

SPALDING COUNTY, GEORGIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2022**

**Prepared by:
Jinna L. Garrison, CPA
Administrative Services Director**

SPALDING COUNTY, GEORGIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2022

TABLE OF CONTENTS

Page

I. INTRODUCTORY SECTION

Letter of Transmittal	i – vi
GFOA Certificate of Achievement	vii
Organizational Chart.....	viii
List of Principal Officials	ix

II. FINANCIAL SECTION

Independent Auditor’s Report	1 – 4
Management’s Discussion and Analysis	5 – 16

Basic Financial Statements:

Government-wide Financial Statements:

Statement of Net Position.....	17
Statement of Activities.....	18 and 19

Fund Financial Statements:

Balance Sheet – Governmental Funds.....	20 and 21
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds.....	22 and 23
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	24
General Fund – Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual.....	25 – 27
Fire District – Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual.....	28
Statement of Net Position – Proprietary Funds	29
Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds	30
Statement of Cash Flows – Proprietary Funds	31
Statement of Fiduciary Net Position – Fiduciary Funds	32
Statement of Changes in Fiduciary Net Position – Fiduciary Funds	33
Notes to Financial Statements.....	34 – 77

Required Supplementary Information:

Schedule of Changes in the County’s Total OPEB Liability and Related Ratios	78
Schedule of Changes in the County’s Net Pension Liability and Related Ratios	79 and 80
Schedule of County Contributions.....	81 and 82

SPALDING COUNTY, GEORGIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2022

TABLE OF CONTENTS (CONTINUED)

Page

II. FINANCIAL SECTION (CONTINUED)

Combining and Individual Fund Statements and Schedules:

Combining Balance Sheet – Nonmajor Governmental Funds.....	83 – 85
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds.....	86 – 88
Special Revenue Funds – Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual.....	89 – 96
Debt Service Funds – Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual.....	97 – 100
Capital Projects Funds – Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual.....	101 – 104
Schedule of Expenditures of Special Purpose Local Option Sales Tax Proceeds – 2008 Issue.....	105
Schedule of Expenditures of Special Purpose Local Option Sales Tax Proceeds – 2016 Issue.....	106
Schedule of Expenditures of Transportation Special Purpose Local Option Sales Tax Proceeds – 2022 Issue.....	107

Custodial Funds:

Combining Statement of Fiduciary Net Position – Fiduciary Funds	108 and 109
Combining Statement of Changes in Fiduciary Net Position – Fiduciary Funds	110 and 111

Component Unit – Water Authority:

Statement of Net Position – Component Unit – Water Authority	112
Statement of Revenues, Expenses and Changes in Fund Net Position – Component Unit – Water Authority	113
Statement of Cash Flows – Component Unit – Water Authority	114

III. STATISTICAL SECTION

Net Position by Component.....	115 and 116
Changes in Net Position.....	117 and 118
Fund Balances of Governmental Funds.....	119 and 120
Changes in Fund Balances of Governmental Funds	121 and 122
Assessed Value and Actual Value of Taxable Property.....	123 and 124
Direct and Overlapping Property Tax Rates	125
Principal Property Taxpayers	126 and 127
Property Tax Levies and Collections	128

SPALDING COUNTY, GEORGIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

TABLE OF CONTENTS (CONTINUED)

Page

III. STATISTICAL SECTION (CONTINUED)

Ratios of Outstanding Debt by Type.....	129
Ratios of General Bonded Debt Outstanding	130
Legal Debt Margin Information	131 and 132
Demographic and Economic Statistics	133
Principal Employers.....	134 and 135
Full-Time Equivalent County Government Employees by Function	136
Operating Indicators by Function	137
Capital Asset Statistics by Function.....	138
Sales Tax Collections	139

Continuing Disclosure Information:

Discretely Presented Component Unit – Spalding County Water Authority:

Revenue Bond Coverage.....	140
Ten Largest Water Customers	141
Number of Customers and Consumption.....	142
Summary of Water Costs and Wholesale Water Rates Paid to the City of Griffin.....	143
Water Connection Fees and Sewer Service Rates	144

IV. SUPPLEMENTAL SCHEDULE

Schedule of State Contractual Assistance – DHR.....	145
---	-----

V. 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>	146 and 147
Schedule of Findings and Questioned Costs	148
Schedule of Prior Year Findings	149

I. INTRODUCTORY SECTION



BOARD OF COMMISSIONERS

Clay Davis, CHAIRMAN
James R. Dutton, VICE CHAIRMAN
Gwen Flowers-Taylor
Rita C. Johnson
Ryan Bowlden

COUNTY MANAGER
STEVE LEDBETTER

COUNTY ATTORNEY
STEPHANIE WINDHAM

December 30, 2022

To the Honorable Clay W Davis, Chairman,
Members of the Board of Commissioners,
and Citizens of Spalding County, Georgia:

State law requires that every general purpose local government publish, within six months of the close of each fiscal year, a complete set of audited financial statements. Pursuant to that requirement, we hereby issue the Annual Comprehensive Financial Report (“ACFR”) of Spalding County, Georgia (the “County”) for the fiscal year ended June 30, 2022.

This report consists of management’s representations concerning the finances of Spalding County, Georgia. Consequently, management assumes full responsibility for the completeness and reliability of the information presented in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the County’s objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Mauldin & Jenkins, LLC, a firm of licensed certified public accountants, have issued an unmodified (“clean”) opinion on the County’s financial statements for the year ended June 30, 2022. The independent auditor’s report is located at the front of the financial section of this report.

The Management’s Discussion and Analysis (“MD&A”) immediately follows the independent auditor’s report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with the aforementioned documents.

Profile of the government

Spalding County was created in 1851 by an act of the Legislature of the State of Georgia and is geographically located in the middle part of the state, approximately 40 miles south of Atlanta. Its land area encompasses approximately 200 square miles and serves a population of 67,306 as reported in the 2020 U.S. Census report. The County is empowered to levy a property tax on both real and personal properties located within its boundaries.

The County is bordered on the north by Clayton and Henry Counties, on the east by Butts County, on the south by Lamar and Pike Counties and on the west by Meriwether, Coweta and Fayette counties. Three incorporated municipalities are located within Spalding County: City of Griffin (which is the County seat), City of Orchard Hill, and City of Sunny Side.

The governing authority of the County is a Board of Commissioners consisting of five members. The commissioners serve on a part-time basis and are elected to staggered terms of four years. The commissioners are responsible, among other things, for passing ordinances, adopting the budget, establishing tax rates, appointing committees, and hiring both the County's Manager and attorney. In 1992, the General Assembly of Georgia created the position of County Manager for the County. The County Manager is responsible for carrying out the policies and ordinances of the Spalding County Board of Commissioners, for overseeing the day-to-day operations of the County, and for appointing department heads.

The County provides a full range of services, including law enforcement; corrections; the construction and maintenance of buildings, parks, streets, highways, bridges, stormwater drainage facilities, and other associated infrastructure; parks and recreational activities; 911 emergency communications; homeland security and emergency management; voter registration and elections; court systems; tax assessment and collection; building inspections; geographic information systems; planning and zoning; solid waste collection and recycling; code enforcement; animal control; and general administrative and support activities. The County also provides fire protection to the unincorporated areas of the County and to the municipalities of Orchard Hill and Sunny Side on a yearly contractual basis.

This report includes all funds of the County, as well as those component units that have been determined to meet the criteria for inclusion in the County's reporting entity. The Spalding County Water and Sewerage Facilities Authority, the Spalding County Department of Health, and the Griffin-Spalding County Development Authority are all included as an integral part of the County's financial statements.

The annual budget serves as the foundation for the County's financial planning and control. All departments, component units, and agencies of the County are required to submit requests for future appropriation to the County Manager in February each year. The County Manager uses these requests as the starting point for developing a proposed budget. The County Manager then presents a proposed budget to the Board of Commissioners for review during the month of May. The Board of Commissioners are required to hold public hearings on the proposed budget and to adopt a final budget no later than June 30th, the close of the County's fiscal year. The appropriated budget is prepared by fund and department. The County Manager may make transfers of appropriations within a department. Transfers of appropriations between departments and the appropriation of additional funds, however, require the special approval of the Board of Commissioners. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the General Fund, this comparison is presented as part of the basic financial statements for the governmental funds. For governmental funds, other than the general fund, with appropriated annual budgets, this comparison is presented in the governmental fund subsection of this report.

Local Economy

The County is considered the southernmost suburb of the Atlanta region and is conveniently situated near I-75 and directly on the routes of Georgia Highways 16 and 19/41. This proximity to the Atlanta Metropolitan area continues to aid in driving our economy upward.

During the past ten years, the County's unemployment rate has fallen from an initial high of 13.2% in 2012 to the current low of 3.5% in June 2022. The June 2022 unemployment rate for the State of Georgia is 3.3%.

The Griffin-Spalding County School system ("GSCS") currently serves 9,540 students with 683 classroom teachers. The County's teacher to student ratio is 1:14. GSCS' 2022 graduation rate of 79.5% was a decrease from last year's rate of 83.54%. The previous graduation rates are: 90.2% in 2020, 88.6% in 2019, 85.4% in 2018, 81.4% in 2017, and 69.2% in 2016. According to the Georgia Department of Education's website, Georgia's high-school graduation rate did not change significantly from 2021 to 2022 – the 2022 rate was 84.1% compared to 83.9% in 2021.

Southern Crescent Technical College ("SCTC"), a unit of the Technical College System of Georgia, located south of Atlanta, delivers relevant technical education, adult education, and learning opportunities via various instructional modalities at the associate degree, diploma, and certificate levels to promote service, workforce development, and economic development. SCTC enrolled 7,647 students across 233 available programs in 2022 with a 99% job placement rate. SCTC shares the pride as being the 16th community and technical college in the nation selected as a "Most Promising Place to Work" and they are a designated "Military Friendly School". The County is proud to have SCTC within our community.

The University of Georgia Griffin Campus ("UGA-Griffin"), originally established as the Georgia Experiment Station in 1888, has played an integral role in the development of modern agriculture. While the campus is mostly known for its groundbreaking advancements in agricultural and environmental sciences, UGA-Griffin began offering degree-completion programs in 2005. Students at UGA-Griffin enjoy low student-to-faculty ratios, and many students can take advantage of on-campus work and directed research opportunities so they can gain real-world work experience while earning their University of Georgia degree.

UGA-Griffin also hosts the Office of Continuing Education, which provides innovative lifelong learning opportunities through its programs. In addition, Continuing Ed offers youth and community outreach programs, as well as conference space for other meetings and special events. With both degree and non-degree programs, the UGA-Griffin campus continues to be a vital community partner.

The local economy continues to show signs of improvement in the real estate market along with commercial construction and retail shopping development. From FY 2021 through FY 2022, the County saw a 295% increase in the number of permits for construction (2021—342 permits; 2022—1,008 permits).

Economic development continues with the announcement of our fifth industry in The Lakes at Green Valley, Georgia's first eco-friendly Industrial Park. The Lakes at Green Valley Industrial Park is now home to Rinnai, Otsuka, Toppan, Maruken, MKDA, and EcoPole (our newest addition to the Industrial Park). The Lakes at Green Valley Industrial Park sits directly on State Highway 16 and is situated only eight miles from the Highway 16 and I-75 interchange. Rinnai permitted their nearly 400,000 square foot building in 2020 and EcoPole is currently in the final stages of construction for their new facility. Toppan, Otsuka, Caterpillar, and Rinnai have expanded their facilities since opening in the industrial park.

In 2022, the Airport Authority reported continued progress on the "new" Griffin-Spalding County Airport being designed north of State Highway 16 in close proximity to the Lakes at Green Valley Industrial Park. Georgia Transmission works to complete the move of the electrical services to accommodate the new airport, and the Airport Authority completed Phase-1 Land Acquisition for the first 41 parcels of land with Phase-2 Land Acquisition of the remaining 15-20 parcels scheduled for early 2023. Following Land Acquisition, the Airport Authority will move into demolition, followed by land clearing, grading and installation of drainage controls. Soon after, runway and taxiway construction will begin.

Recreation and Community Services

Community volunteers partnered with County employees to construct trails for mountain biking and hiking at Quarry's Edge Park. The County volunteers received an award of recognition as the "Georgia Recreation and Parks Association ("GRPA") 4th District Volunteers of the Year" along with being named the "GRPA State Volunteers of the Year" for 2022. This collaboration with our community volunteers and our agreement with MTB Atlanta afforded our community an award of \$86k in grant funds to complete upgrades to our advanced trail at Quarry's Edge.

Additionally, we are proud to report that Parks and Leisure Services received the 2022 Presidential Citation from GRPA for outstanding leadership in hosting events for both GRPA and National Recreation and Parks Association training and professional development. These hosting opportunities resulted in hundreds of attendees from across our state visiting our community, attending training, and supporting our local economy.

The County continues to be a community of choice in which to play. Adult and Youth Sports Tourism brings thousands of guests to our community throughout the year. In 2022, the Association of Pickleball Professionals ("APP") selected Spalding County as the host site for the second year in a row for their Atlanta Metro Open Tour. This five-day event widely attracted players and guests from across the U.S. and beyond and was live streamed on ESPN+. The Griffin Disc Golf Association, and the Spalding County Athletics Association (youth baseball/softball) actively plan high level tournaments. These efforts provide valuable economic support to our local businesses.

The County is truly a community which supports and promotes residents to "Play InSpalding." Through quality programming and a dedicated volunteer work force, youth sports are also thriving and experiencing exponential growth. With a mutually shared vision of a healthier more active community, year-round affordable programs are made available through volunteer efforts.

Providing meals to the homebound and senior adults experiencing food insecurity gives a whole new meaning to “Live InSpalding.” The recreation and nutrition services provided through the Spalding County Senior Center are second to none in quality and enable hundreds of residents to remain independently in their homes for as long as possible.

Live InSpalding also points to quality recreation programs that serve children and families. Through grant funds provided by Georgia Statewide Afterschool Network, National Education Association, and Georgia Recreation and Park Association, the County has provided academic support to local children through afterschool programming and summer camps. Focused on a “whole child approach,” participating children demonstrated learning acceleration in six key areas of development to include: language; STEAM (critical thinking); reading comprehension; writing; mathematics; and social emotional development.

The economic forecast for the County indicates a continuation of these trends while our community focus is on our joint strategic plan of achieving prosperity, economic development, education, housing, and public safety. The County expects to see substantial residential growth in the next decade and beyond. While many of these new residents will commute throughout the Atlanta region, we anticipate many of our residents will work in the County. Considerable new commercial and industrial development is anticipated as businesses capitalize on the County’s South Atlanta metro location, while enjoying the benefits of the County’s dedicated, growing, and increasingly sophisticated workforce.

Long-term financial planning and major initiatives

Spalding County was made a part of the Atlanta Regional Commission (“ARC”) for transportation planning purposes in 2005. The ARC model requires a more comprehensive approach for funding transportation needs than has been required in the past. The Cities of Griffin, Orchard Hill, and Sunny Side, and Spalding County, in collaboration with our engineering partner Croy Engineering, will finalize our Joint City of Griffin-Spalding County Comprehensive Transportation Plan (“CTP”) by first quarter 2023. The purpose of the CTP is to increase the use of alternatives to driving alone by developing a comprehensive transportation planning program that identifies specific transportation projects and other programs to improve mobility and system connectivity, expand mixed-uses, and support further development and increase alternative modes of travel.

Archway Community

In 2015, Spalding County, the City of Griffin, and the Griffin-Spalding County School System entered a multi-year partnership with the University of Georgia Archway program to make collaborative decisions regarding the future of our community. The Archway Partnership is a Public Service and Outreach Unit at the University of Georgia and delivers a full range of University of Georgia resources and other resources to the community. The Archway partnership provides a neutral platform where government leaders, community leaders, and stakeholder groups can come together to discuss the needs of the community and connect to higher education resources. A diverse group of local leaders serve on the Archway Executive Committee, giving direction through multiple voices on different ways to address community-driven priorities. These three governmental units continue to hold annual retreats and quarterly meetings of government staff and elected officials facilitated by the University of Georgia to develop and assess our united action plans.

Relevant financial policies

The County's budget ordinance requires the adoption of a balanced annual operating budget (i.e., estimated revenues equal to or in excess of appropriations). Fiscal year 2022 General Fund actual revenues were more than appropriations (\$54,680,540 versus \$54,600,541) and actual expenditures were less than appropriations (\$52,651,290 versus \$60,156,757). Although the County budgeted to use a total of \$5,716,120 to close the budget gap, no additional appropriation of fund balance was necessary to balance the budget.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to Spalding County for its Annual Comprehensive Financial Report ("ACFR") for the year ended June 30, 2021. This was the twentieth consecutive year that the County has received this prestigious award. In order to be awarded a Certificate of Achievement, the government must publish an easily readable and efficiently organized ACFR that satisfies both generally accepted accounting principles and applicable program requirements.

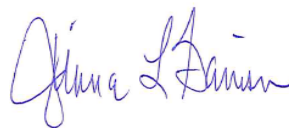
A Certificate of Achievement for Excellence in Financial Reporting is valid for a period of one year only. We believe that our current ACFR continues to meet the Certificate of Achievement for Excellence in Financial Reporting Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report could not have been accomplished without the skill, effort and dedication of the entire staff of the Finance and Administration departments. We wish to thank all Spalding County departments for their assistance in providing the data necessary to prepare this report. Finally, we would like to thank the Board of Commissioners for their unfailing support for maintaining the highest standards of professionalism and transparency in the management of Spalding County's finances.

