safety; \$10,594,004 to capital projects; \$1,652,136 for debit service; \$31,878 for Judicial purposes. The major changes relate to an increase in the general fund of \$2,274,465, an increase of \$1,666,235 in the 2021 SPLOST fund, a increase of \$486,920 in the Fire fund, a decrease of \$1,504,961 in the 2014 SPLOST fund, and an increase of \$116,319 in the TSPLOST fund.

Major Governmental Funds

The General Fund - The general fund is the County's primary operating fund and the largest source of day-to-day service delivery. The general fund's fund balance increased \$2,274,465 or 29.99%.

In total, revenues increased \$45,267 or .23%.

Total taxes increased \$993,388 or 7.34%. Property taxes increased \$485,858 or 4.66% compared to last year. Sales tax revenue increased \$481,991 or 23.08% compared to last year. Other taxes increased by \$25,539 or 2.49%.

In total, expenditures were lower than the 2020 amount by \$1,250,676 or 6.45 %. Some of the more notable changes in expenditures from 2021 follow:

- The general government function costs decreased \$1,011,884 or 24.1% below the 2020 amount.
- The public safety function costs decreased \$218,233 or 2.1% below the 2020 amount.

As indicated, the general fund's ending unassigned fund balance increased \$2,274,465 or 29.99% above the prior year. The unassigned fund balance (i.e. the amount available for future spending), is considered adequate, representing the equivalent of 54.19% of annual expenditures.

In addition to the general fund, the County reports six other major governmental funds.

Sumter County Fire Fund – This fund accounts for the fees billed to property owners and expenditures of operating the County-Wide fire department. In fiscal year 2021, the County reported revenues of \$2,023,750 and expended \$2,010,039 (\$1,543,502 for operating costs; \$71,939 for capital outlay and \$394,598 for debt service on capital lease). The ending fund balance was \$419,986, up \$486,920 from June 30, 2020.

CARES ACT Fund – The grant revenue reported in this fund are being used to offset the counties front line workers during COVID-19 pandemic. The fund received a grant in the amount of \$677,117 and transferred \$363,908 to general fund and \$313,209 to fire fund for front line salary reimbursement. The fund was completed and closed at June 30, 2021.

2021 CORONAVIRUS RECOVERY FUND – The grant revenue \$2,867,346 was received and deferred to the next fiscal year. The fund will aid in the recovery of the economy due to covid covid-19 pandemic.

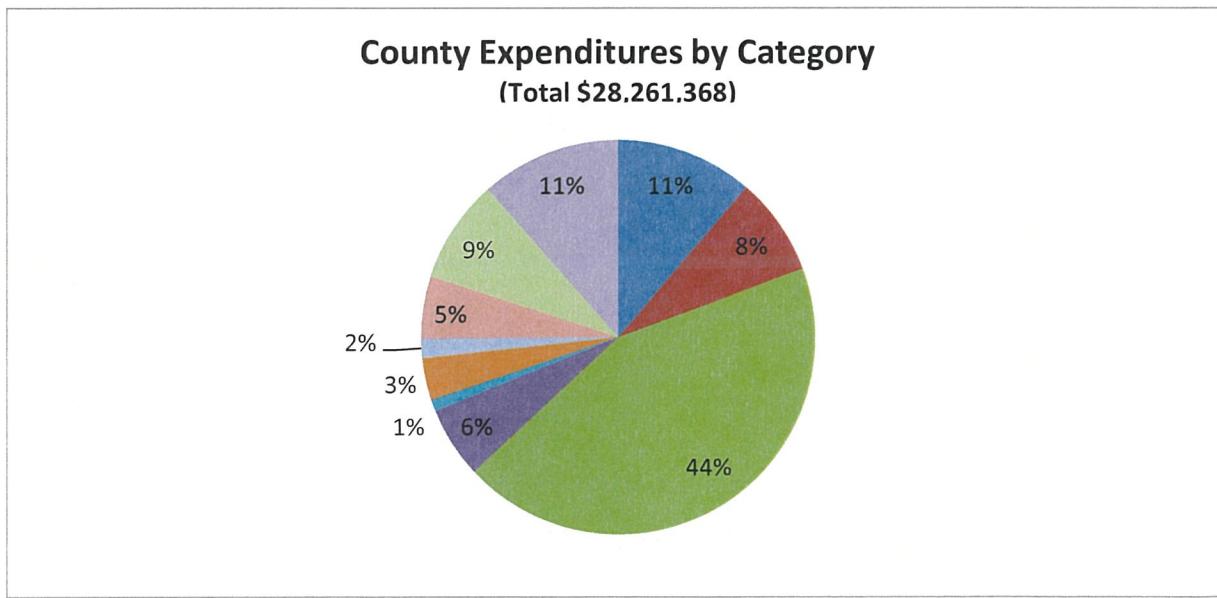
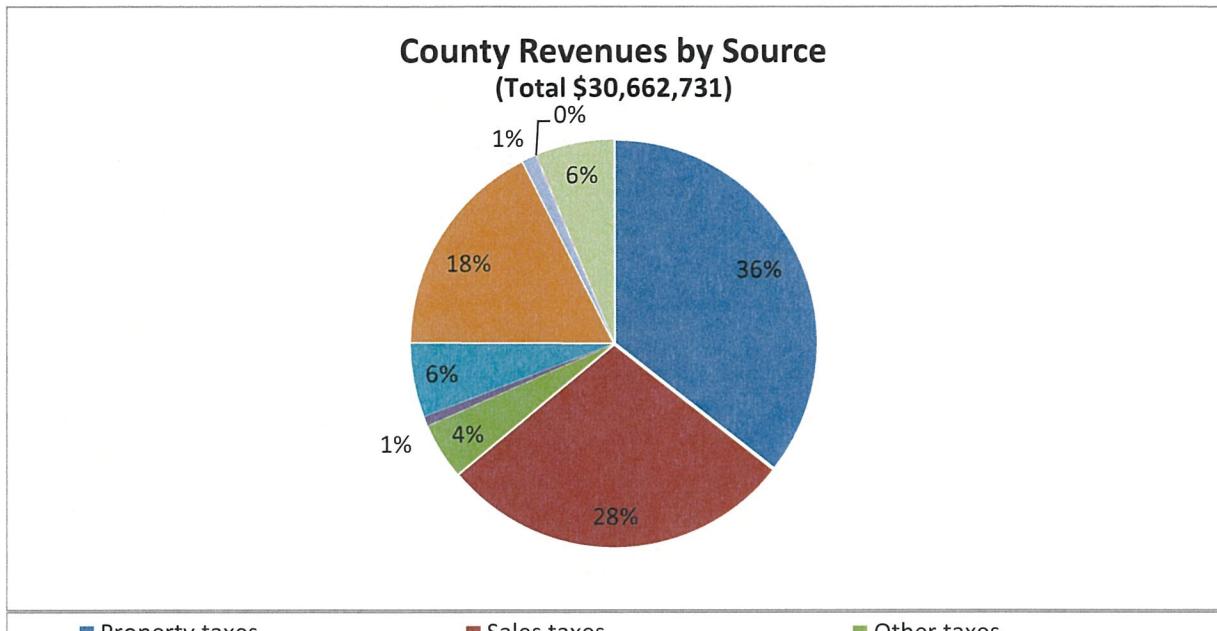
2014 SPLOST Fund – The sales taxes from this fund are being used to fund approved projects approved with the SPLOST referendum and for principal and interest on the *Sumter County General Obligation Sales Tax Bonds, Series 2014*. This fund collected sales taxes of \$2,628,498, and expended \$350,082 on capital projects and \$1,340,804 to cities within the County for approved projects. The fund also expended \$2,514,793 for debt service. The fund balance at June 30, 2021 is \$1,128,075, down \$1,504,961 from the June 30, 2020 balance.

2021 SPLOST Fund – The sales taxes from this fund will be used to fund approved projects approved with the SPLOST referendum and for principal and interest on the *Sumter County General Obligation Sales Tax Bonds, Series 2021*. The fund collected sales taxes of \$2,381,028, and expended \$765,118 on capital projects and \$108,060 to the cities within the County for approved projects. The fund also expended \$205,275 for debt service. The fund balance at June 30, 2021 is \$9,014,905, which is restricted to capital projects and debt service.

Transportation Special 1% Sales Tax Fund – This fund is used to account for the revenues and expenditures relating to the *Transportation Investment Act (TIA)* referendum passed by voters in the River Valley Region. The County receives a designated allocation of the 1% sales tax over a 10-year period to fund transportation improvements. This fund received sales taxes of \$1,121,252 and expended \$843,492 on capital and related projects and \$126,441 on debt service. The fund balance at June 30, 2021 is \$895,783, up \$116,319 from the June 30, 2020 balance.

Governmental Funds Revenues and Expenditures

The following charts depict the percentage that the various categories of revenues and expenditures contribute to the total for the year ended June 30, 2021.



General government	Judicial
Public safety	Public works
Health and welfare	Culture and recreation
Housing and development	Intergovernmental(SPLOST Cities)
Capital outlay	Debt service

Proprietary Fund

Since the County reports only a single major enterprise fund, the financial analysis is presented on pages 6 and 7 for this fund.

Budgetary Highlights

The General Fund – Property taxes were above budget by \$1,261,784. This overage relates to a conservative approach to the property tax revenue budget. Fines and forfeitures were \$141,031 below the estimated budget. This revenue stream has been decreasing over the last few years and the County administration has been discussing this reduction in revenues with both the district attorney and state court judge.

For the year, the County recognized 109.92% of the final revenue budget. The revenue budget was not amended.

In total, the expenditure side of the budget was not amended. The total expenditure budget was under-spent by \$2,344,740 or 11.45%. The department heads are working hard to minimize spending.

The expenditure budget was amended near the end of the fiscal year, therefore, there are no significant variances to discuss as departments were within the final budget.

The Fire Fund- Revenues from fees were \$73,120 above budget.

Total expenditures were under-spent by \$97,417.

Capital Assets and Debt Administration

Capital Assets

The County's investment in capital assets, net of accumulated depreciation, for governmental activities as of June 30, 2021, was \$58,535,651 as compared to an amount of \$60,317,472 at June 30, 2020. The total net investment in capital assets was \$55,843,912. See Note 5 for additional information about changes in capital assets during the calendar year and outstanding at the end of the year.

The following table provides a summary of capital asset activity.

	Governmental Activities	
	2021	2020
Non-depreciable assets:		
Land	\$ 974,338	\$ 974,338
Construction in progress	401,521	-
Total non-depreciable	<u>1,375,859</u>	<u>974,338</u>
Depreciable assets:		
Site improvements	830,054	830,054
Buildings	48,553,113	48,646,562
Machinery and equipment	16,930,435	16,362,079
Infrastructure	<u>50,462,955</u>	<u>50,462,955</u>
Total depreciable assets	<u>116,776,557</u>	<u>116,301,650</u>
Less accumulated depreciation	<u>59,616,765</u>	<u>56,958,516</u>
Book value - depreciable assets	<u>\$ 57,159,792</u>	<u>\$ 59,343,134</u>
Percentage depreciated	<u>51%</u>	<u>49%</u>
Book value - all assets	<u>\$ 58,535,651</u>	<u>\$ 60,317,472</u>

At June 30, 2021, the depreciable capital assets for governmental activities were 51% depreciated, or slightly above the 2020 percentage of 49%. This comparison indicates that the County is replacing its assets at about the same rate as they are depreciating, which is a positive indicator.

The other major additions to the machinery and equipment classifications include public safety equipment (14 vehicles) for \$771,309

Long-term Debt

The following table presents the balances of the County's long-term debt at June 30, 2021 and 2020.

Governmental Activities

	2021	2020
Bonds payable	\$ 11,500,000	\$ 13,855,000
Issuance premium	-	103,851
Capital leases	2,138,888	2,078,708
Net pension liability	1,048,808	1,429,448
Landfill post-closure	723,955	732,621
Compensated absences	386,348	429,135
Total	<u>\$ 15,797,999</u>	<u>\$ 18,628,763</u>

The Bonds payable consist of two different bonds.

The first is the Series 2014 bonds that are general obligations of the County and are payable first from a 1% special purpose local option sales and use tax collected within the County, and second from the levy of an ad valorem tax, without limitation as to rate or amount on all property within the County subject to taxation for bond purposes. The series 2014 bonds were fully retired in 2021.

The second is the series 2021 bonds. The series 2021 bonds are general obligations of the County and are payable first from a 1% special purpose local option sales and use tax collected within the County, and second from the levy of an ad valorem tax, without limitation as to rate or amount on all property within the County subject to taxation for bond purposes. These bonds will be fully retired in 2026.

During the year, the County paid \$571,824 of principal on the capital lease debt, and added thirteen leases totaling \$632,004. The County's portion of the liability for landfill post-closure (approximately 25%) is \$723,955 which relates to cost for the closed County landfill.

See Note 6 for additional information about the County's long-term debt.

Economic Conditions Affecting the County

Agriculture is the primary driver of the County's economy. Management and the Board of Commissioners follow conservative spending policies and expect little improvement in the property tax base. Economic conditions were considered in developing the County's 2021 budget.

Some of the issues impacting the County's future are:

Population:

- Sumter County's population is showing a steady decline from an estimated population in 2000 of 33,200, to 32,817 in 2010, and to 29,616 in 2020.

Income and the Economy:

- The 2000 median household income for Sumter County was \$30,904. The 2010 median household income was \$32,430. The 2019 median household income was \$36,681.
- The 2000 census showed that approximately 21.40% of Sumter County's population was living below the poverty level. The number of Sumter County residents living below the poverty level in 2019 decreased to 24.3%.

Higher Education:

- Georgia Southwestern State University and South Georgia Technical College are both located in Sumter County. Enrollment at both institutions has remained stable in recent years.

Contacting the County's Financial Management

This financial report is designed to provide a general overview of Sumter County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, Sumter County, P.O. Box 295, Americus, Georgia 31709.