Respectfully submitted,



Steve Ledbetter, PhD
County Manager



Jinna L. Garrison, CPA
Administrative Services Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Spalding County
Georgia**

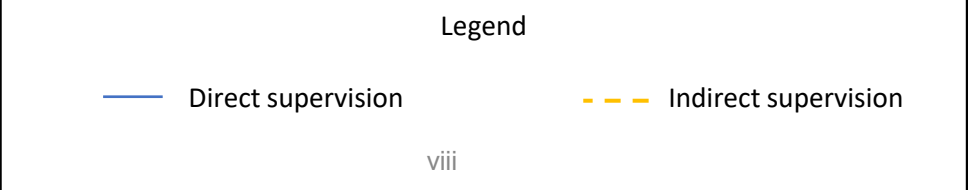
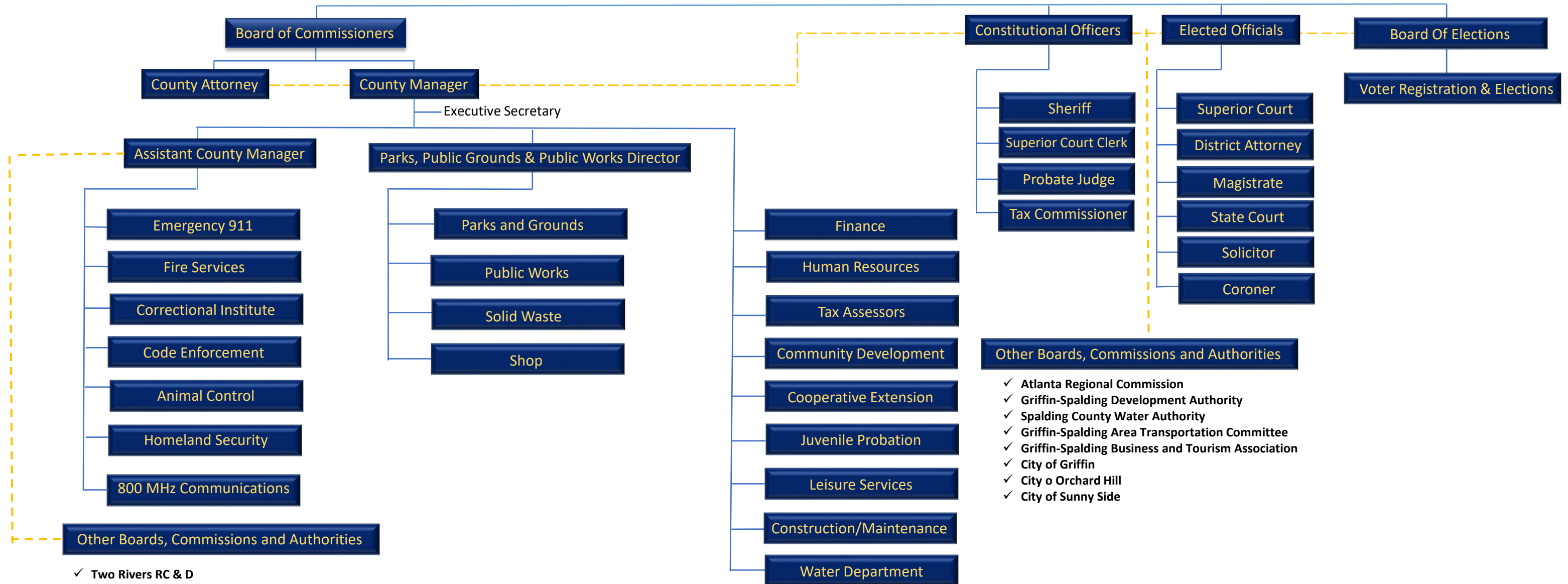
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morill

Executive Director/CEO

Citizens of Spalding County



SPALDING COUNTY, GEORGIA

LIST OF PRINCIPAL OFFICIALS JUNE 30, 2022

BOARD OF COMMISSIONERS

Clay Davis, Chairman
James R. Dutton, Vice-Chairman
Ryan Bowlden
Gwen Flowers-Taylor
Rita C. Johnson

COUNTY MANAGER

Steve Ledbetter, PhD

ADMINISTRATIVE SERVICES DIRECTOR

Jinna L. Garrison, CPA

COUNTY ATTORNEY

Stephanie Windham

SHERIFF

James Darrell Dix

TAX COMMISSIONER

Sylvia W. Hollums

CLERK OF SUPERIOR COURT

Debbie L. Brooks

STATE COURT JUDGE

Josh W. Thacker

PROBATE COURT JUDGE

Jan Hunt

MAGISTRATE COURT JUDGE

Rita L. Cavanaugh

DISTRICT ATTORNEY

Marie G. Broder

SUPERIOR COURT JUDGES

W. Fletcher Sams
Scott Ballard
Benjamin Coker
Ben J. Miller, Jr.
Rhonda Kreuziger

II. FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

**Board of Commissioners
of Spalding County, Georgia
Griffin, Georgia**

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund and Fire District Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Griffin-Spalding Development Authority and the Spalding County Board of Health, which represent 27.12%, 29.53%, and 17.37%, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units as of June 30, 2022 and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Griffin-Spalding Development Authority and the Spalding County Board of Health are based solely on the report of the other auditors.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis ("MD&A") (on pages 5 through 16), the Schedule of Changes in the County's Total OPEB Liability and Related Ratios (page 78), the Schedule of Changes in the County's Net Pension Liability and Related Ratios (pages 79 and 80), and the Schedule of County Contributions (pages 81 and 82) be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the Required Supplementary Information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Spalding County, Georgia's basic financial statements. The combining and individual nonmajor fund financial statements and schedules, the Schedule of State Contractual Assistance – DHR, the schedules of expenditures of Special Purpose Local Option Sales Tax ("SPLOST") proceeds, as required by the Official Code of Georgia Annotated ("O.C.G.A.") §48-8-121, and the Schedule of Expenditures of Transportation Special Purpose Local Option Sales Tax ("TSPLOST"), as required by the O.C.G.A. §48-8-260 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules, the Schedules of Expenditures of SPLOST proceeds, the Schedule of Expenditures of TSPLOST, and the Schedule of State Contractual Assistance – DHR (the "supplementary information") are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory, statistical, and continuing disclosure sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2022, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Macon, Georgia
December 30, 2022

SPALDING COUNTY, GEORGIA

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2022

As management of Spalding County, Georgia (the "County"), we offer readers of Spalding County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

Financial Highlights

- The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$101,653,502 (net position), an increase of \$11,524,039 in comparison with the prior year. Of this amount, \$73,120,794 represents the County's investment in capital assets, net of accumulated depreciation and reduced for outstanding debt related to the purchase or construction of capital assets. \$36,338,048 is restricted by constraints imposed externally from outside the County such as grant and debt covenants, laws and regulations, and other governments. The unrestricted net position, which represents the amounts available to meet the County's ongoing obligations to citizens and creditors, was a deficit of \$7,805,340. In January 2019, the County implemented an enhanced defined benefit plan which resulted in a substantial increase in net pension liability which has caused the deficit balance in the unrestricted net position. It is the County's policy to fund more than the actuarially required contribution amount which is helping to reduce this deficit.
- At June 30, 2022, the County's governmental funds reported combined ending fund balances of \$50,867,535, an increase of \$12,952,606, or 34.16% in comparison with the prior year. Of this amount, \$1,072,229 is available for spending at the government's discretion (unassigned fund balance).
- At June 30, 2022, the County's General Fund reported a total fund balance of \$11,845,206, an increase of \$1,546,956 over the prior year. The General Fund's unassigned fund balance was \$1,088,508, a decrease of \$4,351,102, or 79.99% in comparison with the prior year. A substantial amount of fund balance was used to balance the subsequent year's budget.
- The 2016 Special Purpose Local Option Sales Tax ("SPLOST") Debt Service Fund and 2016 SPLOST Capital Projects Fund closed fiscal year 2022 with fund balances of \$3,101,167 and \$11,490,866, respectively. The County's 2016 SPLOST generated a total of \$5,293,651 in sales tax revenues during fiscal year 2022. The 2016 SPLOST was used to retire outstanding City of Griffin (the "City") and Spalding County debt as well as various other City and County projects ended March 31, 2022.
- Spalding County voters approved a new 1% Transportation ("TSPLOST") in November 2021 which will fund various transportation and resurfacing projects, sidewalk and pedestrian connectivity, and intersection improvements for the County and the City. The 2022 TSPLOST Capital Projects Fund accounts for the financial resources provided from the 2022 General Obligation Sales Tax Bonds and the 2022 1% TSPLOST. At the end of fiscal year 2022, this fund had a restricted fund balance of \$8,972,688.

MANAGEMENT'S DISCUSSION AND ANALYSIS

- On March 11, 2022, the American Rescue Plan Act ("ARPA") was signed into law by President Biden creating the Coronavirus State and Local Fiscal Recovery Funds ("SLFRF") program. The County was allotted a total of \$12,956,276, of which the final 50% was funded in fiscal year 2022. These funds have been placed in a special revenue fund pending future appropriation.

Overview of the Financial Statements

The Management's Discussion and Analysis ("MD&A") provided here is intended to serve as an introduction to Spalding County's basic financial statements. The County's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to financial statements. This report also contains supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business. The statement of net position presents financial information on all of the County's assets, liabilities, and deferred inflows/outflows of resources, 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.

The statement of activities presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, judicial, public safety, public works, health and welfare, culture and recreation and housing and development.

The government-wide financial statements include not only the County itself (known as the primary government), but also the Spalding County Department of Public Health, the Griffin-Spalding County Development Authority and the Spalding County Water and Sewerage Facilities Authority. These are legally separate entities that are component units of the County due to the significance of their operational or financial relationships with the County. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 17 – 19 of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Spalding County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains 23 individual governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the General, Fire District, 2016 SPLOST Debt Service, 2022 TSPLOST Debt Service, 2016 SPLOST Capital Projects, 2022 TSPLOST Capital Projects and ARPA funds which are considered to be major funds. Data from the other 16 governmental funds are combined into a single aggregated column. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The County adopts an annual appropriated budget for its general, special revenue, and capital projects funds. A budgetary comparison statement has been provided for the General Fund and Fire District Fund to demonstrate compliance with this budget. These statements are found on pages 25 – 28. The basic governmental fund financial statements can be found on pages 20 – 24. Budgetary comparisons have also been included in the combining statements for other governmental funds with legally adopted annual budgets.

Proprietary Funds. The County uses an internal service fund to account for its Workers' Compensation Trust Fund. Internal service funds are an accounting method used to accumulate and allocate costs internally among the County's various functions. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

The basic proprietary fund financial statements are presented on pages 29 – 31 of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The statement of fiduciary assets and liabilities can be found on pages 32 and 33 of this report.

Notes to the Financial Statements. The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 34 – 77 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents Required Supplementary Information concerning the County's progress in funding its obligation to provide pension and OPEB benefits to its employees. Required Supplementary Information can be found on pages 78 – 82 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the Required Supplementary Information on pensions and OPEB. Along with the combining statements are budget to actual schedules for all governmental funds. Combining and individual fund statements and schedules can be found on pages 83 – 104 of this report.

Government-wide Financial Analysis

As noted earlier, net position over time may serve as a useful indicator of a government's financial position. In the case of the County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$101,653,506 at the close of the most recent fiscal year.

Spalding County's Net Position – Governmental Activities

	2022	2021
Current and other assets	\$ 69,954,794	\$ 49,278,063
Capital assets	93,482,580	92,785,103
Total assets	163,437,374	142,063,166
Deferred outflow of resources	4,913,841	4,124,515
Long-term liabilities outstanding	38,265,515	35,213,186
Other liabilities	21,892,106	13,767,530
Total liabilities	60,157,621	48,980,716
Deferred inflow of resources	6,540,092	7,077,502
Net position:		
Net investment in capital assets	73,120,794	80,199,921
Restricted	36,338,048	25,942,428
Unrestricted	(7,805,340)	(16,012,886)
Total net position	\$ 101,653,502	\$ 90,129,463

MANAGEMENT'S DISCUSSION AND ANALYSIS

Current and other assets increased by \$21,374,208 from the prior year due primarily to the funds received from the 2022 TSPLOST bond proceeds and the final payment from the Coronavirus SLFRF program. These funds also account for the majority of the \$8,124,576 increase in other liabilities over the previous year in the form of unearned revenue and accounts payable. Long-term liabilities, which consist of bonds, certificates of participation, leases, compensated absences and post-employment benefit obligations, increased by \$3,052,329 primarily attributable to the 2022 TSPLOST bond issue.

By far the largest portion of the County's net position (71.93%) reflects its investment in capital assets (e.g., land, buildings, machinery, equipment and intangible assets); less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide a variety of services to its citizens; consequently, these assets are not available for future spending. Although the County's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of Spalding County's net position (35.75%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position is a deficit of \$7,805,340 and is a result of the implementation of Governmental Accounting Standards Board ("GASB") 68 and 71, which requires the County to record their portion of the net pension liability. The County's deficit in unrestricted net position decreased \$8,207,546 from the prior year which is a result of a decrease in the net pension liability from the prior year. This is due primarily to an increase in the plan's net investment income and the County's policy of funding more than the required pension contribution. Both the funded ratio and net pension liability as a percentage of covered payroll ratio indicate positive trends in the County's defined benefit pension plan.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Governmental Activities. During the current fiscal year, net position for governmental activities increased \$11,524,039 over the prior fiscal year for an ending balance of \$101,653,502. Key elements of the decrease in net position are as follows:

Spalding County's Changes in Net Position

	2022	2021
Revenues		
Program revenues:		
Charges for services	\$ 12,695,045	\$ 12,066,418
Operating grants and contributions	1,807,377	3,704,577
Capital grants and contributions	929,326	1,394,507
General revenues:		
Property taxes	33,294,791	30,772,322
Other taxes	24,323,618	23,067,345
Investment income	153,357	112,983
Total revenues	73,203,514	71,118,152
Expenses		
General government	7,406,448	12,527,377
Judicial	5,068,086	5,400,942
Public safety	35,454,459	38,922,165
Public works	6,389,904	6,190,601
Health and welfare	1,060,857	1,150,150
Culture and recreation	3,373,669	3,951,680
Housing and development	2,130,672	2,751,724
Interest on long-term debt	795,380	588,107
Total expenses	61,679,475	71,482,746
Change in net position	11,524,039	(364,594)
Net position, beginning of year	90,129,463	90,494,057
Net position, end of year	\$ 101,653,502	\$ 90,129,463

MANAGEMENT'S DISCUSSION AND ANALYSIS

Governmental activities total revenues were \$73,203,514 at June 30, 2022, an increase of \$2,085,362, or 2.93% over the prior year. The County is heavily reliant on both property taxes and sales taxes to support governmental operations. Property tax collections for the year increased and provided 45.48% of total revenues during 2022 as compared to 43.27% in 2021. This increase was largely attributable to a strong real estate market and new construction. The net tax digest increased 7.70% over the previous year and the millage rate remained unchanged. Because of the stable economy, sales tax collections increased slightly over the prior year by \$809,613 and provided 20.51% of total revenues during fiscal year 2022 as compared to 19.94% in fiscal year 2021. Local Option Sales Tax ("LOST") and SPLOST collections continue to exceed estimates and are expected to continue to increase in the coming years due to the improving economy.

Governmental activities total expenses were \$61,679,475 at the end of fiscal 2022, a decrease of \$9,803,271, or 13.71% over the prior year. This decrease is attributed mainly to major capital improvement expenditures in various County buildings and the Law Enforcement Complex roof replacement in the prior year and a decrease in the net pension liability.

Key elements of changes from the prior year were in the following functional areas:

- General government expenses decreased \$5,120,929.
- Judicial expenses decreased \$332,857.
- Public safety expenses decreased \$3,467,706.
- Public works expenses increased \$199,303.
- Health and welfare expenses decreased \$89,293.
- Culture and recreation decreased \$578,011.
- Housing and development expenses decreased \$621,052.
- Interest on long-term debt increased \$207,273.

Financial Analysis of the Government's Funds

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the County itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the County's Commissioners.

MANAGEMENT'S DISCUSSION AND ANALYSIS

At the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$50,867,535, an increase of \$12,952,606 in comparison with the prior year. Approximately 2.11% of this amount, or \$1,072,229, constitutes unassigned fund balance, which is available for spending at the government's discretion. Of the remainder of fund balance, \$42 is non-spendable prepaid expenditures, \$37,509,210 is restricted for public safety, capital projects, and debt service and \$12,286,054 is assigned for various intended purposes.

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, total fund balance of the General Fund increased by \$1,546,956 to \$11,845,206. This is attributable to increased budgetary oversight by management. Unassigned fund balance of the General Fund decreased by \$4,351,102 from the prior year to \$1,088,508. This is due to a substantial use of fund balance to balance the fiscal year 2023 budget because of increased personnel expenditures, health benefit costs and capital expenditures. The County's budget year begins July 1st but the tax millage rate to fund the budget is not set until September resulting in tax collections intended to fund the budget due in November or December. The millage rate funding the fiscal year 2023 budget remained unchanged and the net tax digest increased substantially, therefore, the County does not expect to use this appropriation of fund balance during fiscal year 2023. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance at June 30, 2022 represents 2.07% of total General Fund expenditures, while total fund balance represents 22.50% of that same amount.

The Fire District Fund accounts for services provided to citizens residing and businesses located in unincorporated Spalding County. These services are funded by a special tax levy and insurance premium tax. The Fire District Fund ended the current fiscal year with a total fund balance of \$5,161,815, which is an increase of \$652,947 over the previous year. The primary reason for the increase in fund balance is a combination of an increase in property taxes and Insurance Premium Tax proceeds.

The 2016 SPLOST Debt Service Fund accounts for the accumulation of financial resources for the payment of principal and interest for the 2016 General Obligation Sales Tax Bonds. At the end of fiscal year 2022, this fund had a restricted fund balance of \$3,101,167, a decrease of \$535,034. The bonds were issued in March 2016 with semi-annual interest payments due beginning July 1, 2016 and the first principal payment due in arrears on July 1, 2020.

The 2022 TSPLOST Debt Service Fund accounts for the accumulation of financial resources for the payment of principal and interest for the 2022 General Obligation Transportation Sales Tax Bonds. The bonds were issued in April 2022 with semi-annual interest payments due beginning September 1, 2022 and the first principal payment due in arrears on September 1, 2023. At the end of fiscal year 2022, this fund had a restricted fund balance of \$1,992,135.

The 2016 SPLOST Capital Projects Fund accounts for the financial resources provided from the 2016 General Obligation Sales Tax Bonds and the 2016 1% SPLOST. The 2016 SPLOST has funded the acquisition and installation of a Computer Aided Dispatch and phone system for E911, a world-class pickleball complex, a new County animal shelter and various park improvements, infrastructure and capital improvements for the County and the cities of Griffin, Orchard Hill and Sunny Side. The 2016 SPLOST also funded the retirement of outstanding indebtedness for Spalding County and the City of Griffin. The final project to be funded with this SPLOST is a competition and therapy aquatic center. At the end of fiscal year 2022, this fund had a restricted fund balance of \$11,490,866, which is an increase of \$2,226,151 from the prior year.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The 2022 TSPLOST Capital Projects Fund accounts for the financial resources provided from the 2022 General Obligation Transportation Sales Tax Bonds and the 2022 1% SPLOST. The 2022 TSPLOST will fund various transportation and resurfacing projects, sidewalk and pedestrian connectivity, and intersection improvements for Spalding County and the City of Griffin. At the end of fiscal year 2022, this fund had a restricted fund balance of \$8,972,688.

The American Rescue Plan Act ("ARPA") accounts for pandemic relief funding received from the federal government. The County received the final 50% of the funding in fiscal year 2022 and has not appropriated any funds to any projects.

Proprietary Funds. The County's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail. The Workers' Compensation Trust Fund is the only proprietary fund of the County. It is an internal service fund where assets are set aside for workers' compensation claim settlements. Unrestricted net position of the Workers' Compensation Trust Fund was \$380,405 at the end of fiscal year 2022, a decrease of \$46,463. This is due to an increase in workers' compensation claims payable at the end of the fiscal year.

General Fund Budgetary Highlights

Original budget compared to final budget. The County typically makes budget amendments throughout the year to allow for lease purchases and lease proceeds and appropriations for any atypical expenditures that may arise. The net differences between the General Fund expenditures original budget and the final amended budget were \$4,898,367 and can be summarized as follows:

- Increase in general government activities - \$266,262, due primarily to mid-year salary increases and capital asset purchases;
- Increase in judicial functions - \$90,530, due primarily to mid-year salary increases;
- Increase in public safety functions - \$1,222,242, due primarily to mid-year salary increases and capital asset purchases;
- Increase in public works functions - \$3,001,590, due primarily to mid-year salary increases and capital asset purchases;
- Increase in health and welfare functions - \$4,500 due to an increase in pauper burials;
- Increase in culture and recreation functions - \$295,243 due primarily to mid-year salary increases, capital asset purchases and new programming funded with a grant;
- Increase in housing and development functions - \$18,000 due primarily to outsourcing building permitting and inspection.

These increases were funded by capital leases, grants, and management's increased oversight in spending to accommodate the increased personnel expenses.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Final budget compared to actual results. Actual General Fund revenues of \$54,680,540 were greater than final budgeted revenues of \$54,600,541 by \$79,999. The most significant variance between estimated revenues and actual revenues was a \$1,696,048 shortfall in property taxes. The County typically budgets 100% of the projected millage rate for property taxes with the knowledge that it will not all be collected in the current year. Property tax collection rates are generally 91% to 95% in the current budget year with the remainder collected in subsequent years. The fiscal year 2022 collection rate for property taxes was 89.83%. This shortfall in property taxes was offset by the positive variance between budget and actual in sales taxes of \$709,304 and vehicle taxes of \$657,214.

Actual General Fund expenditures of \$52,651,290 were less than final budgeted expenditures of \$60,156,757 by \$7,505,467. This was due to an additional appropriation made for mid-year salary increases, capital outlay and management's increased oversight in spending due to the uncertainty of the lingering effect of the Coronavirus pandemic. Also, at the end of fiscal year 2022, as in previous years, there was approximately \$1 million in public safety lapsed salaries and benefits due to the County's inability to compete in the metro-Atlanta salary marketplace. In order to be more competitive, the County implemented an enhanced pension plan during fiscal year 2020.

Capital Asset and Debt Administration

Capital Assets. Spalding County's investment in capital assets for its governmental activities as of June 30, 2022, amounts to \$93,482,580 (net of accumulated depreciation). This investment in capital assets includes land, buildings, machinery and equipment, vehicles, park facilities, roads, highways, and bridges.

Spalding County's Capital Assets - (Net of Depreciation)

	Governmental Activities	Governmental Activities
	2022	2021
Land	\$ 3,413,726	\$ 3,132,527
Construction in progress	2,773,837	3,031,385
Land improvements	4,424,363	4,280,713
Buildings and improvements	25,809,055	24,133,005
Machinery and equipment	14,678,746	15,027,550
Furniture and fixtures	25,076	28,084
Intangibles	140,485	144,184
Infrastructure (roads)	42,217,292	43,007,655
Total	\$ 93,482,580	\$ 92,785,103

Overall, governmental capital assets increased by a net amount of \$697,477 during 2022. This increase in capital assets is primarily due to the completion of a new animal shelter facility. Depreciation expense of capital assets amounted to \$5,006,645.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Total depreciable governmental capital assets added during 2022 amounted to \$5,716,601. Major capital asset events during the current fiscal year included the following:

- Improvements to Airport Road Park
- Various park improvements including new restrooms, playground structures and disc golf courses
- Construction of a new animal shelter facility
- Purchase of road machinery, vehicles and equipment
- Various road and infrastructure improvements

Additional information on the County's capital assets can be found in Note 6 on pages 52 and 53 of this report.

Long-term Debt. At the end of the current fiscal year, the County had \$13,945,831 in total bonded debt outstanding, including premiums. The issuance is in the form of general obligation bonds related to the 2016 SPLOST and the 2022 TSPLOST and is backed by the full faith and credit of the government.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10% of its total taxable property assessed valuation. The current debt limitation for the County is \$168,438,292, which is significantly in excess of the County's outstanding general obligation debt.

The County has received an "A1" rating from Moody's for general obligation debt. Additional information regarding the County's long-term debt can be found in Note 7 on pages 54 – 61 of this report.

Economic Factors and Next Year's Budgets and Rates

The following economic factors currently affect Spalding County and were considered in developing the fiscal 2022 budget:

- The unemployment rate for the County is currently 3.5%, which is a decrease from a rate of 5.2% one year ago. The unemployment rate for the State of Georgia at June 30, 2022 is 3.3%.
- The County's sales tax revenues have steadily increased each of the last four fiscal years and during fiscal year 2022 Title Ad Valorem Tax revenues increased significantly over the prior year. The County is hopeful this positive revenue trend will continue.
- The 2021 tax digest increased \$129,667,976, or 7.70% from January 1, 2020 to January 1, 2021. The increase from January 1, 2021 to January 1, 2022 was \$311,098,788, or 17.15%. We anticipate that the County's tax digest will continue to grow at a steady rate as the economy continues to grow.
- The County implemented a new defined benefit pension plan with a 2% multiplier January 1, 2020 which significantly increased the County's projected annual pension contribution.
- The cost of employee health insurance increased significantly for fiscal year 2023.

MANAGEMENT'S DISCUSSION AND ANALYSIS

All of these factors were taken into consideration when preparing the 2023 budget. The County has assigned \$7,878,445 of fund balance for spending in the fiscal year 2023 budget. This action was taken as an additional measure to mitigate the impact of increased employee salaries and benefits in the 2023 fiscal year budget and necessary capital improvements.

Requests for Information

This financial report is designed to provide a general overview of Spalding 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 Administrative Services Director, Spalding County, P.O. Box 1087, Griffin, Georgia 30224.

BASIC FINANCIAL STATEMENTS

SPALDING COUNTY, GEORGIA

STATEMENT OF NET POSITION JUNE 30, 2022

ASSETS	Primary Government	Component Units		
	Governmental	Board of	Development	Water
	Activities	Health	Authority	Authority
Cash and cash equivalents	\$ 62,888,428	\$ 1,240,713	\$ 1,888,538	\$ 14,640,870
Investments	2,746,730	490,085	1,500,000	-
Property taxes receivable	1,679,259	-	-	-
Accounts receivable	577,956	22	9,457	2,372,435
Prepays	42	-	40,000	-
Due from other governments	1,796,004	-	-	-
Due from primary government	-	-	-	3,660
Restricted assets:				
Bond sinking fund	-	-	-	1,050,184
Fair value of interest rate swap	266,375	-	-	-
Capital assets, non-depreciable	6,187,563	-	9,572,049	1,236,655
Capital assets, depreciable (net of accumulated depreciation)	87,295,017	13,483	423,525	21,988,523
Net OPEB asset	-	187,599	-	-
Total assets	<u>163,437,374</u>	<u>1,931,902</u>	<u>13,433,569</u>	<u>41,292,327</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension	2,738,773	348,894	-	-
Other post-employment benefit	2,175,068	82,257	-	-
Total deferred outflows of resources	<u>4,913,841</u>	<u>431,151</u>	<u>-</u>	<u>-</u>
LIABILITIES				
Accounts payable	2,857,044	2,276	55,009	50,320
Accrued liabilities	832,192	-	-	3,082
Accrued interest payable	200,664	-	-	86,058
Unearned revenue	12,967,360	-	-	-
Due to other governments	28,825	-	-	-
Due to component unit	3,660	-	-	-
Claims payable due within one year	368,315	-	-	-
Claims payable due in more than one year	231,987	-	-	-
Finance purchases due within one year	451,044	-	-	-
Finance purchases due in more than one year	4,623,253	-	-	-
Bonds payable due within one year	3,000,000	-	-	940,000
Bonds payable due in more than one year	10,945,831	-	-	6,666,434
Compensated absences due within one year	788,442	50,944	12,838	8,833
Compensated absences due in more than one year	525,629	33,963	-	5,888
Certificates of participation due in more than one year	2,500,000	-	-	-
Due to Griffin-Spalding County Airport Authority, due within one year	257,500	-	-	-
Due to Griffin-Spalding County Airport Authority, due in more than one year	2,062,500	-	-	-
Landfill due within one year	137,060	-	-	-
Landfill due in more than one year	154,860	-	-	-
Total other post-employment benefit liability due in more than one year	3,505,048	67,026	-	-
Net pension liability due in more than one year	13,716,407	599,905	-	-
Total liabilities	<u>60,157,621</u>	<u>754,114</u>	<u>67,847</u>	<u>7,760,615</u>
DEFERRED INFLOWS OF RESOURCES				
Pension	5,107,710	590,438	-	-
Other post-employment benefit	1,166,007	332,781	-	-
Accumulated increase in fair value of hedging activities	266,375	-	-	-
Total deferred inflows of resources	<u>6,540,092</u>	<u>923,219</u>	<u>-</u>	<u>-</u>
NET POSITION				
Net investment in capital assets	73,120,794	13,483	9,995,574	15,618,744
Restricted for:				
Grant purposes	47,021	-	-	-
Judicial	501,643	-	-	-
Public safety	4,935,694	-	-	-
Capital projects	24,565,264	-	-	-
Debt service	6,048,196	-	-	-
Housing and development	102,827	-	-	-
Health and welfare	137,403	-	-	-
Other purposes	-	53,699	-	-
Unrestricted	(7,805,340)	618,538	3,370,148	17,912,968
Total net position	<u>\$ 101,653,502</u>	<u>\$ 685,720</u>	<u>\$ 13,365,722</u>	<u>\$ 33,531,712</u>

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

SPALDING COUNTY, GEORGIA

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

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
General government	\$ 7,406,448	\$ 1,833,552	\$ 558,156	\$ 18
Judicial	5,068,086	2,308,226	248,555	735
Public safety	35,454,459	6,942,121	176,580	174
Public works	6,389,904	386,735	92,760	922,559
Health and welfare	1,060,857	-	713,986	-
Culture and recreation	3,373,669	511,124	17,340	-
Housing and development	2,130,672	713,287	-	5,840
Interest on long-term debt	795,380	-	-	-
Total primary government	<u>\$ 61,679,475</u>	<u>\$ 12,695,045</u>	<u>\$ 1,807,377</u>	<u>\$ 929,326</u>
Component units:				
Board of Health	\$ 1,248,039	\$ 511,721	\$ 1,104,054	\$ -
Development Authority	1,949,444	-	591,885	-
Water Authority	7,737,660	10,565,422	-	-
Total component units	<u>\$ 10,935,143</u>	<u>\$ 11,077,143</u>	<u>\$ 1,695,939</u>	<u>\$ -</u>

General revenues:
 Property taxes
 Alcoholic beverage taxes
 Vehicle taxes
 Sales taxes
 Intangible taxes
 Insurance premium taxes
 Hotel/motel taxes
 Other taxes
 Unrestricted investment earnings
 Total general revenues
 Change in net position
 Net position, beginning of year
 Net position, end of year

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

Net (Expenses) Revenues and Changes in Net Position

Primary Governmental Activities	Component Units		
	Board of Health	Development Authority	Water Authority
\$ (5,014,722)	\$ -	\$ -	\$ -
(2,510,570)	-	-	-
(28,335,584)	-	-	-
(4,987,850)	-	-	-
(346,871)	-	-	-
(2,845,205)	-	-	-
(1,411,545)	-	-	-
(795,380)	-	-	-
<u>(46,247,727)</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	367,736	-	-
-	-	(1,357,559)	-
-	-	-	2,827,762
<u>-</u>	<u>367,736</u>	<u>(1,357,559)</u>	<u>2,827,762</u>
33,294,791	-	-	-
409,846	-	-	-
3,699,214	-	-	-
14,993,150	-	-	-
879,867	-	-	-
3,092,774	-	-	-
334,121	-	-	-
914,646	-	-	-
153,357	2,427	10,279	638
<u>57,771,766</u>	<u>2,427</u>	<u>10,279</u>	<u>638</u>
11,524,039	370,163	(1,347,280)	2,828,400
90,129,463	315,557	14,713,002	30,703,312
<u>\$ 101,653,502</u>	<u>\$ 685,720</u>	<u>\$ 13,365,722</u>	<u>\$ 33,531,712</u>

SPALDING COUNTY, GEORGIA

BALANCE SHEET GOVERNMENTAL FUNDS JUNE 30, 2022

	General	Fire District	2016 SPLOST Debt Service	2022 TSPLOST Debt Service
ASSETS				
Cash and cash equivalents	\$ 10,982,232	\$ 5,187,452	\$ 3,100,784	\$ 1,310,264
Investments	-	-	-	-
Property taxes receivable, net	1,422,690	256,569	-	-
Accounts receivable	303,300	-	-	506
Prepays	42	-	-	-
Due from other governments	963,956	-	383	681,365
Due from other funds	1,230,459	44,216	-	-
Total assets	\$ 14,902,679	\$ 5,488,237	\$ 3,101,167	\$ 1,992,135
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 1,254,605	\$ 79,778	\$ -	\$ -
Accrued liabilities	785,650	35,321	-	-
Due to other funds	64,321	-	-	-
Due to other governments	-	-	-	-
Due to component unit	2,040	-	-	-
Unearned revenue	-	11,084	-	-
Total liabilities	2,106,616	126,183	-	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - taxes	950,857	200,239	-	-
Total deferred inflows of resources	950,857	200,239	-	-
FUND BALANCES				
Fund balances:				
Nonspendable for:				
Prepays	42	-	-	-
Restricted for:				
Grant purposes	-	-	-	-
Judicial	-	-	-	-
Public safety	-	3,809,925	-	-
Capital projects	-	-	-	-
Debt service	-	-	3,101,167	1,992,135
Housing and development	-	-	-	-
Health and welfare	-	-	-	-
Assigned for:				
General government	1,352,893	-	-	-
Public safety	214,762	1,351,890	-	-
Public works	497,332	-	-	-
Culture and recreation	134,685	-	-	-
Housing and development	2,855	-	-	-
Capital projects	-	-	-	-
Sales taxes	662,341	-	-	-
Tricentennial Celebration	1,986	-	-	-
Memorial Gifts	11,357	-	-	-
Subsequent year's budget	7,878,445	-	-	-
Unassigned	1,088,508	-	-	-
Total fund balances	11,845,206	5,161,815	3,101,167	1,992,135
Total liabilities, deferred inflows of resources and fund balances	\$ 14,902,679	\$ 5,488,237	\$ 3,101,167	\$ 1,992,135

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

- Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.
 - Some receivables are not available to pay for current period expenditures and, therefore, are deferred in the funds.
 - Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.
 - Deferred outflows of resources related to pensions are not due and payable in the current period and, therefore, are not reported in the funds.
 - Deferred inflows of resources related to pensions are not available in the current period and, therefore, are not reported in the funds.
 - Deferred outflows of resources related to other post-employment benefits are not due and payable in the current period and, therefore, are not reported in the funds.
 - Deferred inflows of resources related to other post-employment benefits are not available in the current period and, therefore, are not reported in the funds.
 - The fair market value of an effective hedging instrument is not a current financial resource used in governmental activities and, therefore, is not reported in the funds.
 - Revenues from an effective hedging instrument are not recognized until the hedge is used by the holder, and, therefore, are deferred in governmental activities.
 - Internal service funds are used by management to charge the costs of various benefits and services to individual funds, and the assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.
- Net position of governmental activities

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

2016 SPLOST Capital Projects	2022 TSPLOST Capital Projects	American Rescue Plan Act ("ARPA")	Nonmajor Governmental Funds	Total Governmental Funds
\$ 11,890,317	\$ 10,753,852	\$ 12,955,444	\$ 6,708,083	\$ 62,888,428
-	-	-	1,391,719	1,391,719
-	-	-	-	1,679,259
6,924	5,861	832	247,126	564,549
-	-	-	-	42
-	-	-	150,300	1,796,004
-	-	-	29,146	1,303,821
<u>\$ 11,897,241</u>	<u>\$ 10,759,713</u>	<u>\$ 12,956,276</u>	<u>\$ 8,526,374</u>	<u>\$ 69,623,822</u>
\$ 62,620	\$ 929,718	\$ -	\$ 142,612	\$ 2,469,333
-	-	-	11,221	832,192
343,755	857,307	-	38,438	1,303,821
-	-	-	28,825	28,825
-	-	-	1,620	3,660
-	-	12,956,276	-	12,967,360
<u>406,375</u>	<u>1,787,025</u>	<u>12,956,276</u>	<u>222,716</u>	<u>17,605,191</u>
-	-	-	-	1,151,096
-	-	-	-	1,151,096
-	-	-	-	42
-	-	-	47,021	47,021
-	-	-	501,643	501,643
-	-	-	1,138,631	4,948,556
11,490,866	8,972,688	-	5,260,010	25,723,564
-	-	-	954,894	6,048,196
-	-	-	102,827	102,827
-	-	-	137,403	137,403
-	-	-	-	1,352,893
-	-	-	-	1,566,652
-	-	-	-	497,332
-	-	-	-	134,685
-	-	-	-	2,855
-	-	-	177,508	177,508
-	-	-	-	662,341
-	-	-	-	1,986
-	-	-	-	11,357
-	-	-	-	7,878,445
-	-	-	(16,279)	1,072,229
<u>11,490,866</u>	<u>8,972,688</u>	<u>-</u>	<u>8,303,658</u>	<u>50,867,535</u>
<u>\$ 11,897,241</u>	<u>\$ 10,759,713</u>	<u>\$ 12,956,276</u>	<u>\$ 8,526,374</u>	
				93,482,580
				1,151,096
				(42,868,238)
				2,738,773
				(5,107,710)
				2,175,068
				(1,166,007)
				266,375
				(266,375)
				380,405
				<u>\$ 101,653,502</u>

SPALDING COUNTY, GEORGIA

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

	<u>General</u>	<u>Fire District</u>	<u>2016 SPLOST Debt Service</u>	<u>2022 TSPLOST Debt Service</u>
REVENUES				
Property taxes	\$ 29,062,464	\$ 4,240,438	\$ -	\$ -
Alcoholic beverage taxes	409,846	-	-	-
Vehicle taxes	3,699,214	-	-	-
Sales taxes	7,709,304	-	1,166,162	1,990,195
Other taxes	1,670,601	3,216,686	-	-
Licenses and permits	681,870	-	-	-
Intergovernmental	1,784,170	143,384	-	-
Charges for services	5,195,652	-	-	-
Court fees, fines and forfeitures	1,627,461	-	-	-
Investment income	735	-	1,800	537
Contributions and donations	17,340	-	-	-
Rentals	182,203	-	-	-
Other	2,639,680	1,229	-	-
Total revenues	<u>54,680,540</u>	<u>7,601,737</u>	<u>1,167,962</u>	<u>1,990,732</u>
EXPENDITURES				
Current:				
General government	7,482,416	-	-	-
Judicial	5,334,774	-	-	-
Public safety	27,666,944	6,807,393	-	-
Public works	5,951,803	-	-	-
Health and welfare	453,129	-	-	-
Culture and recreation	3,340,186	-	-	-
Housing and development	1,925,648	-	-	-
Capital outlay	-	279,632	-	-
Debt service:				
Principal	368,846	-	2,930,000	-
Interest	127,544	-	157,600	-
Issuance costs	-	-	-	-
Total expenditures	<u>52,651,290</u>	<u>7,087,025</u>	<u>3,087,600</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>2,029,250</u>	<u>514,712</u>	<u>(1,919,638)</u>	<u>1,990,732</u>
OTHER FINANCING SOURCES (USES)				
Bonds issued	-	-	-	-
Premium on bonds issued	-	-	-	-
Transfers in	888,197	166,435	2,343,702	1,403
Transfers out	(1,370,491)	(28,200)	(959,098)	-
Total other financing sources (uses)	<u>(482,294)</u>	<u>138,235</u>	<u>1,384,604</u>	<u>1,403</u>
Net change in fund balances	1,546,956	652,947	(535,034)	1,992,135
FUND BALANCES, beginning of year	<u>10,298,250</u>	<u>4,508,868</u>	<u>3,636,201</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 11,845,206</u>	<u>\$ 5,161,815</u>	<u>\$ 3,101,167</u>	<u>\$ 1,992,135</u>