SUMTER COUNTY, GEORGIA

STATEMENT OF NET POSITION

JUNE 30, 2021

	Primary Government			Component Units Sumter County Department of Public Health
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Cash and cash equivalents	\$ 23,223,281	\$ 1,242,383	\$ 24,465,664	\$ 1,320,613
Investments	980,000	717,540	1,697,540	200,000
Sales taxes receivable	723,327	-	723,327	-
Property taxes and fire fees receivable, net of allowances	1,335,888	228,741	1,564,629	-
Accounts receivable, net of allowances	60,083	-	60,083	2,019
Due from other governments	648,344	-	648,344	-
Inventories	35,851	-	35,851	-
Internal balances	(716)	716	-	-
Restricted cash	1,652,136	-	1,652,136	-
Capital assets, non-depreciable	1,375,859	-	1,375,859	-
Capital assets, depreciable, net of accumulated depreciation	57,159,792	-	57,159,792	19,654
Total assets	87,193,845	2,189,380	89,383,225	1,542,286
DEFERRED OUTFLOW OF RESOURCES				
Pension	597,978	-	597,978	92,822
OPEB	-	-	-	54,424
Total deferred outflows of resources	597,978	-	597,978	147,246
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES				
	87,791,823	2,189,380	89,981,203	1,689,532
LIABILITIES				
Accounts payable	587,010	102,533	689,543	1,784
Accrued liabilities	432,333	-	432,333	-
Funds held for Airport Authority	105	-	105	-
Unearned Revenue Grant	2,867,346	-	2,867,346	-
Unclaimed funds	176,419	-	176,419	-
Capital leases due within one year	640,699	-	640,699	-
Capital leases due in more than one year	1,498,189	-	1,498,189	-
Bond payable due within one year	1,690,000	-	1,690,000	-
Bond payable due in more than one year	9,810,000	-	9,810,000	-
Compensated absences due within one year	386,348	-	386,348	16,730
Compensated absences due in more than one year	-	-	-	27,630
Landfill post-closure costs due within one year	520,777	-	520,777	-
Landfill post-closure costs due in more than one year	203,178	-	203,178	-
Net pension obligation due in more than one year	1,048,808	-	1,048,808	528,175
Net OPEB obligation due in more than one year	-	-	-	98,958
Total liabilities	19,861,212	102,533	19,963,745	673,277
DEFERRED INFLOWS OF RESOURCES				
Pension	668,959	-	668,959	28,624
OPEB	-	-	-	181,702
Total deferred inflows of resources	668,959	-	668,959	210,326
Total liabilities and deferred inflows of resources	20,530,171	102,533	20,632,704	883,603
NET POSITION				
Net Investment in capital assets	55,843,912	-	55,843,912	19,654
Restricted for:				
Judicial	31,878	-	31,878	-
Public safety	1,345,907	-	1,345,907	-
Health & Welfare	-	-	-	163,949
Capital projects	3,646,855	-	3,646,855	-
Debt service	1,652,136	-	1,652,136	-
Unrestricted	4,740,964	2,086,847	6,827,811	622,326
Total net position	\$ 67,261,652	\$ 2,086,847	\$ 69,348,499	\$ 805,929

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

SUMTER COUNTY, GEORGIA

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021**

Program Revenues

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Units Sumter County Department of Public Health
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	
Primary Government:								
Governmental activities:								
General government	\$ 3,940,778	\$ 1,279,306	\$ 4,086	\$ (2,657,386)	\$ (1,304,681)	\$ (6,851,014)	\$ (2,657,386)	\$ (1,304,681)
Judicial	2,289,152	617,642	366,829	-	-	-	-	-
Public safety	13,160,236	5,600,700	708,522	-	(4,647,445)	(262,037)	(262,037)	(4,647,445)
Public works	5,386,743	84,638	-	654,660	-	-	-	(6,851,014)
Health and welfare	262,037	-	-	-	(993,227)	-	(993,227)	-
Recreation	1,104,031	110,804	-	-	(248,970)	-	(248,970)	-
Housing and development	480,669	168,246	-	63,453	(214,847)	-	(214,847)	-
Interest on long-term debt	214,847	-	-	-	-	-	-	-
Total governmental activities	<u><u>\$ 26,838,493</u></u>	<u><u>7,861,336</u></u>	<u><u>1,079,437</u></u>	<u><u>718,113</u></u>	<u><u>(17,179,607)</u></u>	<u><u>-</u></u>	<u><u>(17,179,607)</u></u>	<u><u>-</u></u>
Business-type activities:								
Solid waste management	1,223,449	1,327,013	-	-	-	-	103,564	103,564
Total business-type activities	<u><u>\$ 1,223,449</u></u>	<u><u>\$ 1,327,013</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>\$ 103,564</u></u>	<u><u>\$ 103,564</u></u>
Total primary government	<u><u>\$ 28,061,942</u></u>	<u><u>\$ 9,188,349</u></u>	<u><u>\$ 1,079,437</u></u>	<u><u>\$ 718,113</u></u>	<u><u>\$ (17,179,607)</u></u>	<u><u>\$ 103,564</u></u>	<u><u>\$ (17,076,043)</u></u>	<u><u>\$ -</u></u>
Component units:								
Sumter County Department of Public Health	\$ 783,220	\$ 348,070	\$ 648,170	\$ -	\$ -	\$ -	\$ -	\$ -
Total component units	<u><u>\$ 783,220</u></u>	<u><u>\$ 348,070</u></u>	<u><u>\$ 648,170</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
General revenues:								
Property taxes					10,796,221	-	10,796,221	-
Sales taxes					8,703,101	-	8,703,101	-
Insurance premium taxes					1,034,502	-	1,034,502	-
Other taxes					334,121	-	334,121	-
Allotment from Sumter County government					-	-	-	-
Late payment penalties and fees					20,546	14,441	34,987	2,852
Unrestricted investment earnings					77,807	-	77,807	-
Gain on sale of capital assets					-	-	-	-
Transfers					51,400	(51,400)	-	-
Total general revenues and transfers					<u><u>21,017,698</u></u>	<u><u>(33,009)</u></u>	<u><u>20,984,689</u></u>	<u><u>2,852</u></u>
Change in net position					<u><u>3,838,091</u></u>	<u><u>70,555</u></u>	<u><u>3,908,646</u></u>	<u><u>215,872</u></u>
Net position, beginning of year					<u><u>63,423,561</u></u>	<u><u>2,016,292</u></u>	<u><u>65,439,853</u></u>	<u><u>590,057</u></u>
Net position, end of year					<u><u>\$ 67,261,652</u></u>	<u><u>\$ 2,086,847</u></u>	<u><u>\$ 69,348,499</u></u>	<u><u>\$ 805,929</u></u>

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

SUMTER COUNTY, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021

	General	Sumter County Fire	CARES ACT	2021 Coronavirus Recovery	2014 SPLOST	2021 SPLOST	Transportation Special 1% Sales Tax Fund	Other Governmental Funds	Total
ASSETS									
Cash and cash equivalents	\$ 8,785,980	\$ 398,396	\$ -	\$ 2,867,643	\$ 1,153,047	\$ 6,947,191	\$ 803,378	\$ 2,267,646	\$ 23,223,281
Investments	980,000	-	-	-	-	-	-	-	980,000
Sales taxes receivable	213,265	-	-	-	-	415,578	94,484	-	723,327
Property taxes and fire fees receivable, net of allowance for uncollectible	963,812	372,076	-	-	-	-	-	-	1,335,888
Accounts receivable	60,083	-	-	-	-	-	-	-	60,083
Due from other governments	477,070	2,485	-	-	-	-	-	168,789	648,344
Due from other funds	88	1,871	-	-	-	-	-	94,098	96,057
Inventories	35,851	-	-	-	-	-	-	-	35,851
Restricted cash	-	-	-	-	-	1,652,136	-	-	1,652,136
Total assets	\$ 11,516,149	\$ 774,828	\$ -	\$ 2,867,643	\$ 1,153,047	\$ 9,014,905	\$ 897,862	\$ 2,530,533	\$ 28,754,967
LIABILITIES									
Accounts payable	\$ 272,109	\$ 15,968	\$ -	\$ -	\$ 24,972	\$ -	\$ 346	\$ 273,615	587,010
Accrued liabilities	382,800	26,512	-	-	-	-	1,733	-	411,045
Due to other funds	83,835	12,850	-	-	-	-	-	88	96,773
Grant funds held for Airport Authority	105	-	-	-	-	-	-	-	105
Unearned revenue - grant	-	-	-	2,867,346	-	-	-	-	2,867,346
Unclaimed funds	176,419	-	-	-	-	-	-	-	176,419
Total liabilities	915,268	55,330	-	2,867,346	24,972	-	2,079	273,703	4,138,698
DEFERRED INFLOWS OF RESOURCES									
Unavailable revenue - Property tax and fire fees	742,449	299,512	-	-	-	-	-	-	1,041,961
Total deferred inflows of resources	742,449	299,512	-	-	-	-	-	-	1,041,961
FUND BALANCES									
Nonspendable	35,851	-	-	-	-	-	-	-	35,851
Restricted	-	419,986	-	-	1,128,075	9,014,905	895,783	1,865,664	13,324,413
Committed	-	-	-	-	-	-	-	391,166	391,166
Unassigned	9,822,581	-	-	297	-	-	-	-	9,822,878
Total fund balances	9,858,432	419,986	-	297	1,128,075	9,014,905	895,783	2,256,830	23,574,308
Total liabilities, deferred inflows of resources and fund balances	\$ 11,516,149	\$ 774,828	\$ -	\$ 2,867,643	\$ 1,153,047	\$ 9,014,905	\$ 897,862	\$ 2,530,533	

Amounts reported for governmental activities in the statement of net position are different because:

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

58,535,651

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

597,978

Taxes

\$ 742,449

Public Safety - fire fees

299,512

1,041,961

Deferred outflow of resources

Pension cost

597,978

Long-term liabilities are not due and payable in the current period

and, therefore, are not reported in the funds.

Accrued interest payable

\$ (21,288)

Capital leases

(2,138,888)

Bond payable

(11,500,000)

Landfill post-closure costs

(723,955)

Compensated absences

(386,348)

(14,770,479)

Net pension obligation used in governmental activities is not a
financial resource and, therefore is not reported in the funds.

(1,048,808)

Deferred inflow of resources

Pension cost

(668,959)

Net position of governmental activities

\$ 67,261,652

SUMTER COUNTY, GEORGIA

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	General	Sumter County Fire	CARES ACT	2021 Coronavirus Recovery	2014 SPLOST	2021 SPLOST	Transportation Special 1% Sales Tax Fund	Other Governmental Funds	Total
Revenues:									
Property taxes	\$ 10,911,134	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,911,134
Sales taxes	2,570,488	-	-	-	2,628,498	2,381,028	1,121,252	-	8,701,266
Other taxes	1,050,141	318,482	-	-	-	-	-	-	1,368,623
Licenses and permits	231,138	2,525	-	-	-	-	-	-	233,663
Intergovernmental	24,904	10,587	677,117	-	-	-	-	1,084,942	1,797,550
Charges for services	3,689,376	1,689,820	-	-	-	-	-	-	5,379,196
Fines and forfeitures	273,969	-	-	-	-	-	-	74,508	348,477
Interest	20,249	-	-	297	1,764	63	-	8	22,381
Other revenues	1,206,702	2,336	-	-	-	-	-	691,403	1,900,441
Total revenues	<u>19,978,101</u>	<u>2,023,750</u>	<u>677,117</u>	<u>297</u>	<u>2,630,262</u>	<u>2,381,091</u>	<u>1,121,252</u>	<u>1,850,861</u>	<u>30,662,731</u>
Expenditures:									
Current									
General government	3,187,139	-	-	-	2,950	-	-	-	3,190,089
Judicial	1,889,701	-	-	-	-	-	-	389,869	2,279,570
Public safety	10,179,309	1,543,502	-	-	-	-	-	628,764	12,351,575
Public works	1,241,646	-	-	-	-	-	414,265	-	1,655,911
Health and welfare	262,037	-	-	-	-	-	-	-	262,037
Culture and recreation	977,044	-	-	-	-	-	-	-	977,044
Housing and development	377,331	-	-	-	-	-	-	65,253	442,584
Intergovernmental	-	-	-	-	1,340,804	108,060	-	-	1,448,864
Capital outlay	General government	2,000	-	-	53,997	19,104	-	8,610	83,711
	Judicial	7,889	-	-	-	-	-	818	8,707
	Public safety	2,784	71,939	-	274,336	746,014	-	-	1,095,073
	Public works	-	-	-	10,825	-	429,227	770,854	1,210,906
	Culture and recreation	-	-	-	10,924	-	-	-	10,924
	Housing and development	-	-	-	-	-	-	3,266	3,266
Debt service:	Principal	-	357,007	-	2,455,918	-	113,899	-	2,926,824
	Interest	-	37,591	-	58,875	205,275	12,542	-	314,283
Total expenditures	<u>18,126,880</u>	<u>2,010,039</u>	<u>-</u>	<u>-</u>	<u>4,208,629</u>	<u>1,078,453</u>	<u>969,933</u>	<u>1,867,434</u>	<u>28,261,368</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,851,221</u>	<u>13,711</u>	<u>677,117</u>	<u>297</u>	<u>(1,578,367)</u>	<u>1,302,638</u>	<u>151,319</u>	<u>(16,573)</u>	<u>2,401,363</u>
Other financing sources (uses):									
Proceeds from sale of assets	163,936	-	-	-	-	-	-	-	163,936
Proceeds from leases	-	-	-	-	268,406	365,597	-	-	632,003
Transfers in	485,308	508,209	-	-	-	-	-	-	226,000
Transfers out	(226,000)	(35,000)	(677,117)	-	(195,000)	-	(35,000)	-	(1,168,117)
Total other financing sources (uses)	<u>423,244</u>	<u>473,209</u>	<u>(677,117)</u>	<u>-</u>	<u>73,406</u>	<u>363,597</u>	<u>(35,000)</u>	<u>226,000</u>	<u>847,339</u>
Net change in fund balances	2,274,465	486,920	-	297	(1,504,961)	1,666,235	116,319	209,427	3,248,702
Fund balance(deficit), beginning of year	<u>7,583,967</u>	<u>(66,934)</u>	<u>-</u>	<u>-</u>	<u>2,633,036</u>	<u>7,348,670</u>	<u>779,464</u>	<u>2,047,403</u>	<u>20,325,606</u>
Fund balance, end of year	<u>\$ 9,858,432</u>	<u>\$ 419,986</u>	<u>\$ -</u>	<u>\$ 297</u>	<u>\$ 1,128,075</u>	<u>\$ 9,014,905</u>	<u>\$ 895,783</u>	<u>\$ 2,256,830</u>	<u>\$ 23,574,308</u>

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

SUMTER COUNTY, GEORGIA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2021

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

Net change in fund balances - total governmental funds	\$ 3,248,702
--	--------------

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 outlays exceeded depreciation in the current period.

Capital outlay	\$ 1,172,830
Depreciation expense	<u>(2,868,522)</u>
	(1,695,692)
gain on sale of capital assets	(86,129)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Decrease in unavailable revenue-property tax	(114,913)
Decrease in unavailable revenue-fire fees	<u>(441)</u>
	(115,354)

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. This amount is the payments made on notes payable and capital leases.

Principal paid on capital leases	571,824
Proceeds from Leases	(632,003)
Principal paid on bond payable	2,355,000
Premium amortization	103,851
Net change in interest payable	<u>(4,415)</u>
	2,394,257

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 the governmental funds.