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

2016 SPLOST Capital Projects	2022 TSPLOST Capital Projects	American Rescue Plan Act ("ARPA")	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ 33,302,902
-	-	-	-	409,846
-	-	-	-	3,699,214
4,127,489	-	-	-	14,993,150
-	-	-	334,121	5,221,408
-	-	-	-	681,870
-	-	-	705,488	2,633,042
-	-	-	2,198,398	7,394,050
-	-	-	168,233	1,795,694
11,369	8,524	-	153,549	176,514
-	-	-	-	17,340
-	-	-	-	182,203
-	-	-	63,483	2,704,392
<u>4,138,858</u>	<u>8,524</u>	<u>-</u>	<u>3,623,272</u>	<u>73,211,625</u>
-	-	-	117,608	7,600,024
-	-	-	154,892	5,489,666
-	-	-	1,814,663	36,289,000
-	-	-	-	5,951,803
-	-	-	660,534	1,113,663
-	-	-	-	3,340,186
-	-	-	248,797	2,174,445
2,869,902	1,786,145	-	65,924	5,001,603
-	-	-	250,000	3,548,846
500	-	-	214,448	500,092
-	164,467	-	-	164,467
<u>2,870,402</u>	<u>1,950,612</u>	<u>-</u>	<u>3,526,866</u>	<u>71,173,795</u>
<u>1,268,456</u>	<u>(1,942,088)</u>	<u>-</u>	<u>96,406</u>	<u>2,037,830</u>
-	10,000,000	-	-	10,000,000
-	914,776	-	-	914,776
959,098	-	-	1,398,691	5,757,526
(1,403)	-	-	(3,398,334)	(5,757,526)
<u>957,695</u>	<u>10,914,776</u>	<u>-</u>	<u>(1,999,643)</u>	<u>10,914,776</u>
2,226,151	8,972,688	-	(1,903,237)	12,952,606
9,264,715	-	-	10,206,895	37,914,929
<u>\$ 11,490,866</u>	<u>\$ 8,972,688</u>	<u>\$ -</u>	<u>\$ 8,303,658</u>	<u>\$ 50,867,535</u>

SPALDING COUNTY, GEORGIA

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

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

Net change in fund balances - total governmental funds	\$	12,952,606
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.		733,607
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.		(36,130)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(8,111)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		(7,180,663)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		5,109,193
Internal service funds are used by management to charge costs of various services and benefits to individual funds. The net revenue (expense) of certain activities of internal service funds is reported with governmental activities.		(46,463)
Change in net position - governmental activities	\$	<u>11,524,039</u>

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

SPALDING COUNTY, GEORGIA

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

	Budget		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Property taxes	\$ 28,759,122	\$ 30,758,512	\$ 29,062,464	\$ (1,696,048)
Alcoholic beverage taxes	360,000	360,000	409,846	49,846
Vehicle taxes	3,042,000	3,042,000	3,699,214	657,214
Sales taxes	7,000,000	7,000,000	7,709,304	709,304
Other taxes	1,421,500	1,421,500	1,670,601	249,101
Licenses and permits	848,800	848,800	681,870	(166,930)
Intergovernmental	962,500	1,531,138	1,784,170	253,032
Charges for services	5,530,487	5,530,487	5,195,652	(334,835)
Court fees, fines and forfeitures	1,628,600	1,628,600	1,627,461	(1,139)
Interest	5,000	5,000	735	(4,265)
Contributions and donations	-	-	17,340	17,340
Rentals	195,930	195,930	182,203	(13,727)
Other	2,278,574	2,278,574	2,639,680	361,106
Total revenues	52,032,513	54,600,541	54,680,540	79,999
EXPENDITURES				
Current				
General government:				
Board of commissioners	511,415	512,157	397,398	114,759
Board of elections	402,795	402,795	407,574	(4,779)
Administration	510,318	586,818	478,841	107,977
Finance	161,999	168,999	166,479	2,520
Information systems	127,185	158,185	133,631	24,554
Human resources	230,405	247,605	242,100	5,505
Tax commissioner	1,208,528	1,208,528	970,578	237,950
Tax assessors	753,506	781,799	731,449	50,350
Construction and maintenance	497,363	595,240	506,333	88,907
Janitorial services	130,104	137,754	133,417	4,337
General appropriations	3,726,654	3,726,654	3,314,616	412,038
Total general government	8,260,272	8,526,534	7,482,416	1,044,118
Judicial:				
Superior court	241,000	241,000	138,555	102,445
Griffin judicial circuit	417,494	422,494	418,718	3,776
Clerk of court	1,065,934	1,103,614	1,062,508	41,106
District attorney	543,331	543,331	532,874	10,457
State court	763,194	785,194	779,340	5,854
Accountability court	193,713	193,713	170,345	23,368
Solicitor	523,982	523,982	444,881	79,101
Magistrate court	1,014,280	1,040,130	990,375	49,755
Probate court	312,397	312,397	296,507	15,890
Public defender	68,326	68,326	50,086	18,240
Public defender circuit	450,585	450,585	450,585	-
Total judicial	5,594,236	5,684,766	5,334,774	349,992

(Continued)

SPALDING COUNTY, GEORGIA

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

EXPENDITURES (CONTINUED)	Budget		Actual	Variance With Final Budget
	Original	Final		
Current (Continued)				
Public safety:				
Sheriff	\$ 1,098,930	\$ 1,152,726	\$ 1,146,011	\$ 6,715
Victim services	85,737	85,737	83,417	2,320
Warrant division	1,391,436	1,404,436	1,321,496	82,940
Criminal investigation division	1,568,191	1,595,202	1,538,668	56,534
Uniform patrol division	3,998,828	4,333,333	4,111,702	221,631
Jail	9,715,967	10,004,242	8,824,801	1,179,441
Narcotics task force	1,239,984	1,334,833	1,300,123	34,710
Correctional institution	7,851,581	8,120,617	7,488,781	631,836
Juvenile probation	667,659	713,859	703,605	10,254
Coroner	78,809	78,809	71,241	7,568
800 MHz communication	532,037	532,037	475,835	56,202
Animal control	514,038	590,388	546,368	44,020
Homeland security	49,637	68,857	54,896	13,961
Total public safety	28,792,834	30,015,076	27,666,944	2,348,132
Public works:				
Public works	4,669,041	5,032,961	4,385,662	647,299
TSPLOST	-	2,092,620	-	2,092,620
Solid waste collection	904,302	1,101,747	1,036,463	65,284
Garage	378,610	726,215	529,678	196,537
Total public works	5,951,953	8,953,543	5,951,803	3,001,740
Health and welfare:				
Health	426,489	426,489	410,206	16,283
Welfare	43,154	47,654	42,923	4,731
Total health and welfare	469,643	474,143	453,129	21,014
Culture and recreation:				
Recreation	1,259,048	1,288,848	1,165,249	123,599
Senior citizens' bus	33,552	33,552	24,916	8,636
Boost grant	-	44,496	24,178	20,318
Parks	1,905,407	2,126,354	1,924,863	201,491
Libraries	200,980	200,980	200,980	-
Total culture and recreation	3,398,987	3,694,230	3,340,186	354,044
Housing and development:				
Cooperative extension service	197,355	197,355	175,815	21,540
Community development	1,268,280	1,286,280	1,036,180	250,100
Code enforcement	255,120	255,120	140,418	114,702
Development Authority	573,235	573,235	573,235	-
Total housing and development	2,293,990	2,311,990	1,925,648	386,342

(Continued)

SPALDING COUNTY, GEORGIA

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

	Budget		Actual	Variance With Final Budget
	Original	Final		
EXPENDITURES (CONTINUED)				
Current (Continued)				
Debt service:				
Principal	\$ 368,852	\$ 368,852	\$ 368,846	\$ 6
Interest	127,623	127,623	127,544	79
Total debt service	<u>496,475</u>	<u>496,475</u>	<u>496,390</u>	<u>85</u>
Total expenditures	<u>55,258,390</u>	<u>60,156,757</u>	<u>52,651,290</u>	<u>7,505,467</u>
Excess (deficiency) of revenues over expenditures	<u>(3,225,877)</u>	<u>(5,556,216)</u>	<u>2,029,250</u>	<u>7,585,466</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	112,000	874,902	888,197	13,295
Transfers out	(1,034,806)	(1,034,806)	(1,370,491)	(335,685)
Total other financing sources (uses)	<u>(922,806)</u>	<u>(159,904)</u>	<u>(482,294)</u>	<u>(322,390)</u>
Net change in fund balances	(4,148,683)	(5,716,120)	1,546,956	7,263,076
FUND BALANCES, beginning of year	<u>10,298,250</u>	<u>10,298,250</u>	<u>10,298,250</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 6,149,567</u>	<u>\$ 4,582,130</u>	<u>\$ 11,845,206</u>	<u>\$ 7,263,076</u>

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

SPALDING COUNTY, GEORGIA

**FIRE DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Budget		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Property taxes	\$ 4,006,178	\$ 4,397,613	\$ 4,240,438	\$ (157,175)
Other taxes	3,195,000	3,195,000	3,216,686	21,686
Intergovernmental	65,500	65,500	143,384	77,884
Other	-	-	1,229	1,229
Total revenues	<u>7,266,678</u>	<u>7,658,113</u>	<u>7,601,737</u>	<u>(56,376)</u>
EXPENDITURES				
Current:				
Public safety	7,231,056	7,346,610	6,807,393	539,217
Capital outlay	105,756	276,841	279,632	(2,791)
Total expenditures	<u>7,336,812</u>	<u>7,623,451</u>	<u>7,087,025</u>	<u>536,426</u>
Excess (deficiency) of revenues over expenditures	<u>(70,134)</u>	<u>34,662</u>	<u>514,712</u>	<u>480,050</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	166,736	166,435	(301)
Transfers out	<u>(28,200)</u>	<u>(28,200)</u>	<u>(28,200)</u>	<u>-</u>
Total other financing sources (uses)	<u>(28,200)</u>	<u>138,536</u>	<u>138,235</u>	<u>(301)</u>
Net change in fund balances	(98,334)	173,198	652,947	479,749
FUND BALANCES, beginning of year	<u>4,508,868</u>	<u>4,508,868</u>	<u>4,508,868</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 4,410,534</u>	<u>\$ 4,682,066</u>	<u>\$ 5,161,815</u>	<u>\$ 479,749</u>

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

SPALDING COUNTY, GEORGIA

STATEMENT OF NET POSITION PROPRIETARY FUNDS JUNE 30, 2022

	Governmental Activities - Internal Service Funds Workers' Compensation
ASSETS	
CURRENT ASSETS	
Investments	\$ 1,355,011
Accounts receivable	13,407
Total current assets	<u>1,368,418</u>
Total assets	<u>1,368,418</u>
LIABILITIES	
CURRENT LIABILITIES	
Accounts payable	387,711
Claims payable	368,315
Total current liabilities	<u>756,026</u>
NON-CURRENT LIABILITIES	
Claims payable, net of current portion	<u>231,987</u>
Total non-current liabilities	<u>231,987</u>
Total liabilities	<u>988,013</u>
NET POSITION	
Unrestricted	<u>380,405</u>
Total net position	<u>\$ 380,405</u>

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

SPALDING COUNTY, GEORGIA

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

	Governmental Activities - Internal Service Funds Workers' Compensation
OPERATING REVENUES	
Contributions	\$ 725,236
Total operating revenues	<u>725,236</u>
OPERATING EXPENSES	
Administration and other costs	170,340
Claims paid	503,439
Total operating expenses	<u>673,779</u>
Operating income	<u>51,457</u>
NON-OPERATING EXPENSES	
Interest expense	(97,920)
Total non-operating expenses	<u>(97,920)</u>
Change in net position	(46,463)
NET POSITION, beginning of year	<u>426,868</u>
NET POSITION, end of year	<u><u>\$ 380,405</u></u>

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

SPALDING COUNTY, GEORGIA

**STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Governmental Activities Internal Service Funds Workers' Compensation
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from employees	\$ 725,236
Payments for insurance claims	(112,692)
Payments to suppliers for services provided	<u>(170,340)</u>
Net cash provided by operating activities	<u>442,204</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of investments	(344,284)
Payments of interest	<u>(97,920)</u>
Net cash used in investing activities	<u>(442,204)</u>
Net change in cash and cash equivalents	-
Cash and cash equivalents, beginning of year	<u>-</u>
Cash and cash equivalents, end of year	<u><u>\$ -</u></u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 51,457
Adjustments to reconcile net operating income to net cash provided by operating activities:	
Increase in accounts receivable	(1,577)
Increase in claims payable	<u>392,324</u>
Net cash provided by operating activities	<u><u>\$ 442,204</u></u>

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

SPALDING COUNTY, GEORGIA

**STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2022**

		<u>Custodial Funds</u>
	ASSETS	
Cash		\$ 2,065,976
Taxes receivable		<u>1,675,342</u>
Total assets		<u>\$ 3,741,318</u>
	LIABILITIES	
Due to others		<u>\$ 2,420,488</u>
	NET POSITION	
Restricted for individuals, organizations and other governments		<u>\$ 1,320,830</u>

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

SPALDING COUNTY, GEORGIA

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

	ADDITIONS	Custodial Funds
Taxes collected		\$ 39,224,577
Fines and fees collected		<u>3,897,575</u>
Total additions		<u>43,122,152</u>
	DEDUCTIONS	
Taxes disbursed		39,215,746
Fines and fees disbursed		<u>3,506,868</u>
Total deductions		<u>42,722,614</u>
Change in net position		399,538
Net position, beginning of year		<u>921,292</u>
Net position, end of year		<u>\$ 1,320,830</u>

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

NOTES TO FINANCIAL STATEMENTS

BASIC FINANCIAL STATEMENTS

GUIDE TO NOTES

Page

Note 1: Summary of Significant Accounting Policies.....	34
Note 2: Reconciliation of Government-wide Financial Statements and Fund Financial Statements	44
Note 3: Legal Compliance – Budgets	46
Note 4: Deposits and Investments.....	48
Note 5: Receivables.....	50
Note 6: Capital Assets	52
Note 7: Long-Term Debt.....	54
Note 8: Interfund Receivables, Payables and Transfers.....	62
Note 9: Defined Benefit Pension Plan.....	63
Note 10: Defined Contribution Pension Plan	68
Note 11: Other Post-Employment Benefits	69
Note 12: Risk Management	73
Note 13: Commitments and Contingent Liabilities.....	75
Note 14: Joint Ventures.....	75
Note 15: Jointly Governed Organization	76
Note 16: Hotel/Motel Lodging Tax	76
Note 17: Tax Abatement Programs	77
Note 18: Net Investment in Capital Assets	77

SPALDING COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Spalding County, Georgia (the "County") was created by a legislative act in the State of Georgia in 1851. The County operates under a Commission-County Manager form of government and has budgetary authority over the following functional areas: judicial and court systems, public safety, roads and bridges, health and welfare, water, landfill and general administrative services.

The financial statements of the County and its discretely presented component units, the Spalding County Water and Sewerage Facilities Authority (the "Water Authority"), the Griffin-Spalding Development Authority (the "Development Authority") and the Spalding County Board of Health, have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the County are described below.

As required by accounting principles generally accepted in the United States of America, the financial statements of the reporting entity include those of the County (the primary government) and its component units. The component units discussed below are included in the County's reporting entity because of the significance of their operational and financial relationships with the County. In conformity with accounting principles generally accepted in the United States of America, as set forth in GASB Statement No. 14, *The Financial Reporting Entity*, the component units' financial statements have been included as discretely presented component units. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the County. Based upon the application of these criteria, the following is a brief review of each component unit addressed in defining the County's reporting entity.

The Water Authority is governed by a nine-member board which is appointed by the governing authority of the County. The Water Authority provides water and related services to the citizens of the County. The Water Authority is a means to issue revenue bonds and has the ability to finance, construct, equip and expand water transmission facilities throughout the County. The County has the ability to modify appointed members of the Water Authority governing body at will. The Water Authority is presented as an enterprise fund type component unit. There are no separately issued financial statements available for the Water Authority.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

The Board of Health is governed by a seven-member board, four members of which are appointed by the governing authority of the County. The County approves the required local match portion of the budget requested by the Board of Health which is administered by the appointed Board of the Board of Health. The Board of Health is presented as a governmental fund type component unit.

The Board of Health financial statements have been presented separately and can be obtained by writing to the Spalding County Board of Health, P.O. Box 129, Griffin, Georgia 30224.

The Development Authority is responsible for promoting industrial and commercial development within the City of Griffin and Spalding County. The Development Authority is responsible for making its own operating decisions. The Development Authority's budget must be approved by the County. The County provides substantially all funding for the Development Authority's annual budget and has contractually obligated itself to use its taxing powers to guarantee repayment of principal and interest on certain revenue bonds issued by the Development Authority. The Development Authority cannot issue bonded debt without approval by the County; therefore, the Development Authority is fiscally dependent on the County. The Development Authority is presented as a governmental type component unit.

The Development Authority's financial statements have been presented separately and can be obtained by writing to the Griffin-Spalding County Development Authority, P.O. Box 1009, Griffin, Georgia 30224.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the government. For the most part, the effect of interfund activity has been removed from these statements. However, interfund services provided and used are not eliminated in the process of consolidation. *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.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-wide and Fund Financial Statements (Continued)

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 those who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

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 (agency funds do not have a measurement focus, but use the accrual basis of accounting). 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.

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 government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, intergovernmental grants, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the County.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

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 District Fund** accounts for the operations and maintenance of fire protection services for all County taxpayers residing in unincorporated Spalding County. This fund also accounts for the acquisition and construction of fire stations and fire fighting vehicles and equipment. Financing is provided through a specific annual property tax levy, charges for services, and interest income.

The **2016 Special Purpose Local Option Sales Tax ("SPLOST") Debt Service Fund** accounts for the accumulation of resources for the payment of debt principal and interest for the 2016 General Obligation Sales Tax Bonds.

The **2016 Special Purpose Local Option Sales Tax ("SPLOST") Capital Projects Fund** accounts for the financial resources provided and subsequently expended from the 2016 General Obligation Sales Tax Bonds and the 2016 1% SPLOST.

The **2022 Transportation Special Purpose Local Option Sales Tax ("TSPLOST") Capital Projects Fund** accounts for the financial resources provided from the 2022 General Obligation Transportation Sales Tax Bonds and the 2022 1% SPLOST.

The **2022 Transportation Special Purpose Local Option Sales ("TSPLOST") Debt Service Fund** accounts for the accumulation of resources for the payment of debt principal and interest for the 2022 General Obligation Transportation Sales Tax Bonds.

The **American Rescue Plan Act ("ARPA") Fund** accounts for the financial resources provided and subsequently expended from the ARPA grant received from the federal government.

Additionally, the County reports the following fund types:

The **Internal Service Fund** accounts for the County's self-insured Workers' Compensation program.

The **Custodial Funds** are used to account for the collection and disbursement of monies by the County on behalf of other governments and individuals. Custodial Funds account for Tax Commissioner, Magistrate Court, Probate Court, Clerk of Superior Court, Correctional Institution, and Sheriff.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

Amounts reported as *program revenues* include: 1) charges for services provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* 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 and of the County's internal service funds are charges for goods and services provided. Operating expenses of the enterprise funds and internal service funds include the cost of these goods and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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.

D. Cash, Cash Equivalents 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.

Investments are recorded at fair value based on quoted market prices as of the balance sheet date. Increases or decreases in the fair value during the year are recognized as a component of interest income.

E. Interfund Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year as well as all other outstanding balances between funds are reported as "due to/from other funds".

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Prepaid Items

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

G. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. The County has retroactively reported major general infrastructure assets. In this case, the County chose to include all items regardless of their acquisition date. The County was able to estimate the historical cost for the initial reporting of these assets through back-trending.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

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>
Land improvements	30 – 50
Buildings and improvements	15 – 100
Machinery and equipment	5 – 15
Furniture and fixtures	10
Intangibles	50
Infrastructure	50

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has three items that qualify for reporting in this category. These items relate to the County's Retirement and Other Post-Employment Benefits Plans and are reported in the government-wide statement of net position. Certain changes in the net pension liability and total OPEB liability are recognized as pension and OPEB expense over time instead of all being recognized in the year of occurrence. Changes in actuarial assumptions, which adjust the net pension liability and the total OPEB liability, are also recorded as deferred outflows of resources and are amortized into pension expense over the expected remaining service lives of plan members. Experienced losses result from periodic studies by the County's actuary, which adjust the net pension liability and total OPEB liability for actual experience for certain trend information that was previously assumed. These experienced losses are recorded as deferred outflows of resources and are amortized into pension and OPEB expense over the expected remaining service lives of the plan members. Contributions made subsequent to the measurement date are deferred and recognized as OPEB expense in future years.

In addition to liabilities, the statement of net position and the governmental funds balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has five items that qualify for reporting in this category. One item, an effective hedge, is reported in the government-wide statement of net position. The effective hedge results from the change in market value of a swap agreement related to the certificates of participation. The amount is deferred and will mature on June 1, 2028, at the same time as the certificates of participation. Other items relate to the County's Retirement Plan and OPEB Plan and the recording of changes in its net pension liability and total OPEB liability. Experience gains result from periodic studies by the County's actuary, which adjust the net pension liability for actual experience for certain trend information that was previously assumed. These experience gains are recorded as deferred inflows of resources and are amortized into pension and OPEB expense over the expected remaining service lives of the plan members. The difference between projected investment return on pension investments and actual return on those investments is also deferred and amortized against pension expense over a five-year period. Changes in actuarial assumptions, which adjust the total OPEB liability, are also recorded as deferred inflows of resources and are amortized into OPEB expense over the expected remaining service lives of plan members. Additionally, the County has unavailable revenues that arise only under a modified accrual basis of accounting. Accordingly, they are reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes and grants due to the period of unavailability, which will be recognized as an inflow of resources in the period in which the amounts become available.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. 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 or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest 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 the debt issued is reported as other financing sources. Premiums received on debt issuances are 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.

J. Compensated Absences

It is the County's policy to permit employees to accumulate earned, but unused, vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the County does not have a policy to pay any amounts when the employees separate from service with the County. All vacation pay is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

K. 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:

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Fund Equity (Continued)

Fund Balance (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 resolution, the County Commission has authorized the County Manager to assign fund balances.
- **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 represents 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 is reported as restricted using the same definition as used for restricted fund balance as described in the section above. All other net position is 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

M. Pensions and OPEB

For purposes of measuring the net pension liability, total OPEB liability, deferred outflows of resources and deferred inflows of resources related to pensions and OPEB, pension expense and OPEB expense, information about the fiduciary net position of the Association County Commissioners of Georgia Spalding County Defined Benefit Plan (the "Plan"), and additions to/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 (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS

A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position

The governmental fund balance sheet includes reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that “long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.” The details of this difference are as follows:

General obligation bonds payable	\$ (13,000,000)
Plus: Issuance premium (to be amortized against interest expense)	(945,831)
Certificates of participation	(2,500,000)
Financed purchase agreements	(5,074,297)
Due to Griffin-Spalding County Airport Authority	(2,320,000)
Landfill post-closure costs	(291,920)
Net pension liability	(13,716,407)
Total OPEB liability	(3,505,048)
Compensated absences	(1,314,071)
Accrued interest	(200,664)
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	<u>\$ (42,868,238)</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS (CONTINUED)

B. Explanation of Certain Differences between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-wide Statement of Activities

The governmental fund statement of revenues, expenditures and changes in fund balances includes reconciliation between *net changes in fund balances – total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains, “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.” The details of this difference are as follows:

Capital outlay	\$ 5,740,252
Depreciation expense	<u>(5,006,645)</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ 733,607</u>

Another element of the reconciliation states that “the issuance of long-term debt (e.g., bonds, leases) 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.” The details of this difference are as follows:

Premium on bond issuance amortization	98,867
Principal repayments:	
Financed purchase	368,846
Bonds payable	2,930,000
Landfill post-closure costs	<u>86,400</u>
Net adjustment to reduce <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ (7,180,663)</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS (CONTINUED)

B. Explanation of Certain Differences between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-wide Statement of Activities (Continued)

Another element of that reconciliation states that "Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds." The details of this difference are as follows:

Compensated absences	\$ 81,309
Accrued interest	(32,901)
Total OPEB liability and related deferred inflows and outflows	3,231,159
Net pension liability and related deferred inflows and outflows	<u>1,829,626</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ 5,109,193</u>

NOTE 3. 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 June 1, the County Manager submits a proposed budget to the Board of Commissioners governing expenditures of all County funds for the fiscal year commencing the following July 1.
2. In June, the Board of Commissioners holds three public hearings on the proposed budget to obtain citizen comments.
3. The budget is legally adopted by the Board of Commissioners before the end of June. The legal level of budgetary control is the department level.
4. All budget revisions or changes must be approved as required by Georgia law and administrative policy. Transfer of budgeted amounts between object categories within departments requires the approval of the County Manager. Revisions that alter the total expenditures of any department or fund must be approved by the Board of Commissioners.

NOTES TO FINANCIAL STATEMENTS

NOTE 3. LEGAL COMPLIANCE – BUDGETS (CONTINUED)

A. Budgets and Budgetary Accounting (Continued)

5. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual appropriated budgets are legally adopted for the General Fund, Special Revenue Funds, Capital Projects Funds, and Debt Service Funds. Annual operating budgets are prepared for each Internal Service Fund for planning, control, and evaluation purposes.

The supplementary budgetary appropriations made were not material.

All appropriations, except for items encumbered at year-end, lapse. Encumbrances for items not lapsing at year-end are reappropriated in the ensuing year's budget. Budget information for expenditures and encumbrances represents the operating budget as approved by the Board of Commissioners.

B. Excess of Expenditures Over Appropriations

For the fiscal year ended June 30, 2022, expenditures exceeded budget, as follows:

<u>Fund or Department</u>	<u>Excess</u>
General Fund	
Board of elections	\$ (4,779)
Fire Fund	
Capital outlay	(2,791)
Community Services Block Grant	
General government	(29,768)
Senior Nutrition	
Health and welfare	(12,479)
Community Services Block Grant - CARES	
Other	(69,005)
CDBG Dundee Phase II	
Housing and development	(17,760)
Local Victims Assistance Program	
Judicial	(2,320)
Tourism Fund	
Housing and development	(20,197)
Capital Projects 2022 TSPLOST	(1,950,612)

NOTES TO FINANCIAL STATEMENTS

NOTE 3. LEGAL COMPLIANCE – BUDGETS (CONTINUED)

B. Excess of Expenditures Over Appropriations (Continued)

The over expenditures in the General, Fire, Community Services Block Grant, Senior Nutrition, Community Services Block Grant - CARES, CDBG Dundee Phase II, Local Victims Assistance Program, Tourism and Capital Projects 2022 TSPLOST funds were funded by additional revenues.

C. Deficit Fund Balance/Net Position

The CSBG-CARES Fund has a deficit fund balance at June 30, 2022 of \$16,279. The fund deficit will be reduced through transfers from the General fund.

NOTE 4. DEPOSITS AND INVESTMENTS

Total deposits and investments as of June 30, 2022, are summarized as follows:

Balances per statement of net position:

Cash and cash equivalents - Primary Government	\$	62,888,428
Cash and cash equivalents - Water Authority		14,640,870
Investments - Primary Government		2,746,730
Restricted assets:		
Water Authority - Bond sinking fund		1,050,184
Cash - Custodial funds		2,065,976
	\$	<u>83,392,188</u>

Balances by type:

Cash deposited with financial institutions	\$	80,645,458
Mutual bond funds		1,355,011
Guaranteed investment contract		1,391,719
	\$	<u>83,392,188</u>

Credit Risk. State statutes authorize the County to invest in obligations of the State of Georgia or other states; obligations issued 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. The County has no formal credit risk policy other than to only invest in obligations authorized by the State of Georgia. The guaranteed investment contract with the Georgia Municipal Association ("GMA") is not rated. The mutual bond funds were not rated by a nationally recognized statistical rating organization. However, the fund investments are concentrated in U.S. government securities.

NOTES TO FINANCIAL STATEMENTS

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

At June 30, 2022, the County had the following investments:

Investment Type	Fair Value	Investment maturities (in years)		
		Less than 1 yr	1 - 5 years	5-10 years
Mutual fund bonds	\$ 1,355,011	\$ 1,355,011	\$ -	\$ -
Guaranteed investment contract	1,391,719	-	-	1,391,719
Total investments	<u>\$ 2,746,730</u>	<u>\$ 1,355,011</u>	<u>\$ -</u>	<u>\$ 1,391,719</u>

Fair Value Measurements. The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The County has the following recurring fair value measurements as of June 30, 2022:

Investment	Level 1	Level 2	Level 3	Fair Value
Mutual fund bonds	\$ 1,355,011	\$ -	\$ -	\$ 1,355,011
Total investments measured at fair value	<u>\$ 1,355,011</u>	<u>\$ -</u>	<u>\$ -</u>	1,355,011
Investments not subject to level disclosure:				
Guaranteed investment contract				\$ 1,391,719
Total investments				<u>\$ 2,746,730</u>

Investments classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those investments. Investments classified as Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

The guaranteed investment contract is a nonparticipating interest-earning investment contract and, accordingly, is recorded at cost. As a result, the County does not disclose its investment in the guaranteed investment contract within the fair value hierarchy.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates of debt investment will adversely affect the fair value of an investment. The County's investment policy states that the County will structure its portfolio to meet the cash requirements for ongoing operations. The policy also emphasizes the purchase of shorter term or more liquid investments. Except for those reserve or other funds with long-term investment horizons, the County shall limit maturities to five years or less.

NOTES TO FINANCIAL STATEMENTS

NOTE 4. DEPOSITS 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, 2022, all of the deposits of the County and the component units were properly insured and collateralized as required by the Official Code of Georgia Annotated (“O.C.G.A.”) §45-8-12(c) and as defined by GASB pronouncements.

Custodial Credit Risk – Investments. Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Some statutes require all 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.

NOTE 5. RECEIVABLES

Receivables at June 30, 2022, for the County’s individual major funds and nonmajor funds in the aggregate are as follows:

	<u>General</u>	<u>Fire District</u>	<u>2016 SPLOST Capital Projects</u>	<u>2022 TSPLOST Capital Projects</u>	<u>2016 SPLOST Debt Service</u>
Receivables:					
Taxes	\$ 2,178,428	\$ 256,569	\$ -	\$ -	\$ -
Accounts	303,300	-	6,924	5,861	-
Due from other governments	963,956	-	-	-	383
Gross receivables	3,445,684	256,569	6,924	5,861	383
Less: allowance for uncollectibles	755,738	-	-	-	-
Net total receivables	<u>\$ 2,689,946</u>	<u>\$ 256,569</u>	<u>\$ 6,924</u>	<u>\$ 5,861</u>	<u>\$ 383</u>
	<u>2022 TSPLOST Debt Service</u>	<u>Nonmajor Governmental</u>	<u>American Rescue Plan Act (ARPA)</u>	<u>Total Governmental</u>	<u>Internal Service Fund</u>
Receivables:					
Taxes	\$ -	\$ -	\$ -	\$ 2,434,997	\$ -
Accounts	506	247,126	832	564,549	13,407
Due from other governments	681,365	150,300	-	1,796,004	-
Gross receivables	681,871	397,426	832	4,795,550	13,407
Less: allowance for uncollectibles	-	-	-	755,738	-
Net total receivables	<u>\$ 681,871</u>	<u>\$ 397,426</u>	<u>\$ 832</u>	<u>\$ 4,039,812</u>	<u>\$ 13,407</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 5. RECEIVABLES (CONTINUED)

The County's property taxes were levied on the assessed values of all real and personal property with utilities, including mobile homes and motor vehicles, located in the County. The assessed value at January 1, 2021, upon which the fiscal year 2022 levy was based, was the gross digest amount of \$2,043,342,631 (40% of the estimated market value of \$5,108,356,578).

The tax billing cycle for fiscal year 2022 is as follows:

Levy date	October 4, 2021
Tax bills mailed	October 10, 2021
Payment due date	December 31, 2021
Delinquency date	January 2, 2022
Lien date	February 2, 2022

The distribution of the County's levy (tax rate per \$1,000 assessed value) as of June 30, 2022 is as follows:

General government	16.138 mills
Fire district	3.482 mills
School system	16.742 mills

NOTES TO FINANCIAL STATEMENTS

NOTE 6. CAPITAL ASSETS

A. Primary Government

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Capital assets, not being depreciated:					
Land	\$ 3,132,527	\$ 281,199	\$ -	\$ -	\$ 3,413,726
Construction in progress	3,031,385	2,481,884	-	(2,739,432)	2,773,837
Total	<u>6,163,912</u>	<u>2,763,083</u>	<u>-</u>	<u>(2,739,432)</u>	<u>6,187,563</u>
Capital assets, being depreciated:					
Land improvements	7,200,918	219,003	(103,799)	133,578	7,449,700
Building improvements	47,983,927	-	-	2,605,854	50,589,781
Machinery and equipment	40,084,302	2,005,428	(137,734)	-	41,951,996
Furniture and fixtures	105,326	-	-	-	105,326
Intangibles	621,715	-	-	-	621,715
Infrastructure	95,271,393	752,738	-	-	96,024,131
Total	<u>191,267,581</u>	<u>2,977,169</u>	<u>(241,533)</u>	<u>2,739,432</u>	<u>196,742,649</u>
Less accumulated depreciation for:					
Land improvements	(2,920,205)	(172,801)	67,669	-	(3,025,337)
Building improvements	(23,850,922)	(929,804)	-	-	(24,780,726)
Machinery and equipment	(25,056,752)	(2,354,232)	137,734	-	(27,273,250)
Furniture and fixtures	(77,242)	(3,008)	-	-	(80,250)
Intangibles	(477,531)	(3,699)	-	-	(481,230)
Infrastructure	(52,263,738)	(1,543,101)	-	-	(53,806,839)
Total	<u>(104,646,390)</u>	<u>(5,006,645)</u>	<u>205,403</u>	<u>-</u>	<u>(109,447,632)</u>
Total capital assets, being depreciated, net	<u>86,621,191</u>	<u>(2,029,476)</u>	<u>(36,130)</u>	<u>2,739,432</u>	<u>87,295,017</u>
Governmental activities capital assets, net	<u>\$ 92,785,103</u>	<u>\$ 733,607</u>	<u>\$ (36,130)</u>	<u>\$ -</u>	<u>\$ 93,482,580</u>

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

Governmental activities:	
General government	\$ 416,729
Judicial	85,748
Public safety	2,340,120
Public works	1,603,348
Culture and recreation	545,784
Housing and development	10,422
Health and welfare	4,494
Total depreciation expense - governmental activities	<u>\$ 5,006,645</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 6. CAPITAL ASSETS (CONTINUED)

B. Discretely Presented Component Unit – Water Authority

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Capital assets, not being depreciated:					
Land	\$ 13,500	\$ -	\$ -	\$ -	\$ 13,500
Construction in progress	877,351	1,884,039	-	(1,538,235)	1,223,155
Total	890,851	1,884,039	-	(1,538,235)	1,236,655
Capital assets, being depreciated:					
Water delivery system	32,984,700	246,778	-	307,251	33,538,729
Sewer system	2,065,296	-	-	1,230,984	3,296,280
Buildings	48,751	-	-	-	48,751
Machinery and equipment	1,200,547	16,234	(20,954)	-	1,195,827
Intangibles	145,279	-	-	-	145,279
Total	36,444,573	263,012	(20,954)	1,538,235	38,224,866
Less accumulated depreciation for:					
Water delivery system	(14,153,159)	(669,302)	-	-	(14,822,461)
Sewer system	(422,050)	(41,373)	-	-	(463,423)
Buildings	(42,516)	(198)	-	-	(42,714)
Machinery and equipment	(844,340)	(47,785)	20,954	-	(871,171)
Intangibles	(33,669)	(2,905)	-	-	(36,574)
Total	(15,495,734)	(761,563)	20,954	-	(16,236,343)
Total capital assets, being depreciated, net	20,948,839	(498,551)	-	1,538,235	21,988,523
Total capital assets, net	\$ 21,839,690	\$ 1,385,488	\$ -	\$ -	\$ 23,225,178

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT

A. Primary Government

The following is a summary of long-term debt activity for the primary government for the fiscal year ended June 30, 2022:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable	\$ 5,930,000	\$ 10,000,000	\$ (2,930,000)	\$ 13,000,000	\$ 3,000,000
Bond premium	129,922	914,776	(98,867)	945,831	-
Net bonds payable	6,059,922	10,914,776	(3,028,867)	13,945,831	3,000,000
Certificates of participation	2,500,000	-	-	2,500,000	-
Intergovernmental payable	2,570,000	-	(250,000)	2,320,000	257,500
Financed purchase					
from direct borrowings	5,443,143	-	(368,846)	5,074,297	451,044
Claims payable	381,510	722,231	(503,439)	600,302	368,315
Compensated absences	1,395,380	841,189	(922,498)	1,314,071	788,442
Landfill post-closure costs	378,320	-	(86,400)	291,920	137,060
Net pension liability	17,197,671	5,931,054	(9,412,318)	13,716,407	-
Total OPEB liability	4,097,027	577,730	(1,169,709)	3,505,048	-
Governmental activities					
long-term liabilities	<u>\$ 40,022,973</u>	<u>\$ 18,986,980</u>	<u>\$ (15,742,077)</u>	<u>\$ 43,267,876</u>	<u>\$ 5,002,361</u>

For governmental activities, compensated absences, landfill post-closure costs, net pension liability and total OPEB liability are generally liquidated by the General Fund.

Financed Purchase from Direct Borrowing. The County has entered into financed purchase agreements for financing the acquisition of various items of equipment. The agreements qualify as finance purchase agreements for accounting purposes (titles transfer at the end of the terms) and, therefore, have been recorded at the present values of the future minimum payments as of the date of their inception. These finance purchases are being serviced by the General Fund with annual interest rates varying from 2.18% to 4.45%.

The cost of assets under financed purchases as of June 30, 2022:

	<u>Governmental Activities</u>
Equipment	\$ 5,074,297
Less accumulated depreciation	<u>297,389</u>
Carrying value	<u>\$ 5,371,686</u>

Current year depreciation expense of assets under financed purchases totaled \$297,389.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

Finance Purchase for Direct Borrowing (Continued). The County's total financed purchase debt service requirements to maturity are as follows:

Fiscal year ending June 30,	Principal	Interest
2023	\$ 451,044	\$ 111,659
2024	333,000	102,786
2025	352,912	93,406
2026	281,538	83,495
2027	298,988	77,217
2028 – 2032	1,782,874	277,814
2033 – 2036	1,573,941	66,012
Total	\$ 5,074,297	812,389

General Obligation Sales Tax Bonds. The Spalding County General Obligation Sales Tax Bonds, Series 2016 were issued in March 2016 in the amount of \$8,800,000. The proceeds from the sale of the bonds will be used for the purpose of financing or refinancing certain capital outlay projects of the County and for paying the costs of issuing the bonds. General obligation bonds are direct obligations and pledge the full faith and credit of the County. The bonds carry interest rates ranging from 2.50% to 4.00% and are due on July 1, 2022. In connection with the issuance of bonds, a premium of \$1,019,527 was recorded and is being amortized over the life of the bonds. As of June 30, 2022, the unamortized premium was \$31,055.

The Spalding County General Obligation Transportation Sales Tax Bonds, Series 2022 were issued in April 2022 in the amount of \$10,000,000. The proceeds from the sale of the bonds will be used for the purpose of financing or refinancing certain capital outlay projects of the County and for paying the costs of issuing the bonds. General obligation bonds are direct obligations and pledge the full faith and credit of the County.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

General Obligation Transportation Sales Tax Bonds (Continued). The bonds carry interest rates ranging from 2.17% to 2.8% and are due on September 1, 2027. In connection with the issuance of bonds, a premium of \$914,776 was recorded and is being amortized over the life of the bonds. As of June 30, 2022, the unamortized premium was \$914,776.