Net pension obligation	40,854
Compensated absences	42,787
Landfill post-closure costs	<u>8,666</u>
	92,307
Change in net position - governmental activities	<u>\$ 3,838,091</u>

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

SUMTER COUNTY, GEORGIA

GENERAL FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues:				
Property taxes	\$ 9,649,350	\$ 9,649,350	\$ 10,911,134	\$ 1,261,784
Sales taxes	1,900,000	1,900,000	2,570,488	670,488
Other taxes	995,526	995,526	1,050,141	54,615
Licenses and permits	185,650	185,650	231,138	45,488
Intergovernmental	75,818	75,818	24,904	(50,914)
Charges for services	3,777,500	3,777,500	3,689,376	(88,124)
Fines and forfeitures	415,000	415,000	273,969	(141,031)
Interest income	55,600	55,600	20,249	(35,351)
Miscellaneous	1,120,301	1,120,301	1,206,702	86,401
Total revenues	<u>18,174,745</u>	<u>18,174,745</u>	<u>19,978,101</u>	<u>1,803,356</u>
Expenditures:				
Current:				
General government				
Board of commissioners	139,848	139,848	124,433	15,415
County clerk	53,678	55,484	55,484	-
Administrator	307,168	307,168	300,304	6,864
Elections	283,606	287,084	287,084	-
Financial administration	171,743	171,743	171,351	392
Legal	3,000	3,840	3,840	-
Information systems	88,590	49,114	49,112	2
Human resources	147,238	144,608	142,930	1,678
Tax commissioner's office	547,295	546,281	489,305	56,976
Tax assessor's office	520,732	519,426	496,292	23,134
Board of equalization	6,640	6,640	4,451	2,189
Risk management	326,000	292,545	292,545	-
Building and grounds	697,817	674,769	598,954	75,815
General administration	508,088	508,088	171,054	337,034
Total general government	<u>3,801,443</u>	<u>3,706,638</u>	<u>3,187,139</u>	<u>519,499</u>
Judicial:				
Court administration	41,658	41,658	37,366	4,292
Judge of superior court	140,832	135,065	132,841	2,224
Clerk of courts	478,455	478,455	445,105	33,350
District attorney	203,186	203,186	201,251	1,935
State court	237,942	237,942	227,200	10,742
Magistrate court	354,814	354,814	325,696	29,118
Probate court	153,270	165,855	165,855	-
Juvenile court	93,880	93,880	73,805	20,075
Grand jury	5,500	6,300	6,300	-
Public defense	279,548	279,548	274,282	5,266
Total judicial	<u>1,989,085</u>	<u>1,996,703</u>	<u>1,889,701</u>	<u>107,002</u>

(Continued)

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

SUMTER COUNTY, GEORGIA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Expenditures: (Continued)				
Current (Continued)				
Public safety:				
Sheriff's office	\$ 4,083,441	\$ 4,075,532	\$ 3,678,670	\$ 396,862
Jail operations	3,152,555	3,150,084	3,042,730	107,354
Correctional institute	3,548,478	3,540,565	2,918,023	622,542
Coroner	54,694	70,951	70,951	-
E911	161,812	161,812	158,557	3,255
Animal control	45,203	46,703	46,703	-
Humane society	50,000	50,000	50,000	-
Emergency management	153,256	153,256	121,930	31,326
Emergency reponse & operations	-	91,745	91,745	-
Total public safety	<u>11,249,439</u>	<u>11,340,648</u>	<u>10,179,309</u>	<u>1,161,339</u>
Public works:				
Public works department	1,255,379	1,255,162	1,153,286	101,876
Landfill closure/post-closure	227,765	227,765	88,360	139,405
Total public works	<u>1,483,144</u>	<u>1,482,927</u>	<u>1,241,646</u>	<u>241,281</u>
Health and welfare:				
Public health	242,387	242,387	242,387	-
Public welfare	20,000	20,000	17,150	2,850
Community service	-	-	-	-
Senior Citizens Center	2,500	2,500	2,500	-
Total health and welfare	<u>264,887</u>	<u>264,887</u>	<u>262,037</u>	<u>2,850</u>
Culture and recreation:				
Recreation	1,026,568	1,024,038	852,044	171,994
Libraries	125,000	125,000	125,000	-
Total culture and recreation	<u>1,151,568</u>	<u>1,149,038</u>	<u>977,044</u>	<u>171,994</u>
Housing and development:				
County agent's office	166,862	166,862	151,556	15,306
Forest resources	19,150	19,150	19,149	1
Building inspection	59,330	59,330	41,341	17,989
Planning and zoning	99,344	98,069	53,004	45,065
Code enforcement	56,752	56,752	38,470	18,282
Economic Development	38,000	38,000	38,000	-
Airport	36,716	36,716	35,811	905
Total housing and development	<u>476,154</u>	<u>474,879</u>	<u>377,331</u>	<u>97,548</u>
Capital outlay:				
General government	27,500	27,500	2,000	25,500
Judical	8,400	8,400	7,889	511
Public safety	15,000	15,000	2,784	12,216
Public works	5,000	5,000	-	5,000
Total capital outlay	<u>55,900</u>	<u>55,900</u>	<u>12,673</u>	<u>43,227</u>
Total expenditures	<u>20,471,620</u>	<u>20,471,620</u>	<u>18,126,880</u>	<u>2,344,740</u>
Excess of revenues over expenditures	<u>(2,296,875)</u>	<u>(2,296,875)</u>	<u>1,851,221</u>	<u>4,148,096</u>

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

(Continued)

SUMTER COUNTY, GEORGIA

GENERAL FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Other financing sources (uses):				
Proceeds from sale of assets	30,000	30,000	163,936	133,936
Contingencies	(300,000)	-	-	-
Transfers in	165,000	165,000	485,308	320,308
Transfers out	-	(300,000)	(226,000)	74,000
Total other financing sources (uses)	<u>(105,000)</u>	<u>(105,000)</u>	<u>423,244</u>	<u>528,244</u>
Net change in fund balances	(2,401,875)	(2,401,875)	2,274,465	4,676,340
Fund balance, beginning of year	<u>7,583,967</u>	<u>7,583,967</u>	<u>7,583,967</u>	<u>-</u>
Fund balance, end of year	<u>\$ 5,182,092</u>	<u>\$ 5,182,092</u>	<u>\$ 9,858,432</u>	<u>\$ 4,676,340</u>

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

SUMTER COUNTY, GEORGIA

FIRE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues:				
Other taxes	\$ 271,056	\$ 271,056	\$ 318,482	\$ 47,426
Licenses and permits	2,500	2,500	2,525	25
Charges for services	1,616,700	1,616,700	1,689,820	73,120
Intergovernmental	-	-	10,587	10,587
Other revenues	2,500	2,500	2,336	(164)
Total revenues	1,892,756	1,892,756	2,023,750	130,994
Expenditures:				
Current:				
Public safety:				
County fire department	1,621,858	1,621,858	1,543,502	78,356
Capital outlay	91,000	91,000	71,939	19,061
Total public safety	1,712,858	1,712,858	1,615,441	97,417
Debt service:				
Principal	357,007	357,007	357,007	-
Interest	37,591	37,591	37,591	-
Total debt service	394,598	394,598	394,598	-
Total expenditures	2,107,456	2,107,456	2,010,039	97,417
Excess of expenditures over revenues	(214,700)	(214,700)	13,711	228,411
Other financing sources (uses):				
Sale of Assets	5,000	5,000	-	(5,000)
Transfers in	195,000	195,000	508,209	313,209
Transfers out	(35,000)	(35,000)	(35,000)	-
Total other financing sources (uses)	165,000	165,000	473,209	(5,000)
Net change in fund balances	(49,700)	(49,700)	486,920	223,411
Fund balance (deficit), beginning of year	(66,934)	(66,934)	(66,934)	-
Fund balance (deficit), end of year	\$ (116,634)	\$ (116,634)	\$ 419,986	\$ 223,411

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

SUMTER COUNTY, GEORGIA

STATEMENT OF NET POSITION PROPRIETARY FUNDS JUNE 30, 2021

**Solid Waste
Management**

ASSETS	
CURRENT ASSETS	
Cash and cash equivalents	\$ 1,242,383
Investments	717,540
Accounts receivable, net of allowances	228,741
Due from General fund	716
Total current assets	<u>2,189,380</u>
 Total assets	<u>2,189,380</u>
 LIABILITIES	
CURRENT LIABILITIES	
Accounts payable	<u>102,533</u>
Total current liabilities	<u>102,533</u>
 Total liabilities	<u>102,533</u>
 NET POSITION	
Unrestricted	<u>2,086,847</u>
Total net position	<u>\$ 2,086,847</u>

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

SUMTER COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION PROPRIETARY FUND FOR THE YEAR ENDED JUNE 30, 2021

	<u>Solid Waste Management</u>
OPERATING REVENUES	
Charges for services:	
Solid waste collection fees	\$ 1,327,013
Late payment penalties and fees	3,950
Total operating revenues	<u>1,330,963</u>
OPERATING EXPENSES	
Contracted services	1,221,141
Other Exepnses	8
Refunds	2,300
Total operating expenses	<u>1,223,449</u>
Operating income	<u>107,514</u>
NONOPERATING INCOME(EXPENSES)	
Interest Income	<u>14,441</u>
Total nonoperating income(expenses)	<u>14,441</u>
Income before transfers	121,955
TRANSFERS	
Transfers out	<u>(51,400)</u>
Total transfers	<u>(51,400)</u>
Change in net position	70,555
NET POSITION, beginning of year	<u>2,016,292</u>
NET POSITION, end of year	<u>\$ 2,086,847</u>

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

SUMTER COUNTY, GEORGIA

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS FOR THE YEAR ENDED JUNE 30, 2021

	<u>Solid Waste Management</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	\$ 1,364,040
Late payment penalties and fees collected from customers	3,950
Payments to suppliers and service providers	<u>(1,222,037)</u>
Net cash provided by operating activities	<u>145,953</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of certificates of deposit	(470,000)
Redemption of certificates of deposit	470,000
Interest Revenues	<u>14,441</u>
Net cash provided by investing activities	<u>14,441</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Advances to General Fund	(716)
Repay advancement to General Fund	33,091
Advances to Fire Fund	
Repay advancement to Fire Fund	
Transfers to General Fund	<u>(51,400)</u>
Net cash provided by noncapital financing activities	<u>(19,025)</u>
Net increase in cash and cash equivalents	141,369
Cash and cash equivalents:	
Beginning of year	<u>1,101,014</u>
End of year	<u>\$ 1,242,383</u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 107,514
Adjustments to reconcile operating income to net cash provided by operating activities:	
Decrease in accounts receivable	37,027
Increase in accounts payable	<u>1,412</u>
Net cash provided by operating activities	<u>\$ 145,953</u>

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

SUMTER COUNTY, GEORGIA

STATEMENT OF FIDUCIARY NET POSITION JUNE 30, 2021

	Agency Funds
ASSETS	
Cash	\$ 911,975
Due from other governments	181,200
Tax receivable(net)	<u>1,303,914</u>
Total assets	<u><u>\$ 2,397,089</u></u>
LIABILITIES	
Due to County	\$ 229,132
Due to others	655,541
Uncollected taxes	<u>1,303,914</u>
Total liabilities	<u><u>\$ 2,188,587</u></u>
NET POSITION	
Restricted:	
Individuals, organizations and other governments	<u>\$ 208,502</u>
Total net position	<u><u>\$ 208,502</u></u>

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

SUMTER COUNTY, GEORGIA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

JUNE 30, 2021

	Agency Funds
ADDITIONS	
Taxes	\$ 17,551,179
Fines and fees	948,059
Other custodial collections	<u>2,500,354</u>
 TOTAL ADDITIONS	 <u>\$ 20,999,592</u>
 DEDUCTIONS	
Due to county	
Taxes paid to other governments	\$ 17,930,021
Other custodial disbursements	<u>3,433,263</u>
Balance June 30, 2021	 <u>\$ 21,363,284</u>
 Net increase(decrease) in fiduciary net position	 \$ (363,692)
 Net position, beginning of year, restated	 <u>572,194</u>
 Net position, end of year	 <u>\$ 208,502</u>

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

SUMTER COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

Sumter County was created by legislative act on December 26, 1831, and operates under a County Commissioner form of government with five elected commissioners who represent the district of their residence. The chairman and vice chairman are elected each year by the five-member board. The commissioners serve on a part-time basis, and are elected to staggered four-year terms. The Board of County Commissioners meets in regular session on the third Tuesday of each month. Sumter County provides the following services as authorized by its charter: public safety, highways and streets, health and social services, culture and recreation, courts, correctional institute, public improvements, planning and zoning, and general administrative services.

As required by GAAP the financial statements of the reporting entity include those of Sumter County, Georgia (the "primary government") and its component units.

The primary government of the County consists of all funds, departments, boards and agencies that are not legally separate from the County. The primary government includes the offices of elected officials: Tax Commissioner, Sheriff, Probate Judge, Magistrate Judge, State Court Judge, and Clerk of Superior and State Courts.

Component units are legally separate organizations for which the County is financially accountable. The County is financially accountable if the County appoints a voting majority of the organization's governing board and (1) the County is able to significantly influence the programs or services performed or provided by the organizations; or (2) the County is legally entitled to or can otherwise access the organization's resources; the County is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to the organization; or the County is obligated for the debt of the organization. Component units are reported in the County's financial statements as "discretely presented component units" or "blended component units" depending on the degree of the relationship between a component unit and the primary government. Sumter County has no blended component units.

The following component unit is a discretely presented component unit to emphasize that is legally separate from the County:

The Sumter County Department of Public Health (the "Health Department") is governed by a seven-member board, of which one member is from the County's Board of Commissioners and three members are appointed by the County Commissioners. The County provides a significant amount of funding, and it has the authority to modify and approve the Health Department's budget and the ability to approve environmental health service fees. Amounts included in the Government-wide Statement of Net Position and Statement of Activities for the Health Department are for the year ended June 30, 2021.

The Health Department's financial statements can be obtained by writing to the Sumter County Health Department, 1601 N. Martin Luther King, Jr. Blvd., Suite 100, Americus, Georgia 31719.

SUMTER COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Presentation

The **government-wide financial statements** report information on all of the non-fiduciary activities of the primary government and its component units in the statement of net position and the statement of activities. The effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the County's solid waste function and various other functions of the County, because elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. *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 certain legally separate *component units* for which the primary government is financially accountable.

The statement of net position presents the financial position of the governmental activities, business-type activities and the discretely presented component units of the County at year-end. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; 2) grants and contributions that are restricted to meeting the operational requirements of a particular function or segment; and 3) grants and contributions that are restricted to meeting the capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

The **fund financial statements** provide information about the County's funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as nonmajor funds.

The County reports the following major governmental funds:

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

The **Fire Fund** is a special revenue fund to account for the fees billed to property owners and expenditures of operating the County-Wide fire department.

The **CARES ACT** is used to account for the revenues and expenditures relating to the CARES ACT grant.

The **2021 Coronavirus Recovery** is used to account for the revenues and expenditures relating to the 2021 Coronavirus Recovery grant. Grant was received but not expended in current fiscal year.

The **Transportation Special 1% Sales Tax Fund (T-SPLOST)** is a capital projects fund used to account for the revenues and expenditures relating to the **Transportation Investment Act (TIA)** referendum passed by voters in the River Valley Region. The County will receive a designated allocation of the 1% sales tax over a 10-year period to fund transportation improvements.

SUMTER COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Presentation (continued)

Major governmental funds (continued)

The **2014 Special Purpose Local Option Sales Tax Capital Projects Fund (2014 SPLOST)** is used to account for the revenues and expenditures relating to the 2014 1% Special Purpose Local Option Sales Tax, including payments made for principal and interest on the Sumter County General Obligation Sales Tax Bonds, Series 2014.

The **2021 Special Purpose Local Option Sales Tax Capital Projects Fund (2021 SPLOST)** is used to account for the revenues and expenditures relating to the 2021 1% Special Purpose Local Option Sales Tax, including payments made for principal and interest on the Sumter County General Obligation Sales Tax Bonds, Series 2021.

The County reports the following major proprietary fund:

The **Solid Waste Management Fund** is used to account for the receipts from services billed to customers and the payment of costs of collection.

Additionally, the County reports the following fund types:

The **Special Revenue Funds** account for revenue sources that are legally restricted to expenditure for specific purposes.