The total bonds payable debt service requirements to maturity, including interest, are as follows:

Fiscal year ending June 30,	Principal	Interest
2023	\$ 3,000,000	\$ 231,444
2024	1,930,000	500,000
2025	2,000,000	403,500
2026	2,000,000	303,500
2027	2,025,000	203,500
2028	2,045,000	102,250
Total	\$ 13,000,000	\$ 1,744,194

Certificates of Participation. In June 1998, the County entered into a lease pool agreement with the Georgia Municipal Association (“GMA”). The funding of the lease pool was provided by the issuance of \$150,126,000 certificates of participation by the GMA. The GMA passed the net proceeds through to the participating municipalities with the County's participation totaling \$2,500,000. The lease pool agreement with the GMA provides that the County owns their portion of the assets invested by the pool and is responsible for the payment of their portion of the principal and interest of the certificates of participation. The principal is due in a lump sum payment on June 1, 2028. Interest is payable at a rate of 4.75% each year. The County draws from the investment to lease equipment from the GMA. The lease pool agreement requires the County to make lease payments back into its investment account to fund the principal and interest requirements of the 1998 GMA certificates of participation.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

Certificates of Participation (Continued). As part of the issuance of the certificates of participation, the County entered into an interest rate swap agreement. Under the Swap Agreement, the County is required to pay: 1) a semi-annual (and beginning July 1, 2003, a monthly) floating rate of interest based on the Securities Industry and Financial Markets Association (“SIFMA”) Municipal Swap Index (plus a 31 basis points spread) to, or on behalf of, the Swap Counterparty (the “Swap Payment”); and the Swap Counterparty will pay to, or on behalf of, the County a semi-annual payment based on a rate equal to the fixed rate on the certificates of participation (4.75%) times a notional amount specified in the Swap Agreement, but generally equal to the outstanding unpaid principal portion of such contract, less the amount originally deposited in the Reserve Fund relating to the contract, and 2) a one-time Swap Premium to be paid on the effective date of the Swap Agreement. The semi-annual payments from the Swap Counterparty with respect to the County are structured, and expected, to be sufficient to make all interest payments due under the contract, and related distributions of interest on the certificates. Monthly interest payments between the County, the holders of the certificates of participation, and the Swap Counterparty can be made in net settlement form as part of this agreement. Under the Swap Agreement, the County’s obligation to pay floating payments to the Swap Counterparty in any calendar year may not exceed an amount equal to the SIFMA Municipal Swap Index plus 5.00% to be determined on the first business day of December in the preceding year. This agreement matures on June 1, 2028, at the same time of the certificates of participation. This derivative qualifies as a fair market hedge.

In the unlikely event that the Swap Counterparty becomes insolvent, or fails to make payments as specified in the Swap Agreement, the County would be exposed to credit risk in the amount of the Swap’s fair value. To minimize this risk, the County executed this agreement with counterparties of appropriate credit strength with the counterparty being rated Aa3 by Moody’s. At June 30, 2022, the floating rate being paid by the County is 0.34% and the market value of this agreement is \$266,735, a decrease of \$338,834 from the market value at the end of the previous fiscal year.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

Certificates of Participation (Continued). The market value of the hedge was determined using settlement prices at the end of the day on June 30, 2022, based on the derivative contract. This market value is reported as a component of the certificates of participation in long-term debt in the statement of net position. As this derivative is an effective hedge, qualifying for hedge accounting, the inflow from the hedge (any change in fair value from inception until fiscal year-end) is deferred and reported as a deferred inflow of resources in the statement of net position.

Annual debt service requirements on the certificates of participation are as follows:

<u>Fiscal year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2023	\$ -	\$ 118,750
2024	-	118,750
2025	-	118,750
2026	-	118,750
2027	-	118,750
2028	2,500,000	118,750
	<u>\$ 2,500,000</u>	<u>\$ 712,500</u>

Landfill Post-closure Costs. Effective October 3, 1993, the County closed its landfill and no additional waste has been accepted. According to 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, 2022, the County has a remaining 3.8 years of monitoring. Engineering studies estimate post-closure costs of approximately \$291,920 over the 3.8 year period. These costs are based on the amount that would be paid if all equipment, facilities, and services required to monitor and maintain the landfill were acquired as of June 30, 2022. Actual costs may be higher due to changes in inflation, changes in technology, or changes in regulations. Should any problems occur during this post-closure period, the costs and time period required for the maintenance and monitoring functions may substantially increase.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

Intergovernmental payable – Airport Authority Revenue Bonds. The County entered into an intergovernmental agreement with The Griffin-Spalding County Airport Authority and City of Griffin regarding the issuance of The Griffin-Spalding County Airport Authority Revenue Bonds, Series 2015, on March 10, 2015. The Series 2015 bonds were issued by the Griffin-Spalding County Airport Authority to: a) provide funds to finance, in part, the acquisition of land and other real and personal property for the construction and equipping of a new airport, and b) pay the costs of issuance of the Series 2015 bonds. The Series 2015 bonds are limited obligations of the Authority payable solely from certain amounts to be paid by the County and the City of Griffin to the Authority under the provisions of an intergovernmental agreement by and between the Authority, the County, and the City of Griffin with the County and the City of Griffin each paying 50% of the total debt service requirements. The Series 2015 bonds are not deemed to constitute a debt or general obligation or pledge of the faith and credit of the State or any political subdivision thereof, including the County, City of Griffin or the Authority, within the meaning of any constitutional or statutory debt limitation. The payments provided for under the intergovernmental agreement constitute general obligations of the County and the City for which its full faith, credit and taxing powers are pledged.

The County’s portion of revenue bonds payable debt service requirements to maturity, including interest, are as follows:

Fiscal year ending June 30,	Principal	Interest
2023	\$ 257,500	\$ 81,925
2024	267,500	74,200
2025	275,000	66,176
2026	282,500	57,925
2027	292,500	48,038
2028 – 2030	945,000	76,600
Total	\$ 2,320,000	\$ 404,864

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

B. Discretely Presented Component Unit – Water Authority

The following is a summary of long-term debt activity for the Water Authority for the fiscal year ended June 30, 2022:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds payable, Series 2015	\$ 8,230,000	\$ -	\$ (905,000)	\$ 7,325,000	\$ 940,000
Deferred amounts:					
Premium	358,642	-	(77,208)	281,434	-
Total bonds payable	8,588,642	-	(982,208)	7,606,434	940,000
Compensated absences	21,849	-	(7,128)	14,721	8,833
Water Authority long-term liabilities	<u>\$ 8,610,491</u>	<u>\$ -</u>	<u>\$ (989,336)</u>	<u>\$ 7,621,155</u>	<u>\$ 948,833</u>

Revenue Bonds Payable. During the year ended June 30, 2003, the Water Authority issued revenue bonds in the amount of \$9,880,000. The bonds proceeds were used to refund the Water Authority's series 1992 revenue bonds. During the year ended June 30, 2009, the Water Authority issued revenue bonds in the amount of \$11,380,000. The bond proceeds were to be used to finance additions and improvements to the water and sewerage system. The principal and interest on the bonds is payable from the net revenues of the Water Authority and certain payments made to the Water Authority by the County pursuant to a contract between the Water Authority and the County.

Advanced Refunding. On March 18, 2015, the Water Authority issued \$9,580,000 in revenue bonds, Series 2015. The bonds were issued and the proceeds were used to refund \$8,805,000 of outstanding Water Authority bonds, Series 2008, and to pay certain issuance costs. In connection with the issuance of bonds, a premium of \$889,114 was recorded and is being amortized over the life of the bonds. As of June 30, 2022, the unamortized premium was \$281,434.

During the year ended June 30, 2015, advance refunding resulted in book losses that are being amortized over the original remaining life of the old bonds that were defeased. As of June 30, 2022, the advanced refunding losses were fully amortized. As of June 30, 2022, the County's outstanding in-substance defeased debt totaled \$8,040,000.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

B. Discretely Presented Component Unit – Water Authority (Continued)

Revenue bonds outstanding at June 30, 2022, are as follows:

Purpose	Interest Rate	Term	Due Date	Original Amount	Outstanding Amount
Water Authority - Series 2015	2.00 – 4.00%	13 years	2028	\$ 9,580,000	\$ 7,325,000
Plus unamortized premium					281,434
					\$ 7,606,434

Debt service requirements to maturity on the revenue bonds are as follows:

Fiscal year ending June 30,	Principal	Interest
2023	\$ 940,000	\$ 244,075
2024	975,000	214,131
2025	1,005,000	181,956
2026	1,035,000	147,513
2027	1,080,000	110,500
2028 – 2029	2,290,000	92,400
Total	\$ 7,325,000	\$ 990,575

NOTES TO FINANCIAL STATEMENTS

NOTE 8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of June 30, 2022 is as follows:

Due to/from other funds:

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor governmental funds	\$ 29,399
General Fund	2016 SPLOST Capital Projects Fund	343,755
General Fund	2022 TSPLOST Capital Projects Fund	857,305
Nonmajor governmental funds	Nonmajor governmental funds	9,041
Nonmajor governmental funds	General Fund	20,105
Fire District Fund	General Fund	44,216
		\$ 1,303,821

Transfers In	Transfers Out	Amount
General Fund	Nonmajor governmental funds	\$ 888,197
Fire District Fund	Nonmajor governmental funds	166,435
Nonmajor governmental funds	Fire District Fund	28,200
2022 TSPLOST Debt Service Fund	2016 SPLOST Capital Projects Fund	1,403
2016 SPLOST Capital Projects Fund	2016 SPLOST Debt Service Fund	959,098
2016 SPLOST Debt Service Fund	Nonmajor governmental funds	2,343,702
Nonmajor governmental funds	General Fund	1,370,491
		\$ 5,757,526

Transfers are used to: 1) move revenues from the fund that statute or budget requires to collect them to the fund that the statute or budget requires to expend them, 2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and 3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. DEFINED BENEFIT PENSION PLAN

Primary Government

Plan Description

The County, as authorized by the County Commission, has established a non-contributory defined benefit pension plan, the Association County Commissioners of Georgia Spalding County Defined Benefit Plan (the "Plan"), covering the majority of all of the County's employees. The County's pension plan is administered through the Association County Commissioners of Georgia Third Restated Defined Benefit Plan (the "ACCG Plan"), an agent multiple-employer pension plan administered by GEBCorp and affiliated with the Association of County Commissioners of Georgia ("ACCG"). The Plan provides retirement, disability, and death benefits to plan members and beneficiaries. The ACCG, in its role as the Plan sponsor, has the sole authority to establish and amend the benefit provisions and the contribution rates of the County related to the Plan, as provided in §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 §19.02 of the ACCG Plan document. The County Commission retains this authority. 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, 2021, pension plan membership consisted of the following:

Retirees, Beneficiaries, and Disables receiving benefits	190
Terminated Plan participants entitled to but not receiving benefits	225
Active employees participating in the Plan	<u>465</u>
Total number of Plan participants	<u>880</u>
Part-time active employees not participating in the Plan	72

NOTES TO FINANCIAL STATEMENTS

NOTE 9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Primary Government (Continued)

Contributions

The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The Board of Trustees of ACCG 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 Board of Commissioners, 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. The County is required to contribute the actuarially determined rate. For the year ended June 30, 2022, the County's contribution rate was 14.48% of annual payroll. County contributions to the Plan were \$2,948,137 for the year ended June 30, 2022.

Net Pension Liability of the County

The County's net pension liability was measured as of December 31, 2021. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as January 1, 2021, with update procedures performed by the actuary to roll forward to the total pension liability measured as of December 31, 2021.

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

Inflation	2.00%
Salary increases	4.0% - 5.0%, including inflation
Investment rate of return	7.00%, net of pension plan investment expense, including inflation

Mortality rates were based on the Pub – 2010 Amount Weighted Mortality Table with a blend of 50% of the General Employees Table and 50% of the Public Safety Employees with Scale AA to 2022.

The actuarial assumptions used in the January 1, 2021 valuation were based on the results of an actuarial experience study through February 2019.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Primary Government (Continued)

Net Pension Liability of the County (Continued)

Actuarial Assumptions (Continued). The long-term expected rate of return on pension plan investments was determined through a blend of using a building-block method based on 20-year benchmarks (25%) and 30-year benchmarks (25%), as well as forward-looking capital market assumptions for a moderate asset allocation (50%), as determined by UBS. Expected future 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 weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2021 are summarized in the following table:

Asset Class	Target Allocation	Long-term expected real rate of return
Fixed Income	30.00 %	3.90%
Large Cap equity	30.00	7.70
International equity	15.00	8.30
Other equity	20.00	7.90
Real estate	5.00	8.10
Total	100.00 %	

Discount rate. The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that County contributions will be made at rates equal to the actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all of the projected benefit payments to determine the total pension liability.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Primary Government (Continued)

Net Pension Liability of the County (Continued)

Changes in the Net Pension Liability of the County. The changes in the components of the net pension liability of the County for the fiscal year ended June 30, 2022 were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Beginning balance	\$ 54,964,016	\$ 37,766,345	\$ 17,197,671
<i>Changes for the year:</i>			
Service cost	1,469,966	-	1,469,966
Interest	3,773,732	-	3,773,732
Differences between expected and actual experience	203,954	-	203,954
Contributions - employer	-	2,948,137	(2,948,137)
Contributions - employee	-	681,446	(681,446)
Net investment income	-	5,782,735	(5,782,735)
Assumption change	102,324	-	102,324
Benefit payments, including refunds of employee contributions	(2,107,114)	(2,107,114)	-
Administrative expense	-	(102,457)	102,457
Other changes	-	(278,621)	278,621
<i>Net changes</i>	<u>3,442,862</u>	<u>6,924,126</u>	<u>(3,481,264)</u>
Ending balance	<u>\$ 58,406,878</u>	<u>\$ 44,690,471</u>	<u>\$ 13,716,407</u>

The required schedule of changes in the County's net pension liability and related ratios immediately following the notes to the financial statements presents multi-year 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 7.00%, 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 (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
County's net pension liability	\$ 21,415,698	\$ 13,716,407	\$ 7,317,176

NOTES TO FINANCIAL STATEMENTS

NOTE 9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Primary Government (Continued)

Net Pension Liability of the County (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate (Continued). 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, 2021, and the current sharing pattern of costs between employer and employee. As of June 30, 2022, the County had no contributions subsequent to measurement date due to all employer contributions being made prior to measurement date.

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

For the fiscal year ended June 30, 2022, the County recognized pension expense of \$1,118,510. At June 30, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on plan investments	\$ -	\$ 4,367,860
Differences between expected and actual experience	1,494,565	739,850
Other changes in assumptions	1,244,208	-
Total	\$ 2,738,773	\$ 5,107,710

NOTES TO FINANCIAL STATEMENTS

NOTE 9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Primary Government (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ending June 30,</u>	
2022	\$ (627,834)
2023	(738,469)
2024	(454,061)
2025	<u>(548,573)</u>
Total	<u>\$ (2,368,937)</u>

NOTE 10. DEFINED CONTRIBUTION PENSION PLAN

The Spalding County Money Purchase Pension Plan (the "Plan") is a single employer defined contribution plan established and administered by the Spalding County Board of Commissioners for substantially all of its full-time employees. The Plan provides retirement, disability and death benefits to Plan participants and beneficiaries. Plan provisions and contribution requirements are established and may be amended by the Spalding County Board of Commissioners.

Employees are not required to contribute to the Plan. For employees who have not elected to participate in the Three-Tier Defined Benefit Plan, the County contributes an amount equal to 4% of each participant's compensation. The County's contribution for each employee is 100% vested after five years of continuous service. For the fiscal year ended June 30, 2022, the County's contribution to the Plan was \$0. For the fiscal year ended June 30, 2022, the employee's contribution to the Plan was \$755,990. The Plan was frozen as of December 31, 2018.

NOTES TO FINANCIAL STATEMENTS

NOTE 11. OTHER POST-EMPLOYMENT BENEFITS

Plan Administration and Benefits

The County, as authorized by the County Commission, administers a single-employer defined benefit Post-Retirement Benefit Plan (the "OPEB Plan"). The OPEB Plan is under the direction of the County's Board of Commissioners. The County provides post-retirement healthcare benefits, as per the requirements of a resolution, for certain retirees. The provisions and obligations to contribute are established and may be amended by the Spalding County Board of Commissioners. The requirements are that the employee must retire from the County after 15 years of continuous service and must have attained the age of 55. The benefits are offered until the retiree turns 65 and is eligible for Medicare and/or the employee becomes covered under the plan of another employer. The County pays 50% of the premium, and the employee must pay the remaining 50%. Currently, 18 employees are enrolled in post-retirement healthcare benefits. The County's Board of Commissioners established and may amend the benefit provisions. No assets are accumulated in a trust that meets the criteria in paragraph four of GASB Statement No. 75 and a separate report was not issued for the OPEB Plan.

Membership

The following schedule (derived from the most recent actuarial valuation report) reflects membership for the post-retirement benefit plan as of latest actuarial valuation at July 1, 2020:

Active members	496
Retired members	<u>18</u>
	<u>514</u>

Contributions

The Board of Commissioners has elected to fund the OPEB Plan on a "pay-as-you-go" basis. Per a County resolution, the County is required to contribute the current year benefit costs of the Plan which are not paid by the retiree. For the year ended June 30, 2022, the County contributed \$120,908 for the pay-as-you-go benefits for the fiscal Plan.

NOTES TO FINANCIAL STATEMENTS

NOTE 11. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Total OPEB Liability of the County

The County's total OPEB liability was measured as of June 30, 2021, and was determined by an actuarial valuation as of July 1, 2021, with the actuary using standard techniques to roll forward the liability to the measurement date.

Actuarial assumptions. The total OPEB liability in the July 1, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Discount rate:	2.18%
Healthcare cost trend rate:	6.75% graded per year to an ultimate rate of 5.00%
Salary scale:	4.50% per year with an age based scale
Participation rate:	25.00%

Mortality rates were based on the RP-2014 with MP-2018 scale Mortality Table, with separate rates for males and females.

The actuarial assumptions used in the July 1, 2020 valuation were based on the results of an actuarial experience study for the period 2010 - 2014.

Discount Rate

The discount rate used to measure the total OPEB liability was 2.18%. This rate was determined using an index rate of 20-year, tax-exempt general obligation municipal bonds with an average rating of AA or higher – which was 2.18% as determined by the Bond Buyer 20-Bond General Obligation (“GO”) Index Rate as of June 30, 2021.

NOTES TO FINANCIAL STATEMENTS

NOTE 11. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Changes in the Total OPEB Liability of the County

The changes in the total OPEB liability of the County for the fiscal year ended June 30, 2022 were as follows:

	Total OPEB Liability
Beginning balance	\$ 4,097,027
Changes for the year:	
Service cost	217,112
Interest	89,570
Differences between expected and actual experience	(1,081,045)
Assumption changes	271,048
Benefit payments	(88,664)
Net change	(591,979)
Ending balance	\$ 3,505,048

The required schedule of changes in the County's total OPEB liability and related ratios immediately following the notes to the financial statements presents multi-year trend information about the total OPEB liability.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.18%) or 1-percentage-point higher (3.18%) than the current discount rate:

	Changes to Discount Rates		
	1% Decrease 1.18%	Discount Rate 2.18%	1% Increase 3.18%
Total OPEB liability	\$ 3,782,800	\$ 3,505,048	\$ 3,248,209

NOTES TO FINANCIAL STATEMENTS

NOTE 11. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	Changes to Health Care Trend Rates		
	1% Decrease	Discount Rate	1% Increase
	1.18%	2.18%	3.18%
Total OPEB liability	\$ 3,162,745	\$ 3,505,048	\$ 3,905,552

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 revisions 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 June 30, 2022, and the current sharing pattern of costs between employer and inactive employees.

OPEB Expense and Deferred Outflows and Inflows of Resources Related to OPEB

For the year ended June 30, 2022, the County recognized OPEB expense of \$317,746. At June 30, 2022, the County reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,155,286	\$ (1,053,315)
Other changes in assumptions	898,874	(112,692)
Contributions subsequent to measurement date	120,908	-
Total	\$ 2,175,068	\$ (1,166,007)

NOTES TO FINANCIAL STATEMENTS

NOTE 11. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

OPEB Expense and Deferred Outflows and Inflows of Resources Related to OPEB (Continued)

County contributions subsequent to the measurement date are reported as deferred outflows of resources and will be recognized as a reduction of the total OPEB liability in the year ending June 30, 2023. Amounts reported as deferred outflows and Inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year ending June 30,</u>	
2023	\$ 11,064
2024	11,064
2025	11,064
2026	11,064
2027	(61,455)
Thereafter	<u>905,352</u>
Total	<u>\$ 888,153</u>

NOTE 12. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; natural disasters; injuries to employees; and losses resulting from providing accident and health benefits to employees, retirees, and their dependents.

The County purchases insurance from a private carrier for coverage of general liability, property, and casualty coverage. The private insurance covers claims arising from general liability, automobile liability, errors and omissions, law enforcement liability, and property risks. Additionally, the County purchases health insurance and dental insurance from a private carrier. No reduction in insurance coverage has occurred since the previous year, and no settlements in excess of coverage have been paid in the past three years.

The County has established a risk management fund (Workers' Compensation Trust Fund), an internal service fund, where assets are set aside for claim settlements. This fund covers the employees of the Water Authority as well. Under this program, the risk management fund provides coverage for up to a maximum of \$300,000 for each workers' compensation claim.

NOTES TO FINANCIAL STATEMENTS

NOTE 12. RISK MANAGEMENT (CONTINUED)

The County has joined together with other counties in the state as a member of the Group Self Insurance Workers' Compensation Fund ("GSIWCF") for its workers' compensation risks. GSIWCF exists by authority of the O.C.G.A., and participates in risk sharing arrangements among Georgia county governments. As part of this risk pool, the County is obligated to pay all contributions and assessments as prescribed by the pool, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the fund, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the fund being required to pay any claim of loss. The County is also to allow the pool's 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 fund.

Chapter 85 of Title 36 and Chapter 9 of Title 34 of the O.C.G.A. authorize Georgia counties to form inter-local management agencies. GSIWCF acts as a risk management agency to function as unincorporated nonprofit instrumentalities of its member counties. GSIWCF establishes and administers one or more group self-insurance funds and a risk management service to prevent or lessen the incidence and severity of workers' compensation losses occurring in the operation of member governments.

The County retains the first \$300,000 (in the form of a deductible) on its workers' compensation claims. The County files all claims with GSIWCF, and GSIWCF invoices the County monthly for any risk of loss up to the deductible amounts.

The claims liability of \$600,302 as of June 30, 2022, of the Workers' Compensation Trust Fund is based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Incurred-But-Not-Reported ("IBNR") claims have been accrued as claims liabilities based primarily upon the fund's third party administrator's claims projections and are included in current year claims estimates.

Changes in the balances of claims liabilities for the Workers' Compensation Trust Fund in fiscal year 2022 and 2021 were as follows:

<u>Workers' Compensation Trust Fund</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Unpaid claims, beginning of fiscal year	\$ 381,510	\$ 202,314
Claims incurred and changes in estimates	722,231	-
Claims payment	<u>503,439</u>	<u>179,196</u>
Unpaid claims, end of fiscal year	<u>\$ 600,302</u>	<u>\$ 381,510</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 13. COMMITMENTS AND CONTINGENT LIABILITIES

Litigation

The County is involved in several pending lawsuits. Liability, if any, which might result from these proceedings, would not, in the opinion of management and legal counsel, have a material adverse effect on the financial position of the County.

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, management of the County believes such disallowances, if any, will not be significant.

Encumbrances

As discussed in Note 1, encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year-end, the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

<u>Encumbrances</u>	
Fire District Fund	\$ 1,351,890
General Fund	<u>2,202,527</u>
	<u>\$ 3,554,417</u>

NOTE 14. JOINT VENTURES

Airport

During the year ended June 30, 2022, the County, jointly with the City of Griffin, provided funding for the Griffin-Spalding County Airport (the "Airport"). On September 29, 1992, the Board of Commissioners approved funding for one half of the Airport's operating deficit for an unspecified period of time. The total paid to the Airport for fiscal year 2022 was \$23,325.

Information concerning the financial statements may be obtained from the Griffin-Spalding County Airport, P.O. Box T, Griffin, Georgia 30224.

NOTES TO FINANCIAL STATEMENTS

NOTE 14. JOINT VENTURES (CONTINUED)

Three Rivers Regional Commission

Under Georgia law, the County, in conjunction with other cities and counties in a ten-county central Georgia area, is a member of the Three Rivers Regional Commission (“RC”) and is required to pay annual dues thereto. During its year ended June 30, 2022, the County paid \$43,827 in such dues. Membership in an RC is required by the O.C.G.A. §50-8-34 which provides for the organizational structure of the RC. The RC Board membership is made up of representatives appointed by each county seat and respective county government member and also includes private citizen and minority representatives. O.C.G.A. §50-8-39.1 provides that the member governments are liable for any debts or obligations of a Regional Commission. Information concerning the financial statements may be obtained from the Three Rivers Regional Commission, P.O. Box 818, Griffin, Georgia 30224.

NOTE 15. JOINTLY GOVERNED ORGANIZATION

Land Bank Authority

During the year ended June 30, 2009, the County, along with the City of Griffin, entered into an interlocal cooperation agreement for the purpose of establishing the Griffin/Spalding County Land Bank Authority (the “Authority”). The Authority’s purpose is to return land which is in a non-revenue generating, non-tax producing status to an effective utilization status in order to provide affordable housing, new trade, commerce, industry, and employment opportunities for the citizens of the County and the City of Griffin. The Authority is governed by a four-member Board of Directors appointed equally by the County and the City of Griffin. The total paid to the Authority for fiscal year 2022 was \$27,575. The County has no further accountability for this organization.

NOTE 16. HOTEL/MOTEL LODGING TAX

During the fiscal year ended June 30, 2022, the County levied an 8.00% hotel/motel tax on lodging facilities within the County. The County allocates 5.00% of this tax for the promotion of tourism, conventions, or trade shows as required by O.C.G.A. §48-13-51. The remaining 3.00% of this tax is allowed to be disbursed to the General Fund. For the fiscal year ended June 30, 2022, the County collected \$334,121 of hotel/motel taxes of which \$125,295 went to support the General Fund and \$208,826 stayed in the tourism fund. Collections in the tourism fund were used for the promotion of tourism within the County.

NOTES TO FINANCIAL STATEMENTS

NOTE 17. TAX ABATEMENT PROGRAMS

The County enters into property tax abatement programs with local businesses for the purpose of attracting and retaining business within their jurisdictions. The tax abatements can be granted to any business located within the County. These tax abatement programs are issued on a case by case basis for individual businesses for both real and personal property from the Griffin-Spalding Development Authority.

During the fiscal year ended June 30, 2022, the County abated property taxes totaling \$267,769 and \$329,086 for real property tax abatements and personal property tax abatements, respectively. Tax abatements during the current year range from 0% to 100% of assessed property values over a time period up to ten years.

NOTE 18. NET INVESTMENT IN CAPITAL ASSETS

The following schedule provides the details of the net investment in capital assets classification of net position:

	Governmental Activities	Business-Type Activities
Calculation of net investment in capital assets:		
Capital assets, non-depreciable	\$ 6,187,563	\$ 1,236,655
Capital assets, depreciable	196,948,052	38,224,866
Accumulated depreciation	(109,653,035)	(16,236,343)
Bonds payable	(13,000,000)	(7,606,434)
Finance purchase agreements	(5,074,297)	-
Unspent bond proceeds	1,158,342	-
Unamortized premiums on bonds payable	(945,831)	-
Certificates of participation	(2,500,000)	-
Net investment in capital assets	\$ 73,120,794	\$ 15,618,744

REQUIRED SUPPLEMENTARY INFORMATION

SPALDING COUNTY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN THE COUNTY'S TOTAL OPEB LIABILITY AND RELATED RATIOS FOR THE FISCAL YEAR ENDED JUNE 30,

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability					
Service cost	\$ 217,112	\$ 113,928	\$ 87,004	\$ 90,245	\$ 87,126
Interest on total pension liability	89,570	78,504	66,946	67,315	54,070
Changes of benefit terms					
Differences between expected and actual experience	(1,081,045)	1,357,618	-	(152,798)	(47,483)
Changes of assumptions	271,048	440,666	379,089	(57,614)	(117,366)
Benefit payments	(88,664)	(87,238)	(35,376)	(41,324)	(37,903)
Net change in total OPEB liability	(591,979)	1,903,478	497,663	(94,176)	(61,556)
Total OPEB liability - beginning	4,097,027	2,193,549	1,695,886	1,790,062	1,851,618
Total OPEB liability - ending (a)	\$ 3,505,048	\$ 4,097,027	\$ 2,193,549	\$ 1,695,886	\$ 1,790,062
Covered employee payroll	\$ 25,450,990	\$ 22,995,893	\$ 24,045,704	\$ 23,470,228	\$ 22,185,006
County's total OPEB liability as a percentage of covered employee payroll	13.77%	17.82%	9.12%	7.23%	8.07%

Notes to the Schedule:

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

The assumptions used in the preparation of the above schedule are disclosed in Note 11 in the Notes to the Financial Statements. There are no assets accumulated in a trust that meet the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the pension/OPEB plan.

SPALDING COUNTY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN THE COUNTY'S NET PENSION LIABILITY AND RELATED RATIOS FOR THE FISCAL YEAR ENDED JUNE 30,

	2022	2021	2020
Total pension liability			
Service cost	\$ 1,469,966	\$ 1,413,747	\$ 1,225,028
Interest on total pension liability	3,773,732	3,463,788	2,161,510
Changes of benefit terms			
Differences between expected and actual experience	203,954	1,321,798	1,242,404
Changes of assumptions	102,324	196,683	1,849,348
Benefit payments, including refunds of employee contributions	(2,107,114)	(1,829,372)	(1,697,486)
Other	-	-	13,889,109
Net change in total pension liability	3,442,862	4,566,644	18,669,913
Total pension liability - beginning	54,964,016	50,397,372	31,727,459
Total pension liability - ending (a)	58,406,878	54,964,016	50,397,372
Plan fiduciary net position			
Contributions - employer	2,948,137	2,854,667	2,471,509
Contributions - employee	681,446	622,010	602,166
Net investment income	5,782,735	4,290,775	5,348,886
Benefit payments, including refunds of employee contributions	(2,107,114)	(1,829,372)	(1,697,486)
Administrative expenses	(102,457)	(100,832)	(97,022)
Other	(278,621)	(158,885)	(194,455)
Net change in fiduciary net position	6,924,126	5,678,363	6,433,598
Plan fiduciary net position - beginning	37,766,345	32,087,982	25,654,384
Plan fiduciary net position - ending (b)	44,690,471	37,766,345	32,087,982
County's net pension liability - ending (a) - (b)	\$ 13,716,407	\$ 17,197,671	\$ 18,309,390
Plan fiduciary net position as a percentage of total pension liability	76.52%	68.71%	63.67%
Covered payroll	\$ 20,177,614	\$ 19,806,253	\$ 18,746,642
County's net pension liability as a percentage of covered payroll	67.98%	86.83%	97.67%

Notes to the Schedule:

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

	2019	2018	2017	2016	2015
\$	404,652	\$ 498,620	\$ 450,476	\$ 447,289	\$ 460,213
	2,265,941	2,189,667	2,161,674	2,100,683	2,015,681
	(3,423,574)	(974,091)	(602,771)	(714,219)	-
	1,190,106	73,984	878,346	1,130,608	-
	71,946	(1,544,193)	(1,471,285)	(1,415,512)	(1,342,527)
	-	-	-	-	-
	509,071	243,987	1,416,440	1,548,849	1,133,367
	31,218,388	30,974,401	29,557,961	28,009,112	26,875,745
	31,727,459	31,218,388	30,974,401	29,557,961	28,009,112
	1,750,000	1,275,118	1,238,475	1,199,522	1,334,262
	-	-	-	-	-
	(1,105,920)	3,470,460	1,542,031	146,812	1,430,252
	71,946	(1,544,193)	(1,471,285)	(1,364,349)	(1,294,002)
	(70,370)	(68,878)	(72,390)	(69,586)	(67,301)
	(197,987)	(189,624)	(171,486)	(145,754)	(147,776)
	447,669	2,942,883	1,065,345	(233,355)	1,255,435
	25,206,715	22,263,832	21,198,487	21,431,842	20,176,407
	25,654,384	25,206,715	22,263,832	21,198,487	21,431,842
\$	6,073,075	\$ 6,011,673	\$ 8,710,569	\$ 8,359,474	\$ 6,577,270
	80.86%	80.74%	71.88%	71.72%	76.52%
\$	14,465,746	\$ 14,765,645	\$ 14,693,833	\$ 14,458,040	\$ 14,657,303
	41.98%	40.71%	59.28%	57.82%	44.87%

SPALDING COUNTY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF COUNTY CONTRIBUTIONS FOR THE FISCAL YEAR ENDED JUNE 30,

	2022	2021	2020
Actuarially determined contribution	\$ 2,739,321	\$ 2,651,664	\$ 2,310,952
Contributions in relation to the actuarially determined contribution	2,948,137	2,854,667	2,471,509
Contribution deficiency (excess)	(208,816)	\$ (203,003)	\$ (160,557)
Covered payroll	\$ 20,353,816	\$ 19,991,934	\$ 19,276,448
Contributions as a percentage of covered payroll	14.48%	14.28%	12.82%

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

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 903,084	\$ 1,275,118	\$ 1,197,114	\$ 1,151,588	\$ 1,216,126
<u>1,750,000</u>	<u>1,275,118</u>	<u>1,238,475</u>	<u>1,199,522</u>	<u>1,334,262</u>
<u>\$ (846,916)</u>	<u>\$ -</u>	<u>\$ (41,361)</u>	<u>\$ (47,934)</u>	<u>\$ (118,136)</u>
\$ 18,506,566	\$ 14,615,696	\$ 14,729,739	\$ 14,575,937	\$ 14,557,672
9.46%	8.72%	8.41%	8.23%	9.17%

NONMAJOR GOVERNMENTAL FUNDS

SPALDING COUNTY, GEORGIA

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Community Services Block Grant	To account for expenditures applicable to the Community Services Block Grant. Revenues are received from the federal government through the State of Georgia.
Emergency 911	To account for emergency services which are provided to all County taxpayers. Financing is provided through user fees and charges and contributions from the General Fund.
Confiscated Assets	To account for monies confiscated under federal and state law by Spalding County law enforcement officers related to controlled substance offenses. Such monies are restricted to defray the cost of complex investigations and to purchase equipment relating to said investigations.
Law Library	To account for revenues generated through special filing charges in the County court system which are used to acquire and maintain library materials.
Senior Nutrition	To account for the revenues and expenditures applicable to the Federal Area Agency on Aging grant that provides congregate meals to senior citizens and home delivered meals to home bound seniors.
Tourism	To account for the collection of hotel/motel tax collected by the County.
Local Victims Assistance Program	To account for the receipt of fine surcharges from the State Court and Superior Court of Spalding County designated by state law for victims assistance.
Griffin Judicial Circuit Drug Court	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.
CSBG – CARES	To account for Community Services Block Grant revenues and expenditures received specifically from CARES Act Funding. Revenues are received from the federal government through the State of Georgia.
CDBG Fund	To account for Community Development Block Grant revenues and expenditures for sewerage infrastructure improvements for low income housing.
Department of Justice Fund	To account for collection of revenues and expenditures received from the Department of Justice designated for public safety programs.

SPALDING COUNTY, GEORGIA

NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

DEBT SERVICE FUNDS

GMA Lease Pool Debt Service	To account for investments held as proceeds of the 1998 GMA Lease Pool and the accumulation of resources for the repayment of debt for the 1998 GMA Lease Pool.
2015 Airport Authority Debt Service	To account for the accumulation of resources for the payment of debt principal and interest for the 2015 Airport Authority Revenue Bonds.

CAPITAL PROJECTS FUNDS

Impact Fees	To account for the capital projects activity funded by developmental impact fees.
Capital Projects General	To account for the financial resources to be used for the purchase and construction of major capital facilities, other than those accounted for in specific funds. Financing is provided through contributions from the General Fund.
Capital Projects 2008 SPLOST	To account for the financial resources provided and subsequently expended from the 2008 General Obligation Sales Tax Bonds and the 2008 1% Special Purpose Local Option Sales Tax.