The **Capital Projects Funds** are used to account for the acquisition or construction of capital facilities. Revenues and expenditures of the Local Maintenance and Improvement Grant Program (LMIG) will be accounted for in the Road Department Fund.

The **Agency Funds** are used to account for the collection and disbursement of monies by the County on behalf of other governments and individuals, such as cash bonds, traffic fines, support payments, and ad valorem and property taxes. These include the Tax Commissioner, Clerk of Courts, Probate Court, Magistrate Court, Sheriff's Department, Jail Inmate Fund, and Correctional Institute Inmate Fund. The County serves as "fiscal agent" by providing accounting and cash management services for the following funds which are maintained as a courtesy to the Southwestern Judicial Circuit: Alternative Dispute Resolution Fund, the Juvenile Court, and the Public Defender.

The **Proprietary Funds** distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges to customers for sales and services provided. Operating expenses for the enterprise fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The **Custodial Funds** are used to account for the assets held by the County in a trustee capacity or as agent for individuals, other governmental units, and/or other funds.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

SUMTER COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Measurement Focus and Basis of Accounting

The **government-wide financial statements** are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and the fiduciary fund financial statements, except the agency funds have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Discretely presented component units generally are reported only at the government-wide financial reporting level.

The **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.

Under the modified accrual basis, the following revenue sources are considered to be susceptible to accrual: property taxes, sales taxes, franchise taxes, charges for services, federal and state grants and investment earnings. All other revenue items are considered to be measurable and available only when cash is received by the County.

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

D. Budgets

Formal budgetary accounting is employed as a management control device for the General Fund and the Special Revenue Funds. Annual operating budgets are adopted each fiscal year through passage of an annual budget ordinance as required for all governmental funds except capital projects funds. Budgets are adopted on a basis consistent with generally accepted accounting principles. Budgets for SPLOST Capital Project Funds are adopted on a project basis, spanning more than one fiscal year. Budgetary control (the level at which expenditures may not legally exceed appropriations) is exercised at the department level or by projects. The Board of Commissioners must approve, by amendment, any departmental level changes to a previously adopted budget. The Board of Commissioners must approve transfers of any salary related items.

E. Cash and Investments

The County and discretely presented component units' 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.

The County's investment policy and State statutes authorize the County to invest in bank and savings and loan certificates of deposit; obligations of the State of Georgia or other states; obligations issued

SUMTER COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Cash and Investments (continued)

by the U.S. government; obligations fully insured or guaranteed by the U.S. government or by a government agency of the United States; obligations of any corporation of the U.S. government; prime bankers' acceptances; the local government investment pool established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia.

Investments, if any, are stated at fair value.

F. Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. For the most part, the effect of interfund activity has been removed from the government-wide statement of net position. Any residual balances outstanding between the governmental and business-type activities are reported in the government-wide statement of net position as "internal balances." In the major fund balance sheets, these receivables and payables are classified as "due from other funds" and "due to other funds."

G. Inventories

Inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method. The consumption method is used to account for inventories. Under the consumption method, inventory items are recognized as expenditures when used. Inventories consist of supplies and signs used by the public works department.

H. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

I. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of \$10,000 or greater and an estimated useful life in excess of one year. Such assets are recorded at cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. In accordance with GASB 34, general infrastructure assets, which include roads, bridges, sidewalks, and similar items with an acquisition date of January 1, 1980 or later, have been capitalized. Interest incurred during the construction of capital assets used by the enterprise fund is capitalized.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend useful lives are expensed as incurred. Major outlays for capital assets and improvements are capitalized as projects are completed. For infrastructure projects, the County does not have a policy defining a capital addition in dollar terms. The policy with respect to infrastructure is that capitalized major outlays would be on a project-by-project basis and would include road widening or lengthening involving replacement of the road bed, or complete bridge rebuilding including replacement of bridge deck. Even though road resurfacing may be quite expensive, they are normally considered routine and would not extend the useful life of the road.

SUMTER COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

I. Capital Assets (continued)

Capital assets of the primary government are depreciated using the straight-line method over the following useful lives:

<u>Asset Category</u>	<u>Years</u>
Site improvements	20
Buildings	20 - 50
Machinery and equipment	3 - 10
Infrastructure	20 - 50

J. Deferred Outflows / Inflows of Resources

In addition to assets, the statement of net position and the balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period(s) and so will not be recognized as an outflow of resources (expense / expenditure) until then. The County has no items that qualify for reporting in this category other than items related to changes in the net pension liability (see Note K. below).

In addition to liabilities, the statement of net position and the balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance 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 one item, which arises only under a modified accrual basis of accounting that 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 not received within 60 days of year end. These amounts are deferred and recognized as an inflow of resources in the period that they become available. The governmental funds balance sheet and the government wide statement of net position will report deferred inflows of resources for unearned revenues. The County reports unearned grant revenues from transactions in which resources have been received before time requirements are met.

K. Net Pension Liability and Pension Expense

“Net pension liability” is the amount by which the total pension liability exceeds the fiduciary’s net position available for paying benefits. Calculations are made by the Plan actuary based upon employee data, financial information and plan provisions provided by the County and other persons or organizations designated by the County. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Sumter County Defined Benefit Plan (the Plan) and additions to or deductions from the Plan’s fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

The Plan actuaries produce an annual financial report that contains information necessary to make adjustments to the County’s Government-Wide financial statements in accordance with GASB Statement 68. The report includes certain changes in the net pension liability which are to be recognized

SUMTER COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

K. Net Pension Liability and Pension Expense (continued)

as pension expense over time. The following items are reported as deferred outflows or deferred inflows of resources: employer contributions made to the pension plan subsequent to the measurement date (will be recognized as reduction to the County's net pension liability in the following year); assumption changes are amortized into pension expense over the average expected remaining service lives of the plan members; differences between projected investment return on pension investments and actual return; experience gains or losses that result from periodic studies by the actuary for certain trend information that was previously assumed, for example the assumed rates of retirement of plan members.

L. Compensated Absences

The County's personnel policy permits employees to accumulate earned but unused vacation and sick pay benefits. The County's sick pay policy does not provide for payment of any amount when employees separate from service with the County. All vacation pay is accrued when incurred in the government-wide, proprietary, and when applicable fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations or retirements.

M. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types (in the fund financial statements), long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are recognized during the current period.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

N. Fund Equity

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

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

- *Nonspendable* - Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.

SUMTER COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

N. Fund Equity (continued)

- *Restricted* - Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- *Committed* - Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the County Commission through the adoption of a resolution. Only the County Commission may modify or rescind the commitment.
- *Assigned* - Fund balances are reported as assigned when amounts are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Through policy, authorization to assign fund balance remains with the Board.
- *Unassigned* - Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The County reports positive unassigned fund balance only in the general fund. Negative unassigned fund balances may be reported in all funds.

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

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

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

O. Property Taxes, Fire Fees and Solid Waste Charge

The Sumter County Tax Commissioner bills and collects tax for the County as well as for the State of Georgia, and the Sumter County Board of Education. County fire fees and solid waste assessments are also billed annually on the property tax bills. The County property tax was levied on August 13, 2019, billed on September 27, 2019, and payable on or before December 1, 2019, after which date the bill becomes delinquent and the applicable property is subject to lien and assessed penalties and interest.

P. Use of Estimates

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

SUMTER COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2. LEGAL COMPLIANCE — BUDGETS

A. Budgets and Budgetary Accounting

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

1. Prior to May 1, the Department Heads submit to the County Administrator a proposed operating budget for the fiscal year commencing on July 1. The operating budget includes proposed expenditures and the means of financing them. The proposed budgets are then submitted to the Board of Commissioners by the County Administrator for study.
2. Public hearings are conducted at the County Courthouse to obtain taxpayer comments.
3. Prior to July 1, the budget is legally adopted by the Board of Commissioners.
4. Budget amounts can be transferred between line items within any department; however, any revisions of the budget must be approved by the Board of Commissioners.
5. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP) for all funds. Annual appropriated budgets are legally adopted for the General Fund, Fire fund, Capital Improvements Fund, and Special Revenue Funds. Annual operating budgets are prepared for each Capital Projects Fund and Enterprise Fund for planning, control, and evaluation purposes.

Budgeted amounts are as originally adopted on June 18, 2019, or as amended by the Board of Commissioners. The millage rate for 2019 for the unincorporated areas, incorporated areas, and the City of Americus District was set at the August 13, 2019 Board of Commissioners meeting.

All appropriations, except for items encumbered at year end, lapse. Encumbrances for items not lapsing at year end are re-appropriated in the ensuing year's budget. Budget information for expenditures and encumbrances represents the operating budget as approved by the Board of Commissioners. There were no encumbrances as of June 30, 2021.

NOTE 3. CASH AND INVESTMENTS

Credit risk. The risk that an issuer or other counterparty to an investment will not fulfill its obligations. Sumter County's investment policy includes investigating the creditworthiness of the financial institutions holding their deposits and of the custodian of collateral, and having uninsured deposits collateralized.

Interest rate risk. The risk that changes in interest rates will adversely affect the fair value of an investment. The objectives of the County's investment policy include safety, liquidity and return on investment. To achieve the objective of adequate liquidity within County's portfolio, the County shall attempt to match investment maturities with anticipated cash flow requirements. Unless matched to a specific cash flow, the maximum maturity of any instrument in the County's portfolio may not exceed two years from the date of acquisition by the County. The maturity of non-negotiable time deposits may not exceed one year.

SUMTER COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 3. CASH AND INVESTMENTS (continued)

Custodial credit risk — deposits. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of June 30, 2021, all of the County's bank balances were either insured by FDIC coverage or collateralized by the bank pledging its securities in the County's name, in accordance with GASB pronouncements and Georgia State law.

Cash in the 2014 SPLOST Fund includes \$1,153,047 which is restricted for capital projects approved for in the SPLOST 2014 agreement.

Cash in the 2021 SPLOST Fund includes \$8,599,327 which is restricted for the capital projects and debt service obligations related to the General Obligation Sales Tax Bonds, Series 2021.

The County's General Fund investments consist of four Certificates of Deposit with a fair value totaling \$980,000 at separate banks with FDIC with varying maturities of between three and six months.

The County's Solid Waste Fund investments consist of three Certificates of Deposit with a fair value totaling \$717,540 at separate banks with FDIC with varying maturities of between three and six months.

NOTE 4. RECEIVABLES

Receivables at June 30, 2021, for the County's individual major and nonmajor funds in the aggregate are as follows:

	General	Fire Fund	2021 SPLOST	Transportation Special 1% Sales Tax	Nonmajor and Other Funds	Total
Receivables:						
Property Taxes	\$ 1,198,296	\$ -	\$ -	\$ -	\$ -	\$ 1,198,296
Fire fees	-	548,169	-	-	-	548,169
Intergovernmental:						
Sales tax	213,265	-	415,578	94,484	-	723,327
Other	477,070	2,485	-	-	168,789	648,344
Accounts	60,083	-	-	-	-	60,083
Gross receivables	1,948,714	550,654	415,578	94,484	168,789	3,178,219
Less: Allowance for uncollectible	(234,484)	(176,093)	-	-	-	(410,577)
Net Receivables	\$ 1,714,230	\$ 374,561	\$ 415,578	\$ 94,484	\$ 168,789	\$ 2,767,642

General property taxes includes only the County's portion of real and personal property taxes for years 1998 through 2020 which were unpaid at June 30, 2021. Property taxes, fire fees and solid waste collection fees collected during the year ended June 30, 2021, and collected by August 31, 2021, are recognized as revenues in the year ended June 30, 2021. Prior year levies were recorded using substantially the same principles, and remaining receivables are reevaluated annually.

Receivables as of year-end for the County's enterprise fund, including the applicable allowances for uncollectible accounts, are as follows:

	<u>Solid Waste Management</u>
Solid Waste fees receivable	\$ 459,551
Less: Allowance for uncollectible	(230,810)
Net Receivable	\$ 228,741

Allowance for uncollectible are estimates in the major, nonmajor and enterprise funds based on historical collection rates.

SUMTER COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 5. CAPITAL ASSETS

A. Primary Government

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
Governmental Activities:					
Capital assets, not being depreciated:					
Land	\$ 974,338	\$ -	\$ -	\$ -	\$ 974,338
Construction in progress	-	401,521	-		401,521
Total capital assets, not being depreciated	<u>974,338</u>	<u>401,521</u>	<u>-</u>	<u>-</u>	<u>1,375,859</u>
Capital assets, being depreciated:					
Site improvements	830,054	-	-	-	830,054
Buildings	48,646,562	-	(93,449)		48,553,113
Equipment	16,362,079	771,309	(202,953)		16,930,435
Infrastructure	<u>50,462,955</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,462,955</u>
Total capital assets, being depreciated	<u>116,301,650</u>	<u>771,309</u>	<u>(296,402)</u>	<u>-</u>	<u>116,776,557</u>
Less accumulated depreciation for:					
Site improvements	194,166	29,398	-	-	223,564
Buildings	12,804,566	1,021,684	(7,320)	-	13,818,930
Equipment	14,217,869	739,153	(202,953)	-	14,754,069
Infrastructure	<u>29,741,915</u>	<u>1,078,287</u>	<u>-</u>	<u>-</u>	<u>30,820,202</u>
Total accumulated depreciation	<u>56,958,516</u>	<u>2,868,522</u>	<u>(210,273)</u>	<u>-</u>	<u>59,616,765</u>
Total capital assets, being depreciated, net	<u>59,343,134</u>	<u>(2,097,213)</u>	<u>(86,129)</u>	<u>-</u>	<u>57,159,792</u>
Governmental activities capital assets, net	<u>\$ 60,317,472</u>	<u>\$ (1,695,692)</u>	<u>\$ (86,129)</u>	<u>\$ -</u>	<u>\$ 58,535,651</u>

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

Governmental activities:	
General government	\$ 719,445
Judicial	9,731
Public safety	783,658
Public works	1,198,461
Culture & recreation	120,641
Housing & development	36,586
Total depreciation expense – governmental activities	<u>\$ 2,868,522</u>

Net investment in Capital Assets in the Statement of Net Position is as follows:

Governmental activities capital assets, net	\$58,535,651
Capital lease balances outstanding	(2,138,888)
Sales Tax Bonds balances outstanding	(11,500,000)
Unspent Bond Proceeds reserved for Capital projects	6,947,149
City of Americus portion of Sales Tax Bonds	4,000,000
Net Investment in Capital Assets	<u>\$55,843,912</u>

Sales Tax Bonds Payable, Series 2021, is reduced \$4,000,000 for the amount of the bonds to be paid by the City of Americus.

SUMTER COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 5. CAPITAL ASSETS (continued)

B. Discretely Presented Component Unit – Department of Public Health

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets, being depreciated				
Machinery & equipment	<u>\$ 59,810</u>	<u>\$ _____ -</u>	<u>\$ _____ -</u>	<u>\$ 59,810</u>
Total capital assets, being depreciated	<u>59,810</u>	<u>_____ -</u>	<u>_____ -</u>	<u>59,810</u>
Less accumulated depreciation for:				
Machinery & equipment	<u>35,941</u>	<u>4,215</u>	<u>_____ -</u>	<u>40,156</u>
Total accumulated depreciation	<u>31,679</u>	<u>4,215</u>	<u>_____ -</u>	<u>40,156</u>
Total capital assets, net	<u>\$ 23,869</u>	<u>\$ (4,215)</u>	<u>\$ _____ -</u>	<u>\$ 19,654</u>

NOTE 6. LONG-TERM DEBT

The following is a summary of long-term debt activity for the year ended June 30, 2021:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Bonds payable	\$13,855,000	\$ _____ -	\$ (2,355,000)	\$11,500,000	\$ 1,690,000
Original issue premium	103,851	-	(103,851)	-	-
Capital leases	2,078,708	632,004	(571,824)	2,138,888	640,699
Compensated absences	429,135	296,374	(339,161)	386,348	386,348
Landfill post-closure care costs	732,621	79,694	(88,360)	723,955	520,777
Net pension obligation	<u>1,429,488</u>	<u>_____ -</u>	<u>(380,680)</u>	<u>1,048,808</u>	<u>_____ -</u>
Governmental activities long-term liabilities	<u>\$ 18,628,763</u>	<u>\$ 1,008,072</u>	<u>\$ (3,838,876)</u>	<u>\$15,797,999</u>	<u>\$3,237,824</u>

Component Unit – Health Department:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Compensated absences	<u>\$ 39,877</u>	<u>\$ 22,715</u>	<u>\$ (18,232)</u>	<u>\$ 44,360</u>	<u>\$ 16,730</u>

For governmental activities, compensated absences, landfill postclosure care costs, and net pension obligation are liquidated by the General Fund. For the Component Unit – Health Department, the liability is anticipated to be paid with operating revenues.

Capital Leases. The County has entered into eighteen lease/purchase agreements as lessee for financing the acquisition of vehicles, road equipment, and fire equipment. The lease agreements qualify as capital leases for accounting purposes (titles transfer at the end of the lease term) and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of inception. Total cost of assets under capital lease as of June 30, 2021, is \$5,025,246, which is included in governmental activities capital assets on the statement of net position.

The County recorded depreciation expense of \$363,248 with accumulated depreciation of \$3,485,538 in the fiscal year ended June 30, 2021 on assets under capital leases.

SUMTER COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 6. LONG-TERM DEBT (continued)

The following is a schedule of future minimum lease payments under the capital leases, and the present value of the net minimum lease payments at June 30, 2021:

Year Ending June 30,	
2022	\$ 696,695
2023	696,695
2024	580,790
2025	<u>300,460</u>
Total minimum lease payments	2,274,640
Less: amount representing interest	<u>(135,752)</u>
Present value of future minimum lease payments	<u><u>\$ 2,138,888</u></u>

General Obligation Sales Tax Bonds, Series 2014. In November 2014, the County issued General Obligation Sales Tax Bonds, Series 2014 in the amount of \$11,500,000. The bonds bear interest rates ranging from 2.00% to 5.00%, and will be repaid in principal installments of \$615,000 to \$2,355,000 beginning December 1, 2014 and ending December 1, 2021. The bonds were issued to (i) fund the cost of capital outlay projects of Sumter County and the City of Americus, Georgia, (ii) prepayment of four capital lease obligations, and (iii) pay the cost of issuing the bonds. The bonds are general obligations of Sumter County and are payable first from a 1% special purpose local option sales and use tax collected within Sumter County, Georgia and second from the levy of an ad valorem tax, without limitation as to rate or amount on all property within Sumter County, Georgia subject to taxation for bond purposes. As of June 30, 2021, the outstanding balance of bonds was \$0.

The bonds were issued at a premium of \$1,255,941. The premium will be amortized over the life of the bonds following the straight line method. As of June 30, 2021, the unamortized premium was \$0.

General Obligation Sales Tax Bonds, Series 2021. This bond is authorized by the Constitution and laws of the State of Georgia, an election held November 5, 2019, and resolution of the Sumter County Board of Commissioners adopted on May 19, 2021. The proceeds of the sale of the bond will be used to fund (a) all or a portion of the cost (i) certain capital outlay projects for the County and (ii) certain capital outlay projects for the City of Americus, Georgia, in accordance with an intergovernmental agreement related to an extension of the Special Purpose Local Option Sales Tax approved by the voters on November 5, 2019, and (b) the cost of issuing this bond. The bond is a general obligation of Sumter County and is payable first from collections of the Special Purpose Local Option Sales Tax. The Bond is dated June 4, 2021, and will bear interest at the rate of 1.80% per annum. Principal will be repaid annually on December 1 in accordance with the following schedule; interest will be paid semiannually on June 1 and December 1. The maturity date is December 1, 2026.

The annual requirements to amortize the bonds as of June 30, 2021 are as follows

Year ending			
June 30	Principal	Interest	Total
2022	\$ 1,690,000	\$ 191,790	\$ 1,881,790
2023	1,775,000	160,605	1,935,605
2024	1,865,000	127,845	1,992,845
2025	1,955,000	93,465	2,048,465
2026	2,055,000	57,375	2,112,375
2027	<u>2,160,000</u>	<u>19,440</u>	<u>2,179,440</u>
Totals	<u><u>\$ 11,500,000</u></u>	<u><u>\$ 855,795</u></u>	<u><u>\$ 12,355,795</u></u>

SUMTER COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 6. LONG-TERM DEBT (continued)

Landfill post-closure costs. Effective October 1999, the Sumter County Landfill was closed and no additional waste has been accepted. In compliance with state and federal laws and regulations, the County must perform certain maintenance and monitoring functions at the site for a minimum of 30 years. As of June 30, 2021, the County has a remaining 10 years of monitoring. Engineering studies estimate post-closure costs of approximately \$2,843,500 over the 8-year period. These costs are based on what it would cost to perform all post-closure care in 2021, adjusted annually for inflation. Actual costs may be higher due to changes in inflation, changes in technology, or changes in regulations. Should any problems occur during this postclosure period, the costs and time period required for the maintenance and monitoring functions may substantially increase.

The County and the cities of Sumter County agreed in 2001 to share the costs of the post-closure costs based on their respective usages over the life of the landfill. The County's percentage of the obligation is 25.46%. The County estimates that its share of the estimated post-closure costs for the 8 year period would be \$723,955.

NOTE 7. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund receivables and payables as of June 30, 2021, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Fire Fund	General Fund	\$ 1,871
General Fund	C.D.B.G. 2018	88
Solid Waste	General Fund	716
Victim Witness Fund	General Fund	81,248
Capital Improvement Fund	Fire Fund	<u>12,850</u>
		<u>\$ 96,773</u>

These balances resulted from (1) the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur, (2) the time lag between the dates that transactions are recorded in the accounting system, (3) the time lag between the dates that payments between funds are made, (4) short-term loans, and (5) to fund capital projects.

Interfund transfers for the year are as follows:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
General Fund	Solid Waste Fund	\$ 51,400
General Fund	Fire Fund	35,000
General Fund	TSPLOST	35,000
General Fund	CARES Act	363,908
Fire Fund	CARES Act	313,209
Fire Fund	SPLOST 2014	195,000
Capital Improvement Fund	General Fund	<u>226,000</u>
		<u>\$ 1,219,517</u>

SUMTER COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 7. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (continued)

Interfund transfers are to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and (2) to provide unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. The transfers from the Solid Waste Fund to the General Fund were for administrative services provided by the General Fund and landfill closure cost. The transfers from TSPLOST Fund and Fire Fund to the General Fund were for administrative services provided by the General Fund. Transfers to the Capital Improvement Fund from the General Fund were to provide capital funds for future PDA project. Transfers from the CARES Act to the General Fund & Fire Fund was for salaries covered under the CARES Act grant. Transfer from the SPLOST 2014 to the Fire Fund was to reimburse Fire Fund for principal payment on lease as part of their vehicle purchase plan.

NOTE 8. FUND BALANCE

At June 30, 2021, fund balance consists of the following classifications as described in Note 1.L:

	General Fund	Fire Fund	Coronavirus Recovery Fund	2021 SPLOST Fund	2014 SPLOST Fund	2021 T-SPLOST Fund	Other Governmental Funds	Total Governmental Funds
FUND BALANCES								
Nonspendable								
Inventories	\$ 35,851	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,851
Total Nonspendable	<u>35,851</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>35,851</u>
Restricted for:								
Judical								
Law Library	-	-	-	-	-	-	26,328	26,328
Victim Witness Assistance	-	-	-	-	-	-	5,458	5,458
Drug Court	-	-	-	-	-	-	92	92
Public Safety								
Sheriff operations(forfeiture funds)	-	-	-	-	-	-	49,372	49,372
Sheriff's discretion	-	-	-	-	-	-	7,430	7,430
Drug treatment & education	-	-	-	-	-	-	113,583	113,583
Jail Fund	-	-	-	-	-	-	456,024	456,024
Fire Fund	-	419,986	-	-	-	-	-	419,986
Housing & Development								
C.D.B.G. 2018	-	-	-					
Capital Projects	-	-	-	1,128,075	7,362,769	895,783	1,207,377	10,594,004
Debt Service	-	-	-		1,652,136	-	-	1,652,136
Total Restricted	-	419,986	-	1,128,075	9,014,905	895,783	1,865,664	13,324,413
Committed for:								
Public Safety								
Correctional Institute inmates	-	-	-	-	-	-	277,300	277,300
Jail inmates	-	-	-	-	-	-	113,866	113,866
Total Committed	-	-	-	-	-	-	391,166	391,166
Unassigned	9,822,581	-	297	-	-	-	-	9,822,878
Total Fund Balances	<u>\$9,858,432</u>	<u>\$ 419,986</u>	<u>\$ 297</u>	<u>\$ 1,128,075</u>	<u>\$ 9,014,905</u>	<u>\$ 895,783</u>	<u>\$ 2,256,830</u>	<u>\$ 23,574,308</u>

SUMTER COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 9 – DEFINED BENEFIT PENSION PLANS

A. Primary Government

The County has established a non-contributory defined benefit pension plan, the Sumter County Defined Benefit Plan (the Plan). All full-time employees meeting the provisions set out in the Adoption Agreement are eligible on the first day of the month coincident with or following the date the employee completes three years of service (five years of service for employees with a date of hire or rehire on or after January 1, 2015). The Plan provides retirement, disability, and death benefits to plan participants and beneficiaries. The plan is administered through the Association County Commissioners of Georgia Third Restated Defined Pension Plan (the ACCG Plan) an agent multiple-employer public employee retirement system administered by GEBCorp and affiliated with the Association County Commissioners of Georgia (ACCG). The Trustees for the Association County Commissioners of Georgia (ACCG) Pension Plan and the Trust oversees the administration, investment and funding of the ACCG retirement program for member employers. The ACCG, in its role as the Plan Sponsor, has the sole authority to amend the provisions of the ACCG Plan, as provided in Section 19.03 of the ACCG Plan document. The County has the authority to amend the adoption agreement, which defines the specific benefit provisions of The Plan, as provided in Section 19.02 of the ACCG Plan document. The county commission retains their authority.

Normal retirement is at age 65 and five years of service. Upon eligibility to retire, participants are entitled to monthly benefit equal to 1.0% of Average Annual Compensation (the highest average of the participant's compensation over five consecutive plan years during the ten plan years preceding the participant's date of retirement or other termination) multiplied by years of service. There have been no substantive changes since the last actuarial valuation.

The ACCG Plan issues a publicly available financial report that includes financial statements and required supplementary information for the pension trust. That report may be obtained at www.gebcorp.com or by writing to Association County Commissioners of Georgia, Retirement Services, 191 Peachtree Street, NE, Atlanta, Georgia 30303 or by calling (800) 736-7166.

Plan Membership

As of January 1, 2019, the date of the most recent actuarial valuation date, pension plan membership consisted of the following:

Retirees, beneficiaries and disabled currently receiving benefits	56
Terminated plan participants entitled to but not receiving benefits	123
Active employees participating in the Plan	<u>121</u>
Total number of Plan Participants	<u>300</u>

Contributions

The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The Board of Trustees of the ACCG Plan has adopted a recommended actuarial funding policy for the plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the plan. The funding policy for the Plan, as adopted by the County Commission, is to contribute an amount equal to or greater than the actuarially recommended contribution rate. This rate is based on the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. No contributions are required or permitted by plan participants. For the year ended June 30, 2021, the County's contribution rate was 9.87% of annual payroll. County contributions to the Plan were \$425,712 for the year ended June 30, 2021.

SUMTER COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 9 – DEFINED BENEFIT PENSION PLANS (continued)

A. Primary Government (continued)

The County's net pension liability was measured as of December 31, 2019. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2019.

Actuarial Assumptions. The total pension liability in the January 1, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation (CPI)	2.00%
Salary increases	3.5% - 4.5%, per year based on an age
Investment rate of return	7.00 % per year
Mortality rates were based on the Pub-2010 with 50% general employee and 50% public safety amount weighted with Scale aa to 2020.	

The actuarial assumptions used in the January 1, 2020 valuation were based on the results of an actuarial experience study for through February 2020.

Net Pension Liability of the County

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The pension plan's target allocation as of December 31, 2020 is summarized in the following table:

	Target	
	Allocation	Range
Fixed Income	30%	25%-35%
Large Cap	30%	25%-35%
Mid Cap	5%	2.5%-10%
Small Cap	5%	2.5%-10%
REIT	5%	2.5%-10%
International	15%	10%-20%
Multi Cap	5%	2.5%-10%
Global Allocation	5%	2.5%-10%

Discount Rate. The discount rate used to measure the total pension liability was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that contributions from employer will be made at contractually required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability of the County. The changes in the components of the net pension liability of the County for the year ended June 30, 2021, were as follows:

SUMTER COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 9 – DEFINED BENEFIT PENSION PLANS (continued)

A. Primary Government (continued)

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at December 31, 2019	\$ 6,609,076	\$ 5,179,628	\$ 1,429,448
Changes for the year:			
Service cost	137,249	-	137,249
Interest	456,088	-	456,088
Liability experience (gain) / loss	34,671	-	34,671
Assumption Change	10,677	-	10,677
Plan change	-	-	-
Employer Contributions	-	425,712	(425,712)
Employee Contributions	-	-	-
Net investment income	-	692,164	(692,164)
Benefit payments	(187,043)	(187,043)	-
Service Credit Transfer	-	-	-
Asset Transfer	-	-	-
Administrative expense	-	(37,267)	37,267
Other charges *	-	(61,284)	61,284
Net changes	<u>451,642</u>	<u>832,282</u>	<u>(380,640)</u>
Balances at December 31, 2020	<u><u>\$ 7,060,718</u></u>	<u><u>\$ 6,011,910</u></u>	<u><u>\$ 1,048,808</u></u>

* Other Changes include Post-Retirement Death Benefit Expense of \$38,858 and Investment Expense of \$22,426.

The required schedule of changes in the County's net pension liability and related ratios immediately following the notes to the financial statements presents multiyear trend information about whether the value of plan assets is increasing or decreasing over time relative to the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate. The following presents the net pension liability of the County, calculated using the discount rate of 7.0 percent, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0 percent) or 1-percentage-point higher (8.0 percent) than the current rate.

	Current		
	1% Decrease (6.0%)	Discount Rate (7.0%)	1% Increase (8.0%)
County's net pension liability	\$ 2,077,392	\$ 1,0448,808	\$ 203,586

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of December 31, 2020 and the current sharing pattern of costs between employer and employee.

Pension Expense and Deferred Outflows and Inflows of Resources Related to Pensions

For the year ended June 30, 2021, the County recognized pension expense of \$(425,712). At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to the plan from the following sources:

SUMTER COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 9 – DEFINED BENEFIT PENSION PLANS (continued)

A. Primary Government (continued)

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between projected and actual earnings on pension plan investments	\$ 197,550	\$ (647,519)
Difference between projected and actual pension liability	170,300	(16,804)
Pension assumption changes	<u>230,128</u>	<u>(4,636)</u>
	<u><u>\$ 597,978</u></u>	<u><u>\$ (668,959)</u></u>

Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30:

2022	\$ 47,311
2023	67,358
2024	(122,440)
2025	<u>(63,210)</u>
	<u><u>\$ (70,981)</u></u>

B. Discretely Presented Component Unit – Department of Public Health

Retirement Plan – The employees of the Health Department participate in the Georgia State Employees Retirement System, a multi-employer, defined contribution plan. The Plan is administered by the State of Georgia, and accumulated benefits and Plan assets are not determined or allocated to the individual participating governmental entities. The Georgia State Employees Retirement System requires ten years of continuous service to become fully vested. The total retirement contributions to the Georgia State Employees Retirement System for the year ended June 30, 2021, were \$78,927 based on qualifying salaries of \$352,070. Ten year historical trend information and relevant actuarial information may be obtained from the Employees Retirement System of Georgia.

SUMTER COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 10. OTHER RETIREMENT PLANS

The County participates in the Association of County Commissioners of Georgia 401(a) Defined Contribution Plan (the Plan) which is administered by GEBCorp. The Plan provides retirement benefits to plan participants and beneficiaries. Plan provisions and contribution requirements are established and may be amended by the County. Employees are not required to contribute to the Plan.

The County contributes an amount equal to 50% of the amount contributed by participants to the County's deferred compensation plan (457(b)), with a maximum match from the County of 3% of the participant's annual compensation. In addition to the County employee's matching pension plan, a Resolution was adopted in November, 2011, to also have a separate Defined Contribution Program for Senior Management. This plan is exclusively for the County Administrator position and the matching rate is 7-1/2%. The resolution excludes Senior Management from participation in the Defined Benefit Plan. The County's contribution for each employee is 100% vested after five (5) years of continuous service. For the year ended June 30, 2021, the County's contribution to the plan was \$92,253. The amount contributed by employees was \$216,468.

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

NOTE 11. OTHER POST-EMPLOYMENT BENEFITS

A. Discretely Presented Component Unit – Department of Public Health

Eligible employees of the Sumter County Health Department are provided OPEB through the State of Georgia OPEB Fund, a cost-sharing multiple employer defined benefit post-employment healthcare plan and life insurance through the SEAD-OPEB Fund, a cost-sharing multiple-employer defined benefit other post-employment benefit plan. During the current fiscal year, the department contributed \$63,023. At the end of the current fiscal year, the Department reported a net liability in the amount of \$129,871 for its proportionate share (0.011540% for the State of Georgia OPEB Fund and 0.010884% for the SEAD-OPEB Fund) of the net OPEB liability. The Department recognized OPEB expense of \$(92,363) and SEAD-OPEB expense \$(8,224), for the current fiscal year.

Further information regarding the plans can be obtained from Department's annual audit report by contacting the Sumter County Health Department, 1601 N. Martin Luther King, Jr Blvd. Suite 100, Americus, Georgia 31719.

NOTE 12. 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 natural disasters. To cover these risks, the County participates in the Association of County Commissioners of Georgia - Interlocal Risk Management Agency (ACCG-IRMA), and the Association of County Commissioners of Georgia Group Self-Insurance Workers' Compensation Fund (ACCG-GSIWCF), public entity risk pools currently operating as common risk management and insurance programs for member local governments.

SUMTER COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 12. RISK MANAGEMENT (CONTINUED)

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

The funds are to defend and protect the members of the funds against liability or loss as prescribed in the member government contract and in accordance with the Workers' Compensation law of Georgia. The funds are to pay all costs taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense.

There have been no significant reductions of insurance coverage from coverage in the prior year, and settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

NOTE 13. COMMITMENTS AND CONTINGENCIES

Litigation:

The County is involved in several pending lawsuits. Four cases involve appeal of tax assessments. Legal counsel believes that the Board of Assessors has a good chance of defeating the taxpayer's appeal. However, if the Superior Court agrees with the taxpayer and reduces the value of the properties by a significant sum, the Board of Assessors could be responsible for the taxpayers' attorneys' fees which could be in the range of \$10,000 to \$20,000 in each case.

Grant Contingencies:

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

NOTE 14. JOINT VENTURES

A joint venture is a legal entity or other organization that results from a contractual arrangement and that is owned, operated, or governed by two or more participants as a separate and specific activity subject to joint control, in which the participants retain (a) an ongoing financial interest or (b) an ongoing financial responsibility. Sumter County is a member of the following:

River Valley Regional Commission

Under Georgia law, the County, in conjunction with other cities and counties in the 16-county west central Georgia area, is a member of the River Valley Regional Commission and is required to pay annual dues thereto. During the year ended June 30, 2021, the County paid \$12,938 in such dues. Membership in the River Valley Regional Commission is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of regional commissions in Georgia. The Regional Commission Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments

SUMTER COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 14. JOINT VENTURES (continued)

Americus/Sumter County Airport Authority

The Americus/Sumter County Airport Authority (the "Airport Authority") is comprised of five board members; two appointed by the County, two appointed by the City, and one joint appointment. The County allocated to the Airport Authority \$35,716 during the year to assist with general operating expenses. The County governing body does not approve the budget nor does it have any oversight of the day to day operations of the Airport Authority. The Airport Authority was established to buy, sell, and own property. Separate financial statements may be obtained from: Americus/Sumter County Airport Authority, 223 Southerfield Road, Americus, GA 31719.

Middle Flint Regional E-911 Authority

The Middle Flint Regional E-911 Authority (the "E-911 Authority") is comprised of nine board members; two appointed by the Sumter County and the remaining seven appointed by the other representative counties. The County allocated to the E-911 Authority \$158,557 during the year to assist with general operating expenses. The County governing body does not approve the budget nor does it have any oversight of the day to day operations of the E-911 Authority. The E-911 Authority was established to provide emergency communications services to Dooly, Macon, Marion, Schley, Sumter, Talbot, Taylor and Webster counties. Separate financial statements may be obtained from: Middle Flint Regional E-911 Authority, 222 Hayes Avenue, Ellaville, GA 31806.

NOTE 15. RELATED ORGANIZATIONS

The County's officials are also responsible for appointing the members to the following boards of other organizations, but the County's accountability for these organizations does not extend beyond making the appointments: The Americus Sumter County Payroll Development Authority, The Americus-Sumter County Hospital Authority, the Americus-Sumter County Land Bank Authority, the Americus-Sumter County Airport Authority, the Sumter County Development Authority, the Schley-Sumter-Macon-Webster Joint Development Authority, and the Crisp-Sumter Joint Development Authority.

NOTE 16. CHANGE IN ACCOUNTING PRINCIPLE

In conjunction with the implementation of GASB Statement No. 84, Fiduciary Activities, the County is required to reevaluate the accounting treatment of fiduciary activities. The new standard requires the County to determine if funds are still considered fiduciary, and if so, if they are considered custodial funds under the new definitions of GASB Statement No. 84, the following restatement was required to the beginning net position of the Fiduciary Activities to properly report the custodial funds.

	<u>Custodial Funds</u>
Net Position, as previously reported	\$ -
Adjustment needed to record beginning net position of the agency Funds now reported as custodial funds in accordance with GASB Statement No. 84	<u>572,194</u>
Net position, as restated	<u>\$ 572,194</u>

NOTE 17. SUBSEQUENT EVENTS

None noted as March 1, 2022.

REQUIRED SUPPLEMENTARY INFORMATION

SUMTER COUNTY, GEORGIA

SCHEDULE OF CHANGES IN THE COUNTY'S PENSION LIABILITY
AND RELATED RATIOS

	2021	2020	2019	2018	2017	2016	2015
Total pension liability							
Service cost	\$ 137,249	\$ 151,891	\$ 164,079	\$ 166,944	\$ 168,936	\$ 143,690	\$ 130,437
Interest on total pension liability	462,635	401,240	384,978	357,215	312,756	273,818	247,613
Changes in assumptions	10,677	301,249	(11,956)	14,077	173,298	148,150	-
Benefit payments, including refunds of employee contributions	(193,590)	(165,165)	(120,874)	(103,112)	(84,983)	(69,278)	-
Liability experience gain / (loss)	34,671	187,864	5,728	(52,184)	144,522	65,293	(57,323)
Change in total pension liability	451,642	877,079	421,955	382,940	714,529	561,673	320,727
Total pension liability - beginning	6,609,076	5,731,997	5,310,042	4,927,102	4,212,573	3,650,900	3,330,173
Total pension liability - ending (a)	<u>\$ 7,060,718</u>	<u>\$ 6,609,076</u>	<u>\$ 5,731,997</u>	<u>\$ 5,310,042</u>	<u>\$ 4,927,102</u>	<u>\$ 4,212,573</u>	<u>\$ 3,650,900</u>

Plan fiduciary net position

Contributions - employer	425,712	384,092	436,292	824,623	369,234	282,600	264,235
Net investment income	692,164	871,374	(184,931)	527,471	180,333	22,605	153,633
Benefit payments, including refunds of employee contributions	(187,043)	(159,580)	(116,646)	(99,505)	(84,983)	(66,774)	(57,323)
Administrative expenses	(37,267)	(40,053)	(29,743)	(26,933)	(31,130)	(26,186)	(25,307)
Other	(61,284)	(31,401)	(43,292)	(35,930)	(34,172)	(33,990)	(30,268)
Net change in plan fiduciary net position	832,282	1,024,432	61,680	1,189,726	399,282	178,255	304,970
Plan fiduciary net position - beginning	5,179,628	4,155,196	4,093,516	2,903,790	2,504,508	2,326,253	2,021,283
Plan fiduciary net position - ending (b)	<u>\$ 6,011,910</u>	<u>\$ 5,179,628</u>	<u>\$ 4,155,196</u>	<u>\$ 4,093,516</u>	<u>\$ 2,903,790</u>	<u>\$ 2,504,508</u>	<u>\$ 2,326,253</u>

County's net pension liability - ending (a) - (b)

<u>\$ 1,048,808</u>	<u>\$ 1,429,448</u>	<u>\$ 1,576,801</u>	<u>\$ 1,216,526</u>	<u>\$ 2,023,312</u>	<u>\$ 1,708,065</u>	<u>\$ 1,324,647</u>
---------------------	---------------------	---------------------	---------------------	---------------------	---------------------	---------------------

Plan fiduciary net position as a percentage of the total pension liability

85.15%	78.37%	72.49%	77.09%	58.94%	59.45%	63.72%
--------	--------	--------	--------	--------	--------	--------

Covered compensation for active employees

\$ 4,313,949	\$ 5,110,179	\$ 5,254,798	\$ 5,054,815	\$ 5,210,063	\$ 4,851,580	\$ 4,734,902
--------------	--------------	--------------	--------------	--------------	--------------	--------------

County's net pension liability as a percentage of covered-employee payroll

24.31%	27.97%	30.01%	24.07%	38.83%	35.21%	27.98%
--------	--------	--------	--------	--------	--------	--------

Notes to the Schedule

The schedule will present 10 years of information once it is accumulated.

SUMTER COUNTY, GEORGIA

SCHEDULE OF COUNTY CONTRIBUTIONS

	Valuation Date	1/1/2020	1/1/2019	1/1/2018	1/1/2017	1/1/2016	1/1/2015
	Measurement Date	12/31/2020	12/31/2019	12/31/2018	12/31/2017	12/31/2016	12/31/2015
	Plan Year	2020	2019	2018	2017	2016	2015
	FYE	2021	2020	2019	2018	2017	2016
Actuarially determined contribution							
Contributions in relation to the actuarially determined contribution	\$ 367,227	\$ 365,380	\$ 350,393	\$ 369,621	\$ 369,234	\$ 282,600	\$ 264,235
Contribution deficiency / (excess)	\$ 425,712	\$ 384,092	\$ 436,292	\$ 824,623	\$ 369,234	\$ 282,600	\$ 264,235
	<u>\$ (58,485)</u>	<u>\$ (18,712)</u>	<u>\$ (85,899)</u>	<u>\$ (455,002)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered employee payroll	\$ 4,313,949	\$ 5,110,179	\$ 5,254,798	\$ 5,054,815	\$ 5,210,063	\$ 4,851,580	\$ 4,734,902
Contributions as a percentage of covered payroll	9.87%	7.52%	8.30%	16.31%	7.09%	5.82%	5.58%
							5.04%

Notes to the Schedule

- Valuation Date January 1, 2020
- Actuarial Cost Method Entry age normal
- Actuarial Asset Valuation Method Smoothed market value with a 5-year smoothing period
- Assumed Rate of Return on Investments 7.00%
- Projected Salary Increases 3.50% per year with an age based scale
- Amortization Method Closed level dollar for remaining unfunded liability
- Remaining Amortization period 14.4 years

**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Sheriff's Forfeiture Recovery Fund is used to account for confiscated cash seizures by Sumter County law enforcement from drug related crimes. Funds may be used for any public safety purpose except salaries of law enforcement personnel.

Sheriff's Discretionary Fund is used to account for receipts from sales of calendars and other special revenues for the Sheriff's Department.

Victim and Witness Assistance Fund is used to account for the receipt of fine surcharges from the State Court and Superior Court of Sumter County. The Fund also receives surcharges from the other five counties in the Southwestern Judicial Circuit. The District Attorney manages the expenditures.

Law Library Fund is used to account for revenues generated through special filing charges in the County court system which are used to acquire and maintain library materials.

2018 CDBG — Housing Rehabilitation Fund is used to account for the receipt of grant funds for use in the housing rehabilitation project in accordance with grant specifications.

Drug Court Fund is used to account for the receipt of grant funds for use in management and supervisory personnel and expenses for the operation of the Drug Court in the Southwestern Judicial Circuit.

Drug Abuse Treatment and Education Fund is used to account for collection of additional penalties for certain drug related crimes and for expenditures of those funds solely and exclusively for drug abuse treatment and education programs relating to controlled substances and marijuana. (OCGA 15-21-100).

Correctional Institute Commissary Fund is used to account for proceeds of correctional institute inmate commissary sales.

Jail Commissary Fund is used to account for the proceeds of the jail inmate commissary sales.

Jail Fund is used to account for the receipt of fine surcharges and the expenditure of those fines for jail maintenance and operation in accordance with Georgia Jail Construction and Staffing Act.

Capital Projects Funds

2007 Special Purpose Local Option Sales Tax Fund (SPLOST) accounts for the revenues and expenditures relating to the 2004 1% Special Purpose Local Option Sales Tax.

Road Department Fund is used to account for the collection of special revenues including the Local Maintenance and Improvement Grant Program (LMIG) and the construction of road projects.

The **Capital Improvements Fund** is used to account for the acquisition or construction of capital facilities.

SUMTER COUNTY, GEORGIA

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021**

	Special Revenue										Capital Projects				
	Sheriffs Forfeiture Recovery	Sheriff's Discretionary Fund	Victim and Witness Assistance	Law Library	Housing Rehabilitation	2018 CDBG	Drug Court Fund	Treatment and Education	Correctional Institute	Commissary	Jail	2007 SPLOST	Road Fund	Department Fund	Capital Improvement Fund
ASSETS															
Cash and cash equivalents	\$ 49,372	\$ 7,430	\$ 9,490	\$ 26,328	\$ 88	\$ 92	\$ 113,314	\$ 272,669	\$ 110,273	\$ 454,063	\$ -	\$ 742,764	\$ 481,763	\$ 2,267,646	
Due from other funds	-	-	81,248	-	-	-	-	-	-	-	-	-	-	12,850	94,098
Due from other governments	-	-	83,553	-	-	18,923	-	269	37,931	26,152	1,961	-	-	-	168,789
Total assets	\$ 49,372	\$ 7,430	\$ 174,291	\$ 26,328	\$ 88	\$ 19,015	\$ 113,583	\$ 310,600	\$ 136,425	\$ 456,024	\$ -	\$ 742,764	\$ 494,613	\$ 2,530,533	
LIABILITIES AND FUND BALANCES															
LIABILITIES															
Accounts payable	\$ -	\$ -	\$ 168,833	\$ -	\$ -	\$ 88	\$ 18,923	\$ -	\$ 33,300	\$ 22,559	\$ -	\$ -	\$ 30,000	\$ -	\$ 273,615
Due to other funds	-	-	168,833	-	-	88	18,923	-	33,300	22,559	-	-	30,000	-	88
Total liabilities	\$ -	-	168,833	-	-	88	18,923	-	33,300	22,559	-	-	30,000	-	273,703
FUND BALANCES (DEFICIT)															
Restricted for:															
Judicial	-	7,430	5,458	26,328	-	92	113,583	-	-	-	456,024	-	-	-	31,878
Public safety	49,372	-	-	-	-	-	-	-	-	-	-	-	-	-	626,409
Housing and development	-	-	-	-	-	-	-	-	-	-	-	712,764	494,613	1,207,377	-
Capital projects	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Committed for:															
Public safety	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total fund balances (deficit)	49,372	7,430	5,458	26,328	-	92	113,583	277,300	113,866	-	456,024	-	712,764	494,613	391,166
Total liabilities and fund balances	\$ 49,372	\$ 7,430	\$ 174,291	\$ 26,328	\$ 88	\$ 19,015	\$ 113,583	\$ 310,600	\$ 136,425	\$ 456,024	\$ -	\$ 742,764	\$ 494,613	\$ 2,530,533	

SUMTER COUNTY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Special Revenue										Capital Projects				
	Sheriffs Forfeiture Recovery	Sheriff's Discretionary Fund	Victim and Witness Assistance	Law Library	2018 CDBG Housing Rehabilitation	2018 CDBG Treatment and Education	Drug Court Fund	Correctional Institute Commissary	Jail Commissary	Jail Fund	2007 SPLOST	Road Fund	Department Fund	Capital Improvement Fund	Total
Revenues:															
Intergovernmental	\$ -	\$ -	\$ 295,490	\$ -	\$ 63,453	\$ -	\$ 71,339	\$ -	\$ -	\$ -	\$ 34,404	\$ -	\$ 654,660	\$ -	\$ 1,084,942
Fines and forfeitures	-	-	18,854	8,646	-	12,604	-	-	-	-	-	-	-	-	74,508
Interest income	-	-	-	-	-	-	-	-	-	-	8	-	-	-	8
Other revenues	13,953	13,290	-	315	-	-	-	411,186	225,659	-	-	-	-	27,000	691,403
Total revenues	\$ 13,953	\$ 13,290	\$ 314,344	\$ 8,961	\$ 63,453	\$ 12,604	\$ 71,339	\$ 411,186	\$ 225,659	\$ 34,404	\$ 8	\$ 654,660	\$ 27,000	\$ 1,850,861	
Expenditures:															
Current:															
Judicial	-	317,819	711	-	-	71,339	-	-	-	-	-	-	-	-	389,869
Public safety	42,695	13,952	-	-	-	65,253	-	-	-	-	-	-	-	-	628,764
Housing and development	-	-	-	-	-	-	-	-	-	-	-	-	-	-	65,253
Capital outlay	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
General Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,610
Judicial	-	-	-	-	-	-	-	-	-	-	-	-	-	-	818
Public works	-	-	-	-	-	-	-	-	-	-	-	-	-	-	770,854
Housing and development	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,266
Total expenditures	42,695	13,952	317,819	711	65,253	-	71,339	372,337	199,780	-	12,685	706,367	64,496	1,857,434	
Excess (deficiency) of revenues over (under) expenditures	(28,742)	(662)	(3,475)	8,250	(1,800)	12,604	-	38,849	25,879	34,404	(12,677)	(51,707)	(37,496)	(16,573)	
Other financing sources (uses):															
Transfers in / (out)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	226,000
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	226,000
Net change in fund balances	(28,742)	(662)	(3,475)	8,250	(1,800)	12,604	-	38,849	25,879	34,404	(12,677)	(51,707)	188,504	209,427	
Fund balances, beginning of year	78,114	8,092	8,933	18,078	1,800	100,979	92	238,451	87,987	421,620	12,677	764,471	305,109	2,047,403	
Fund balances (deficit), end of year	\$ 49,372	\$ 7,430	\$ 5,458	\$ 26,328	\$ -	\$ 113,583	\$ 92	\$ 277,300	\$ 113,866	\$ 456,024	\$ -	\$ 712,764	\$ 494,613	\$ 2,256,830	

SUMTER COUNTY, GEORGIA

**SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL
OPTION SALES TAX PROCEEDS
2007 SPLOST
FOR THE YEAR ENDED JUNE 30, 2021**

Project	Estimated Cost		Expenditures		
	Original	Current	Prior Years	Current Year	Total
Humane Society facilities and equipment	\$ 300,000	\$ 300,766	\$ 297,396	\$ -	\$ 297,396
Recreation facilities	1,530,000	1,530,000	1,611,388	-	1,611,388
Judicial complex facility improvements	1,000,000	1,003,916	1,003,774	-	1,003,774
Vehicle replacement plan	750,000	750,000	778,160	-	778,160
Fire service equipment and facilities	250,000	250,000	1,120,883	-	1,120,883
Public works heavy equipment	450,000	485,432	432,284	-	432,284
Public works infrastructure	6,000,000	4,959,886	2,724,588	12,685	2,737,273
Georgia State Patrol facility	1,900,000	1,900,000	1,566,491	-	1,566,491
Human Services Center	2,000,000	3,000,000	3,000,000	-	3,000,000
Jail/correctional institute renovation	2,000,000	2,000,000	1,897,142	-	1,897,142
Library facilities and resources	250,000	250,000	233,370	-	233,370
Library drainage remediation	100,000	100,000	83,335	-	83,335
Hospital construction	3,000,000	3,000,000	2,122,878	-	2,122,878
Projects for the following cities:					
Americus	4,307,288	4,307,288	4,307,288	-	4,307,288
Andersonville	359,000	359,000	342,598	-	342,598
Desoto	310,000	310,000	311,529	-	311,529
Leslie	551,000	551,000	550,999	-	550,999
Plains	342,712	342,712	371,494	-	371,494
Interest and project management	-	-	1,413,536	-	1,413,536
	<u>\$ 25,400,000</u>	<u>\$ 25,400,000</u>	<u>\$ 24,169,133</u>	<u>\$ 12,685</u>	<u>\$ 24,181,818</u>

The 2007 SPLOST was completed and closed.

SUMTER COUNTY, GEORGIA

**SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL
OPTION SALES TAX PROCEEDS
2014 SPLOST
FOR THE YEAR ENDED JUNE 30, 2021**

Project	Estimated Cost			Expenditures		
	Original	Current	Prior Years	Current Year	Total	
Roads, streets, bridges, infrastructure	\$ 4,000,000	\$ 4,000,000	\$ 3,943,486	\$ 23,529	\$ 3,967,015	
Repair & paving of county roads in Americus	81,217	81,217	90,292	258	90,550	
Human Services Center debt payoff	3,496,312	3,496,312	3,886,971	11,105	3,898,076	
Vehicle replacement plan	2,500,000	2,500,000	2,325,166	471,346	2,796,512	
Parks & Recreation renovation & construction	1,075,000	1,075,000	809,873	14,338	824,211	
Economic development infrastructure	500,000	500,000	384,035	1,588	385,623	
Technology servers & computers	350,000	350,000	371,687	22,833	394,520	
Emergency Operation Center	350,000	350,000	121,981	1,112	123,093	
Security & communications equipment	300,000	300,000	258,386	39,159	297,545	
Projects for the following cities:						
Americus	9,650,697	9,650,697	9,099,181	1,271,864	10,371,045	
Andersonville	144,000	144,000	129,574	18,771	148,345	
Desoto	127,000	127,000	113,120	16,388	129,508	
Leslie	146,000	146,000	139,211	19,069	158,280	
Plains	279,774	279,774	243,344	36,351	279,695	
	<u>\$ 23,000,000</u>	<u>\$ 23,000,000</u>	<u>\$ 21,916,307</u>	<u>\$ 1,947,711</u>	<u>\$ 23,864,018</u>	
Repayment of principal on debt. Proceeds included in projects above.				2,355,000		
Repayment of principal on lease debt. Proceeds included in projects above.				100,918		
Transfer see note 2 below				<u>(195,000)</u>		
Total 2014 SPLOST Fund expenditures				<u>\$ 4,208,629</u>		

1. Adjust prior year expenditures by project for interest and project management cost. The adjustments were made using ratio of original budget cost of county projects and plus \$4,000,000 for city of Americus share of bonds. Below is the amounts added to each project for prior years and current year.

	Prior Years	Current Year	Total
Roads, streets, bridges, infrastructure	446,937	12,099	459,036
Repair & paving of county roads in Americus	9,075	246	9,321
Human Services Center debt payoff	390,658	10,575	401,233
Vehicle replacement plan	279,336	7,561	286,897
Parks & recreation renovation & construction	120,114	3,251	123,365
Economic development infrastructure	55,867	1,512	57,379
Technology servers & computers	39,107	1,059	40,166
Emergency operation center	39,107	1,059	40,166
Security & communications equipment	33,520	907	34,427
City of Americus	761,236	20,606	781,842
Total	2,174,957	58,875	2,233,832

Andersonville, Desoto, Leslie, and Plains were not part of the bond so no allocation of interest and project management cost were applied.

2. SPLOST 2014 paid the part of the principal payment of \$195,000 for the Fire Fund as part of their vehicle replacement budget. The funds were reported on the Statement of Revenues, Expenditures and Changes in Fund Balance as a transfer out of SPLOST 2014 and transfer in on the Fire Fund.

SUMTER COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL
OPTION SALES TAX PROCEEDS
2021 SPLOST
FOR THE YEAR ENDED JUNE 30, 2021

Project	Estimated Cost		Expenditures		
	Original	Current	Prior Years	Current Year	Total
Roads, streets, bridges, infrastructure	\$ 3,820,000	\$ 3,820,000	\$ 51,040	\$ 45,122	\$ 96,162
Fire & Rescue Headquarters Station & Equipment	2,400,000	2,400,000	32,067	28,349	60,416
Renovations & Improvements to Equipment and Infrastructure for County Buildings	1,080,000	1,080,000	14,430	12,757	27,187
Vehicle replacement plan	1,440,000	1,440,000	19,240	380,606	399,846
Parks & Recreation Facilities, Equipment and Projects	956,100	956,100	12,775	11,293	24,068
Economic Development Projects, Equipment and Infrastructure	200,000	200,000	2,672	2,362	5,034
Renovations & Improvements to the Humane Society Facility	100,000	100,000	1,336	1,181	2,517
Renovations & Improvements to the Lake Blackshear Regional Library Facility	50,000	50,000	686	591	1,277
Communications Equipment and Infrastructure	1,250,000	1,250,000	16,702	416,286	432,988
Projects for the following cities:					
Americus	9,021,400	9,021,400	4,000,400	71,846	4,072,246
Andersonville	215,000	215,000	-	19,648	19,648
Desoto	215,000	215,000	-	19,647	19,647
Leslie	322,500	322,500	-	29,471	29,471
Plains	430,000	430,000	-	39,294	39,294
	<u>\$ 21,500,000</u>	<u>\$ 21,500,000</u>	<u>\$ 4,151,348</u>	<u>\$ 1,078,453</u>	<u>\$ 5,229,801</u>

Repayment of principal on debt. Proceeds included in projects above.

Total 2021 SPLOST Fund expenditures \$ 1,078,453

1. Adjust prior year expenditures by project for interest and project management cost. The adjustments were made using ratio of original budget cost of county projects and plus \$4,000,000 for city of Americus share of bonds. Below is the amounts added to each project for prior years and current year.

	Prior Years	Current Year	Total
Roads, streets, bridges, infrastructure	51,040	45,122	96,162
Fire & Rescue Headquarters Station & Equipment	32,067	28,349	60,416
Renovations & Improvements to Equipment & Infrastructure for County Buildings	14,430	12,757	27,187
Vehicle replacement plan	19,240	17,009	36,249
Parks & Recreation Facilities, Equipment and Projects	12,775	11,293	24,068
Economic Development Projects, Equipment and Infrastructure	2,672	2,362	5,034
Renovations & Improvements to the Humane Society Facility	1,336	1,181	2,517
Renovations & Improvements to Lake Blackshear Regional Library	668	591	1,259
Communications Equipment and Infrastructure	16,702	14,765	31,467
City of Americus	81,270	71,846	153,116
Total	232,200	205,275	437,475

Andersonville, Desoto, Leslie, and Plains were not part of the bond so no allocation of interest and project management cost were applied.

SUMTER COUNTY, GEORGIA

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
 18h-y-129-1-6028
 PROJECT COST SCHEDULE
 FOR THE YEAR ENDED JUNE 30, 2021

Program Activity	Activity Number	Revised Budget	Expenditures			Total
			Prior Years	Current Year		
Acquisition of Property (Public)	H-001-01	\$ 6,000	\$ 2,000	\$ -	\$ 2,000	
Clearance	H-004-00	14,000	3,900	-	3,900	
Rehabilitation of Private Properties	H-14A-01	381,346	158,211	57,602	215,813	
Reconstruction of Private Properties	H-14A-02	269,973	100,905	2,651	103,556	
Contingencies - unprogramed Funds	C-022-00	26,181	-	-	-	
Administration	A-21A-00	52,500	20,250	5,000	25,250	
		<u>\$ 750,000</u>	<u>285,266</u>	<u>65,253</u>	<u>350,519</u>	

CUSTODIAL FUNDS

Tax Commissioner - This fund is used to account for all real, personal and intangible taxes collected and forwarded to the County and other government units.

The following agency funds are used to account for fines, fees and other moneys collected by the courts and remitted to other parties in accordance with court orders and state law:

Clerk of Courts
Probate Court
Magistrate Court

Sheriff - This fund is used to account for collection of fees, proceeds from judicial sales, and cash bonds, which are disbursed to other agencies, the County, and individuals.

Jail Inmate Fund - This fund accounts for jail inmate funds while in custody, and for the purchase of items from the Jail Commissary and related activities on behalf of inmates and the jail.

Correctional Institute Inmate Fund - This fund is used to account for inmate funds held while in custody, and for purchase of items from the Correctional Institute Commissary and related activities on behalf of the inmates.

ADR SWJC Fund - This fund is used to account for the receipt of special fees collected by the County courts and the transfer of those funds to the Southwestern Judicial Circuit. The Circuit Chief Judge manages disbursements of this fund.

Juvenile Court SWJC Fund - This fund is used to account for the receipt of the appropriations for the Juvenile Court made by the counties belonging to the Southwestern Judicial Circuit and the disbursement of those funds for the purposes of the Circuit Juvenile Court. The Circuit Juvenile Court Judge manages disbursements of this fund.

Public Defender SWJC Fund - This fund is used to account for the receipt of the appropriations for the Public Defender's Office made by the counties belonging to the Southwestern Judicial Circuit and the disbursement of those funds for the purposes of the Circuit Public Defender. The Circuit Public Defender manages disbursements of this fund.

SUMTER COUNTY, GEORGIA

COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
JUNE 30, 2021

ASSETS	Tax Commissioner	Clerk of Courts	Probate Court	Magistrate Court	Sheriff	Jail	Correctional Institute	ADR	Juvenile Court	Public Defender	Total
							Inmate Fund	SWJC Fund	SWJC Fund	SWJC Fund	
Cash	\$ 153,386	\$ 6,367	\$ 190	\$ 272,619	\$ 84,610	\$ 151,190	\$ 178,395	\$ 31,375	\$ 33,843	\$ 911,975	
Due from other governments	58,679	-	-	-	-	-	4,555	35,789	82,177	-	181,200
Tax receivable(net)	1,303,914	-	-	-	-	-	-	-	-	-	1,303,914
Total assets	<u>\$ 1,362,593</u>	<u>\$ 153,386</u>	<u>\$ 6,367</u>	<u>\$ 190</u>	<u>\$ 272,619</u>	<u>\$ 84,610</u>	<u>\$ 151,190</u>	<u>\$ 182,950</u>	<u>\$ 67,164</u>	<u>\$ 116,020</u>	<u>\$ 2,397,089</u>
LIABILITIES											
Due to county	\$ -	\$ 110,602	\$ 5,633	\$ -	\$ 272,563	\$ 24,329	\$ 132	\$ 31	\$ 20,909	\$ 67,496	\$ 229,132
Due to others	58,679	39,891	796	-	60,281	150,750	-	-	24,057	48,524	655,541
Uncollected taxes	1,303,914	-	-	-	-	-	-	-	-	-	1,303,914
Total liabilities	<u>\$ 1,362,593</u>	<u>\$ 150,493</u>	<u>\$ 6,429</u>	<u>\$ -</u>	<u>\$ 272,563</u>	<u>\$ 84,610</u>	<u>\$ 150,882</u>	<u>\$ 31</u>	<u>\$ 44,966</u>	<u>\$ 116,020</u>	<u>\$ 2,188,587</u>
NET POSITION											
Restricted:											
Individuals, organizations, and other governments	\$ -	\$ 2,893	\$ (62)	\$ 190	\$ 56	\$ -	\$ 308	\$ 182,919	\$ 22,198	\$ -	\$ 208,502
Total Net Position	<u>\$ -</u>	<u>\$ 2,893</u>	<u>\$ (62)</u>	<u>\$ 190</u>	<u>\$ 56</u>	<u>\$ -</u>	<u>\$ 308</u>	<u>\$ 182,919</u>	<u>\$ 22,198</u>	<u>\$ -</u>	<u>\$ 208,502</u>

SUMTER COUNTY, GEORGIA

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
JUNE 30, 2021

	Tax Commissioner	Clerk of Courts	Probate Court	Magistrate Court	Sheriff	Jail Inmate Fund	Correctional Institute Inmate Fund		ADR SWJC Fund	Juvenile Court SWJC Fund	Public Defender SWJC Fund	Total
							Inmate Fund	SWJC Fund				
ADDITIONS												
Taxes	\$ 17,351,734	\$ 199,445	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27,445	\$ -	\$ -	\$ 17,551,179
Fines and fees	-	270,494	94,927	127,153	428,040	-	-	-	-	-	-	948,059
Other custodial collections	-	483,673	-	126,515	82,556	340,522	549,940	-	-	279,961	637,187	2,500,354
TOTAL ADDITIONS	\$ 17,351,734	\$ 953,612	\$ 94,927	\$ 253,668	\$ 510,596	\$ 340,522	\$ 549,940	\$ 27,445	\$ 279,961	\$ 637,187	\$ 20,999,592	
DEDUCTIONS												
Due to county												
Taxes paid to other Governments	\$ 17,730,576	\$ 199,445	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,930,021
Other custodial disbursements	4,596	752,440	94,880	253,668	510,596	340,522	549,990	17,559	271,825	637,187	637,187	3,433,263
Balance June 30, 2021	\$ 17,735,172	\$ 951,885	\$ 94,880	\$ 253,668	\$ 510,596	\$ 340,522	\$ 549,990	\$ 17,559	\$ 271,825	\$ 637,187	\$ 637,187	\$ 21,363,284
Net increase(decrease) in fiduciary net position	\$ (383,438)	\$ 1,727	\$ 47	\$ -	\$ -	\$ -	\$ (50)	\$ 9,886	\$ 8,136	\$ -	\$ (363,692)	
Net position, beginning of year, restated	383,438	1,166	(109)	190	56	-	358	173,033	14,062	-	572,194	
Net position, end of year	\$ -	\$ 2,893	\$ (62)	\$ 190	\$ 56	\$ -	\$ 308	\$ 182,919	\$ 22,198	\$ -	\$ 208,502	

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 Sumter County, Georgia
Americus, 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, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Sumter County, Georgia, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Sumter County, Georgia's basic financial statements and have issued our report thereon dated March 2, 2022. Other auditors audited the financial statements of the Sumter County Department of Public 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.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Sumter County, Georgia's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Sumter County, Georgia's internal control. Accordingly, we do not express an opinion on the effectiveness of Sumter County, Georgia'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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies. [2021-001, 2021-002, 2021-003]

Compliance and Other Matters

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

Sumter County, Georgia's Response to Findings

Sumter County, Georgia's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Sumter 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 it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

Chambliss & Shepard Roland : Associates LLP

Americus, Georgia

March 2, 2022



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 Sumter County, Georgia
Americus, Georgia

Report on Compliance for Each Major Federal Program

We have audited Sumter County, Georgia's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Sumter County, Georgia's major federal programs for the year ended June 30, 2021. Sumter County, Georgia's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Sumter County, Georgia's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Sumter County, Georgia's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

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

Report on Internal Control Over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of This Report

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.

Chambliss Sheppard Polar - Associates LLP

Americus, Georgia
March 2, 2022

SUMTER COUNTY, GEORGIA

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

Federal Agency/ Pass-through Entity/Program Title	Federal CFDA Number	Agency or Pass-through Grantor's Number	Federal Expenditures
U.S. Department of Justice :			
Passed-Through Office of the Governor Criminal Justice Coordinating Council:			
Grant Program - DA VWAP	16.575	C19-08-102	\$ 37,390
Grant Program - DA VWAP	16.575	C19-08-103	200,090
Grant Program - DA VWAP	16.575	C18-8-264	46,311
Grant Program - DA VWAP	16.575	C18-8-263	11,699
Total Grant Program - DA VWAP			<u>295,490</u>
COVID-19 Coronavirus Relieif Fund	16.034	2020-VD-BX-0812	<u>35,337</u>
Total U.S. Department of Justice			<u>330,827</u>
U.S. Department of Treasury			
Passed-Through the Georgia Governor's Office of Planning and Budget			
COVID-19 Coronavirus Relieif Fund	21.019		<u>677,117</u>
Total U.S. Department of Treasury			<u>677,117</u>
U.S. Department of Housing and Urban Development:			
Passed-Through Department of Community Affairs:			
2018 Community Development Block Grant	14.228	18h-y-129-1-6128	<u>65,253</u>
Total U.S. Department of Housing and Urban Development			<u>65,253</u>
U.S. Department of Homeland Security:			
Passed-Through Georgia Emergency Management Agency:			
Emergency Management Performance Grant -			
Performance Partnership Agreement	97.042	OEM-20-131	<u>20,818</u>
Total U.S. Department of Homeland Security			<u>20,818</u>
Total Expenditures of Federal Awards			<u>\$ 1,094,015</u>

Notes to the Schedule of Expenditures of Federal Awards

1. The accompanying schedule of expenditures of federal awards includes the federal award activity of Sumter, County, Georgia, under programs for the federal government for the fiscal year ended June 30, 2021. The information in this schedule is presented in accordance with the requirements of the Title 2 U. S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Some amounts presented in this schedule may differ from amounts presented in, or used in the presentation of the basic financial statements.
2. Expenditures reported on this schedule are reported on the accrual basis of accounting. The determination of when an award is expended is based on when the activity related to the award occurred.
3. The County chose not to use the ten percent de minimis cost rate for the year ended June 30, 2021.

SUMTER COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2021

Section I—Summary of Auditor's Results:

Financial Statements

Type of auditor's report issued	<i>unmodified</i>
Internal control over financial reporting:	
• Material weakness(es) identified?	<u> </u> yes <input checked="" type="checkbox"/> no
• Significant deficiency(ies) identified that are not considered to be material weaknesses?	<input checked="" type="checkbox"/> yes <u> </u> none reported
Noncompliance material to financial statements noted?	<u> </u> yes <input checked="" type="checkbox"/> no

Federal Awards

Internal control over major programs:					
• Material weakness(es) identified?	<u> </u> yes <input checked="" type="checkbox"/> no				
• Significant deficiency(ies) identified that are not considered to be material weakness(es)?	<u> </u> yes <input checked="" type="checkbox"/> none reported				
Type of auditor's report issued on compliance for major programs	<i>unmodified</i>				
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?					
Identification of major programs:	<table><tr><td><u>CFDA Number</u></td><td>Name of <u>Federal Program</u></td></tr><tr><td>21.019</td><td>COVID-19 Coronavirus Relief Fund</td></tr></table>	<u>CFDA Number</u>	Name of <u>Federal Program</u>	21.019	COVID-19 Coronavirus Relief Fund
<u>CFDA Number</u>	Name of <u>Federal Program</u>				
21.019	COVID-19 Coronavirus Relief Fund				

Dollar threshold used to distinguish between type A and type B programs: \$ 750,000

Auditee qualified as low-risk auditee? yes no

SUMTER COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND RESPONSES FOR THE YEAR ENDED JUNE 30, 2021

Section II—Financial Statement Findings:

2021 - 001. Segregation of Duties

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

Condition: Appropriate segregation of duties does not exist between recording, distribution, reconciliation of cash accounts and other operational functions in various areas of County operations. This is especially prominent in the offices of the Sheriff, Jail, and Probate Court.

Cause: The failure to properly segregate duties is due to the limited number of individuals available in these offices to perform each of the duties.

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.

Recommendation: The duties of recording, distribution, approving, writing and signing of checks, and reconciliation of accounts should be segregated among employees.

Views of Responsible Officials and Planned Corrective Action: We concur with the finding. We have considered the benefit of adding additional staff for this purpose, and we conclude that the costs would outweigh the benefit. The offices listed continue to review their respective systems and accounting in their offices. The County Finance Director will continue to provide oversight and technical advice.

2021 - 002. Accounting System in Tax Commissioner's Office

Criteria: Accounting system should be functioning to insure that all monies received are promptly disbursed. The system should produce accurate reports of unpaid taxes. Monies held at the end of any accounting period should be reasonably explained.

Condition: Monies were not promptly accounted for and disbursed for the months of March, April, May, and June, 2015. Unpaid property tax was not documented at conversion and year end reports for audit were delayed.

Cause: The Tax Commissioner implemented new accounting software on March 1, 2015. Conversion was not adequately monitored and staff training was insufficient so that monies on hand at month end were not reconciled to actual bank balances.

Effect: Property tax was not accurately and completely disbursed for the year ended June 30, 2015. As of June 30, 2021, \$26,189 remained on hand unaccounted for in the property tax account.

Recommendation: The Tax Commissioner should require the software provider to adequately train the accounting staff including developing procedures to insure that the Tax Commissioner's books and records are complete and accurate and that tax receipts are promptly disbursed.

Views of Responsible Officials and Planned Corrective Action: We concur with the finding, The Tax Commissioner and staff have received additional training and are working to get the books balanced and reconciled so that the funds can be accurately and promptly disbursed. The unaccounted for funds were disbursed October 31, 2021; \$10,553 to the County; \$15,633 to the Board of Education.

SUMTER COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2021

Section II—Financial Statement Findings (continued):

2021 - 003. Capital Assets and Depreciation

Criteria: County should maintain a schedule of capital assets and record depreciation as appropriate.

Condition: Schedule of capital assets and depreciation is incomplete.

Cause: Ineffective or lack of oversight by management.

Effect: Capital asset acquisitions for the year were not added and assets disposed of were not removed from the schedule. Depreciation on those assets had not been calculated.

Recommendation: County management should review the schedule of capital assets and depreciation for completeness and consistency to insure that the capitalization policies and procedures are followed. Consider assigning the duty of maintaining the capital asset inventory to the designated county purchasing agent.

Views of Responsible Officials and Planned Corrective Action: We concur with the finding. We are creating a separate schedule for the additions and disposals of fixed assets that will supplement our system. We will review the schedule of assets and depreciation at least annually for completeness and accuracy.

SUMTER COUNTY, GEORGIA

SCHEDULE OF PRIOR YEAR FINDINGS FOR THE YEAR ENDED JUNE 30, 2021

Status of Prior Year Audit Findings

2020 - 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: Appropriate segregation of duties is insufficient among recording, distribution, reconciliation of cash accounts and other operational functions in various areas of County operations. This is especially prominent in the offices of the Sheriff, Jail, Clerk of Court, and Probate Court.

Auditee Response/Status: Unresolved. This is included in current finding number 2021-001.

2020 - 002. Accounting System in Tax Commissioner's Office

Criteria: Accounting system should be functioning to insure that all monies received are promptly disbursed. The system should produce accurate reports of unpaid taxes. Monies held at the end of any accounting period should be reasonably explained.

Condition: Monies were not promptly accounted for and disbursed for the months of March, April, May and June, 2015 due to difficulties encountered in computer software conversion. Unpaid property tax was not documented at conversion and year end reports for audit were delayed.

Auditee Response/Status: Unresolved. The Tax Commissioner continues to research the system in cooperation with the software vendor. This is included in current finding number 2021-002.

2020 - 003. Capital Assets and Depreciation

Criteria: County should maintain a schedule of capital assets and record depreciation as appropriate.

Condition: Schedule of capital assets and depreciation is incomplete.

Auditee Response/Status: Unresolved. This is included in current finding number 2021-003.

2020 - 004. Clerk of Courts funds were delayed being paid out and bank statements were not reconciled in a timely fashion.

Criteria: Funds held by the Clerk of Courts should be balanced and reconciled to detailed records and disbursed at the beginning of each month.

Condition: Checking accounts are not being reconciled in a timely manner, and funds are not being disbursed to the appropriate agencies and governments in a timely fashion.

Auditee Response/Status: Resolved.