SPALDING COUNTY, GEORGIA

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022**

	Special Revenue					
	Community Services Block Grant	Emergency 911	Confiscated Assets	Law Library	Senior Nutrition	Tourism
ASSETS						
Cash and cash equivalents	\$ -	\$ 601,372	\$ 295,191	\$ 155,029	\$ 97,770	\$ 131,652
Investments	-	-	-	-	-	-
Accounts receivable	-	242,144	-	-	4,982	-
Due from other governments	65,298	-	-	-	83,375	-
Due from other funds	-	14,867	-	-	9,041	-
Total assets	\$ 65,298	\$ 858,383	\$ 295,191	\$ 155,029	\$ 195,168	\$ 131,652
LIABILITIES AND FUND BALANCES (DEFICIT)						
LIABILITIES						
Accounts payable	\$ 20,504	\$ 5,510	\$ -	\$ 16	\$ 56,565	\$ -
Accrued liabilities	588	9,433	-	-	1,200	-
Due to component unit	-	-	-	-	-	-
Due to other funds	9,039	-	-	-	-	-
Due to other governments	-	-	-	-	-	28,825
Total liabilities	30,131	14,943	-	16	57,765	28,825
FUND BALANCES (DEFICIT)						
Restricted for:						
Grant purposes	35,167	-	-	-	-	-
Judicial	-	-	-	155,013	-	-
Public safety	-	843,440	295,191	-	-	-
Capital projects	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Housing and development	-	-	-	-	-	102,827
Health and welfare	-	-	-	-	137,403	-
Assigned for:						
Capital projects	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balances (deficit)	35,167	843,440	295,191	155,013	137,403	102,827
Total liabilities and fund balances (deficit)	\$ 65,298	\$ 858,383	\$ 295,191	\$ 155,029	\$ 195,168	\$ 131,652

Special Revenue						Debt Service		
Local Victims Assistance Program	Griffin Judicial Circuit Drug Court	CSBG-CARES	CDBG DUNDEE PHASE I	CDBG DUNDEE PHASE II	Department of Justice	GMA Lease Pool Debt Service	2015 Airport Debt Service	
\$ 350,023	\$ 4,482	\$ -	\$ -	\$ 10	\$ 11,844	\$ 954,895	\$ -	
-	-	-	-	-	-	1,391,719	-	
-	-	-	-	-	-	-	-	
7	-	-	-	1,620	-	-	-	
5,238	-	-	-	-	-	-	-	
<u>\$ 355,268</u>	<u>\$ 4,482</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,630</u>	<u>\$ 11,844</u>	<u>\$ 2,346,614</u>	<u>\$ -</u>	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
-	-	-	-	-	-	-	-	
-	-	-	-	1,620	-	-	-	
13,120	-	16,279	-	-	-	-	-	
-	-	-	-	-	-	-	-	
<u>13,120</u>	<u>-</u>	<u>16,279</u>	<u>-</u>	<u>1,620</u>	<u>-</u>	<u>-</u>	<u>-</u>	
-	-	-	-	10	11,844	-	-	
342,148	4,482	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	1,391,720	-	
-	-	-	-	-	-	954,894	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	(16,279)	-	-	-	-	-	
-	-	-	-	-	-	-	-	
<u>342,148</u>	<u>4,482</u>	<u>(16,279)</u>	<u>-</u>	<u>10</u>	<u>11,844</u>	<u>2,346,614</u>	<u>-</u>	
<u>\$ 355,268</u>	<u>\$ 4,482</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,630</u>	<u>\$ 11,844</u>	<u>\$ 2,346,614</u>	<u>\$ -</u>	

(Continued)

SPALDING COUNTY, GEORGIA

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022**

	Capital Projects			Total
	Impact Fees	Capital Projects General	Capital Projects 2008 SPLOST	
ASSETS				
Cash and cash equivalents	\$ 3,928,307	\$ 177,508	\$ -	\$ 6,708,083
Investments	-	-	-	1,391,719
Accounts receivable	-	-	-	247,126
Due from other governments	-	-	-	150,300
Due from other funds	-	-	-	29,146
Total assets	<u>\$ 3,928,307</u>	<u>\$ 177,508</u>	<u>\$ -</u>	<u>\$ 8,526,374</u>
LIABILITIES AND FUND BALANCES (DEFICIT)				
LIABILITIES				
Accounts payable	\$ 60,017	\$ -	\$ -	\$ 142,612
Accrued liabilities	-	-	-	11,221
Due to other funds	-	-	-	38,438
Due to other governments	-	-	-	28,825
Total liabilities	<u>60,017</u>	<u>-</u>	<u>-</u>	<u>222,716</u>
FUND BALANCES (DEFICIT)				
Restricted for:				
Grant purposes	-	-	-	47,021
Judicial	-	-	-	501,643
Public safety	-	-	-	1,138,631
Capital projects	3,868,290	-	-	5,260,010
Debt service	-	-	-	954,894
Housing and development	-	-	-	102,827
Health and welfare	-	-	-	137,403
Assigned for:				
Capital projects	-	177,508	-	177,508
Unassigned	-	-	-	(16,279)
Total fund balances (deficit)	<u>3,868,290</u>	<u>177,508</u>	<u>-</u>	<u>8,303,658</u>
Total liabilities and fund balances (deficit)	<u>\$ 3,928,307</u>	<u>\$ 177,508</u>	<u>\$ -</u>	<u>\$ 8,526,374</u>

SPALDING COUNTY, GEORGIA

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

	Special Revenue				
	Community	Emergency	Confiscated	Law	Senior
	Services Block Grant				
REVENUES					
Other taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	156,863	19,377	-	-	424,799
Charges for services	-	1,375,209	-	-	-
Court fees, fines and forfeitures	-	-	54,606	54,660	-
Investment income	-	-	34	69	-
Other	-	1,465	-	83	61,189
Total revenues	<u>156,863</u>	<u>1,396,051</u>	<u>54,640</u>	<u>54,812</u>	<u>485,988</u>
EXPENDITURES					
Current:					
General government	68,643	-	-	-	-
Judicial	22,708	-	-	39,864	-
Public safety	-	1,687,474	127,189	-	-
Health and welfare	52,691	-	-	-	538,838
Housing and development	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total expenditures	<u>144,042</u>	<u>1,687,474</u>	<u>127,189</u>	<u>39,864</u>	<u>538,838</u>
Excess (deficiency) of revenues over expenditures	<u>12,821</u>	<u>(291,423)</u>	<u>(72,549)</u>	<u>14,948</u>	<u>(52,850)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	272,235	-	-	45,831
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>272,235</u>	<u>-</u>	<u>-</u>	<u>45,831</u>
Net change in fund balances	12,821	(19,188)	(72,549)	14,948	(7,019)
FUND BALANCES (DEFICIT), beginning of year	<u>22,346</u>	<u>862,628</u>	<u>367,740</u>	<u>140,065</u>	<u>144,422</u>
FUND BALANCES (DEFICIT), end of year	<u>\$ 35,167</u>	<u>\$ 843,440</u>	<u>\$ 295,191</u>	<u>\$ 155,013</u>	<u>\$ 137,403</u>

Special Revenue							Debt Service	
Tourism	Local Victims Assistance Program	Griffin Judicial Circuit Drug Court	CSBG-CARES	CDBG Dundee Phase I	CDBG Dundee Phase II	Department of Justice	GMA Lease Pool Debt Service	2015 Airport Debt Service
\$ 334,121	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	69,005	5,840	17,760	11,844	-	-
-	-	-	-	-	-	-	-	-
-	58,967	-	-	-	-	-	-	-
-	71	-	-	-	-	-	153,357	-
-	746	-	-	-	-	-	-	-
<u>334,121</u>	<u>59,784</u>	<u>-</u>	<u>69,005</u>	<u>5,840</u>	<u>17,760</u>	<u>11,844</u>	<u>153,357</u>	<u>-</u>
-	-	-	-	-	-	-	-	31,025
-	92,320	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	69,005	-	-	-	-	-
225,197	-	-	-	5,840	17,760	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	250,000
-	-	-	-	-	-	-	128,748	85,675
<u>225,197</u>	<u>92,320</u>	<u>-</u>	<u>69,005</u>	<u>5,840</u>	<u>17,760</u>	<u>-</u>	<u>128,748</u>	<u>366,700</u>
<u>108,924</u>	<u>(32,536)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,844</u>	<u>24,609</u>	<u>(366,700)</u>
-	-	-	-	-	10	-	693,915	366,700
(125,295)	-	-	-	-	-	-	(929,337)	-
(125,295)	-	-	-	-	10	-	(235,422)	366,700
(16,371)	(32,536)	-	-	-	10	11,844	(210,813)	-
<u>119,198</u>	<u>374,684</u>	<u>4,482</u>	<u>(16,279)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,557,427</u>	<u>-</u>
<u>\$ 102,827</u>	<u>\$ 342,148</u>	<u>\$ 4,482</u>	<u>\$ (16,279)</u>	<u>\$ -</u>	<u>\$ 10</u>	<u>\$ 11,844</u>	<u>\$ 2,346,614</u>	<u>\$ -</u>

SPALDING COUNTY, GEORGIA

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

	Capital Projects			Total
	Impact Fees	Capital Projects General	Capital Projects 2008 SPLOST	
REVENUES				
Other taxes	\$ -	\$ -	\$ -	\$ 334,121
Intergovernmental	-	-	-	705,488
Charges for services	823,189	-	-	2,198,398
Court fees, fines and forfeitures	-	-	-	168,233
Interest	-	-	18	153,549
Other	-	-	-	63,483
Total revenues	<u>823,189</u>	<u>-</u>	<u>18</u>	<u>3,623,272</u>
EXPENDITURES				
Current:				
General government	17,940	-	-	117,608
Judicial	-	-	-	154,892
Public safety	-	-	-	1,814,663
Health and welfare	-	-	-	660,534
Housing and development	-	-	-	248,797
Capital outlay	65,924	-	-	65,924
Debt service:				
Principal	-	-	-	250,000
Interest	-	-	25	214,448
Total expenditures	<u>83,864</u>	<u>-</u>	<u>25</u>	<u>3,526,866</u>
Excess (deficiency) of revenues over (under) expenditures	<u>739,325</u>	<u>-</u>	<u>(7)</u>	<u>96,406</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	20,000	-	1,398,691
Transfers out	-	-	(2,343,702)	(3,398,334)
Total other financing sources (uses)	<u>-</u>	<u>20,000</u>	<u>(2,343,702)</u>	<u>(1,999,643)</u>
Net change in fund balances	739,325	20,000	(2,343,709)	(1,903,237)
FUND BALANCES (DEFICIT), beginning of year	<u>3,128,965</u>	<u>157,508</u>	<u>2,343,709</u>	<u>10,206,895</u>
FUND BALANCES (DEFICIT), end of year	<u>\$ 3,868,290</u>	<u>\$ 177,508</u>	<u>\$ -</u>	<u>\$ 8,303,658</u>

SPALDING COUNTY, GEORGIA

**SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Community Services Block Grant		
	Final Budget	Actual	Variance With Final Budget
REVENUES			
Intergovernmental	\$ 130,042	\$ 156,863	\$ 26,821
Charges for services	-	-	-
Court fees, fines and forfeitures	-	-	-
Interest	-	-	-
Other	-	-	-
Total revenues	<u>130,042</u>	<u>156,863</u>	<u>26,821</u>
EXPENDITURES			
Current:			
General government	38,875	68,643	(29,768)
Judicial	28,456	22,708	5,748
Public safety	-	-	-
Health and welfare	62,711	52,691	10,020
Total expenditures	<u>130,042</u>	<u>144,042</u>	<u>(14,000)</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>12,821</u>	<u>12,821</u>
OTHER FINANCING SOURCES			
Transfers in	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	12,821	12,821
FUND BALANCES, beginning of year	<u>22,346</u>	<u>22,346</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 22,346</u>	<u>\$ 35,167</u>	<u>\$ 12,821</u>

Emergency 911			Confiscated Assets		
Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget
\$ -	\$ 19,377	\$ 19,377	\$ -	\$ -	\$ -
1,387,694	1,375,209	(12,485)	-	-	-
-	-	-	350,000	54,606	(295,394)
-	-	-	-	34	34
-	1,465	1,465	-	-	-
<u>1,387,694</u>	<u>1,396,051</u>	<u>8,357</u>	<u>350,000</u>	<u>54,640</u>	<u>(295,360)</u>
-	-	-	-	-	-
-	-	-	-	-	-
1,809,319	1,687,474	121,845	350,000	127,189	222,811
-	-	-	-	-	-
<u>1,809,319</u>	<u>1,687,474</u>	<u>121,845</u>	<u>350,000</u>	<u>127,189</u>	<u>222,811</u>
(421,625)	(291,423)	130,202	-	(72,549)	(72,549)
272,235	272,235	-	-	-	-
<u>272,235</u>	<u>272,235</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(149,390)	(19,188)	130,202	-	(72,549)	(72,549)
862,628	862,628	-	367,740	367,740	-
<u>\$ 713,238</u>	<u>\$ 843,440</u>	<u>\$ 130,202</u>	<u>\$ 367,740</u>	<u>\$ 295,191</u>	<u>\$ (72,549)</u>

(Continued)

SPALDING COUNTY, GEORGIA

**SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Law Library		
	Final Budget	Actual	Variance With Final Budget
REVENUES			
Other taxes	\$ -	\$ -	\$ -
Intergovernmental	-	-	-
Court fees, fines and forfeitures	75,000	54,660	(20,340)
Interest	-	69	69
Other	-	83	83
Total revenues	<u>75,000</u>	<u>54,812</u>	<u>(20,188)</u>
EXPENDITURES			
Current:			
Judicial	75,000	39,864	35,136
Health and welfare	-	-	-
Housing and development	-	-	-
Total expenditures	<u>75,000</u>	<u>39,864</u>	<u>35,136</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>14,948</u>	<u>14,948</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	14,948	14,948
FUND BALANCES, beginning of year	<u>140,065</u>	<u>140,065</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 140,065</u>	<u>\$ 155,013</u>	<u>\$ 14,948</u>

Senior Nutrition			Tourism		
Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget
\$ -	\$ -	\$ -	\$ 247,200	\$ 334,121	\$ 86,921
410,000	424,799	14,799	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
69,926	61,189	(8,737)	-	-	-
<u>479,926</u>	<u>485,988</u>	<u>6,062</u>	<u>247,200</u>	<u>334,121</u>	<u>86,921</u>
-	-	-	-	-	-
526,359	538,838	(12,479)	-	-	-
-	-	-	205,000	225,197	(20,197)
<u>526,359</u>	<u>538,838</u>	<u>(12,479)</u>	<u>205,000</u>	<u>225,197</u>	<u>(20,197)</u>
<u>(46,433)</u>	<u>(52,850)</u>	<u>(6,417)</u>	<u>42,200</u>	<u>108,924</u>	<u>66,724</u>
46,131	45,831	(300)	-	-	-
-	-	-	(92,200)	(125,295)	(33,095)
<u>46,131</u>	<u>45,831</u>	<u>(300)</u>	<u>(92,200)</u>	<u>(125,295)</u>	<u>(33,095)</u>
(302)	(7,019)	(6,717)	(50,000)	(16,371)	33,629
<u>144,422</u>	<u>144,422</u>	<u>-</u>	<u>119,198</u>	<u>119,198</u>	<u>-</u>
<u>\$ 144,120</u>	<u>\$ 137,403</u>	<u>\$ (6,717)</u>	<u>\$ 69,198</u>	<u>\$ 102,827</u>	<u>\$ 33,629</u>

(Continued)

SPALDING COUNTY, GEORGIA

**SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Local Victims Assistance Program		
	Final Budget	Actual	Variance With Final Budget
REVENUES			
Intergovernmental	\$ -	\$ -	\$ -
Court fees, fines and forfeitures	90,000	58,967	(31,033)
Interest	-	71	71
Other	-	746	746
Total revenues	<u>90,000</u>	<u>59,784</u>	<u>(30,216)</u>
EXPENDITURES			
Current:			
Judicial	90,000	92,320	(2,320)
Health and welfare	-	-	-
Total expenditures	<u>90,000</u>	<u>92,320</u>	<u>(2,320)</u>
Net change in fund balances	-	(32,536)	(32,536)
FUND BALANCES, beginning of year	<u>374,684</u>	<u>374,684</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 374,684</u>	<u>\$ 342,148</u>	<u>\$ (32,536)</u>

Griffin Judicial Circuit Drug Court			CSBG-CARES		
Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget
\$ -	\$ -	\$ -	\$ -	\$ 69,005	\$ 69,005
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	69,005	69,005
-	-	-	-	-	-
-	-	-	-	69,005	(69,005)
-	-	-	-	69,005	(69,005)
-	-	-	-	-	-
4,482	4,482	-	(16,279)	(16,279)	-
\$ 4,482	\$ 4,482	\$ -	\$ (16,279)	\$ (16,279)	\$ -

(Continued)

SPALDING COUNTY, GEORGIA

**SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	CDBG Dundee Phase I Fund		
	Final Budget	Actual	Variance With Final Budget
REVENUES			
Intergovernmental	\$ 200,000	\$ 5,840	\$ (194,160)
Total revenues	<u>200,000</u>	<u>5,840</u>	<u>(194,160)</u>
EXPENDITURES			
Current:			
Housing and development	200,000	5,840	194,160
Total expenditures	<u>200,000</u>	<u>5,840</u>	<u>194,160</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES			
Transfers in	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	-
FUND BALANCES, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CDBG Dundee Phase II Fund			Department of Justice Fund		
Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget
\$ -	\$ 17,760	\$ 17,760	\$ -	\$ 11,844	\$ 11,844
-	17,760	17,760	-	11,844	11,844
-	17,760	(17,760)	-	-	-
-	17,760	(17,760)	-	-	-
-	-	-	-	11,844	11,844
-	10	10	-	-	-
-	10	10	-	-	-
-	10	10	-	11,844	11,844
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 10</u>	<u>\$ 10</u>	<u>\$ -</u>	<u>\$ 11,844</u>	<u>\$ 11,844</u>

SPALDING COUNTY, GEORGIA

**DEBT SERVICE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	2016 SPLOST Debt Service		
	Final Budget	Actual	Variance With Final Budget
REVENUES			
Sales taxes	\$ 3,090,600	\$ 1,166,162	\$ (1,924,438)
Other	-	1,800	1,800
Total revenues	<u>3,090,600</u>	<u>1,167,962</u>	<u>(1,922,638)</u>
EXPENDITURES			
Debt service:			
Principal	2,930,000	2,930,000	-
Interest	160,600	157,600	3,000
Total expenditures	<u>3,090,600</u>	<u>3,087,600</u>	<u>3,000</u>
Excess (deficiency) of revenues over (under) expenditures	-	(1,919,638)	(1,919,638)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	2,343,702	2,343,702
Transfers out	-	(959,098)	(959,098)
Total other financing sources	-	<u>1,384,604</u>	<u>1,384,604</u>
Net change in fund balances	-	(535,034)	(535,034)
FUND BALANCES (DEFICIT), beginning of year	<u>3,636,201</u>	<u>3,636,201</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 3,636,201</u>	<u>\$ 3,101,167</u>	<u>\$ (535,034)</u>

GMA Lease Pool Debt Service		
Final Budget	Actual	Variance With Final Budget
\$ -	\$ -	\$ -
129,750	153,357	23,607
<u>129,750</u>	<u>153,357</u>	<u>23,607</u>
-	-	-
129,750	128,748	1,002
<u>129,750</u>	<u>128,748</u>	<u>1,002</u>
-	24,609	24,609
693,915	693,915	-
(693,915)	(929,337)	(235,422)
<u>-</u>	<u>(235,422)</u>	<u>(235,422)</u>
-	(210,813)	(210,813)
2,557,427	2,557,427	-
<u>\$ 2,557,427</u>	<u>\$ 2,346,614</u>	<u>\$ (210,813)</u>

(Continued)

SPALDING COUNTY, GEORGIA

**DEBT SERVICE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	2015 Airport Debt Service		
	Final Budget	Actual	Variance With Final Budget
REVENUES			
Sales taxes	\$ -	\$ -	\$ -
Interest	-	-	-
Total revenues	-	-	-
EXPENDITURES			
Current:			
General government	31,025	31,025	-
Debt service:			
Principal	250,000	250,000	-
Interest	85,675	85,675	-
Total expenditures	366,700	366,700	-
Excess (deficiency) of revenues over (under) expenditures	(366,700)	(366,700)	-
OTHER FINANCING SOURCES			
Transfers in	366,700	366,700	-
Total other financing sources	366,700	366,700	-
Net change in fund balances	-	-	-
FUND BALANCES, beginning of year	-	-	-
FUND BALANCES, end of year	\$ -	\$ -	\$ -

2022 T-SPLOST Debt Service		
Final Budget	Actual	Variance With Final Budget
\$ -	\$ 1,990,195	\$ 1,990,195
-	537	537
-	1,990,732	1,990,732
-	-	-
-	-	-
-	-	-
-	-	-
-	1,990,732	1,990,732
-	1,403	1,403
-	1,403	1,403
-	1,992,135	1,992,135
-	-	-
\$ -	\$ 1,992,135	\$ 1,992,135

SPALDING COUNTY, GEORGIA

**CAPITAL PROJECTS FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Capital Projects General		
	Final Budget	Actual	Variance With Final Budget
REVENUES			
Sales taxes	\$ -	\$ -	\$ -
Charges for services	-	-	-
Interest	-	-	-
Total revenues	-	-	-
EXPENDITURES			
Current:			
General government	-	-	-
Other	-	-	-
Capital outlay	177,500	-	177,500
Total expenditures	177,500	-	177,500
Excess (deficiency) of revenues over (under) expenditures	(177,500)	-	177,500
OTHER FINANCING SOURCES			
Transfers in	20,000	20,000	-
Total other financing sources	20,000	20,000	-
Net change in fund balances	(157,500)	20,000	177,500
FUND BALANCES, beginning of year	157,508	157,508	-
FUND BALANCES, end of year	\$ 8	\$ 177,508	\$ 177,500

Impact Fees			2016 SPLOST Capital Projects		
Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget
\$ -	\$ -	\$ -	\$ 1,680,000	\$ 4,127,489	\$ 2,447,489
601,500	823,189	221,689	-	-	-
-	-	-	-	11,369	11,369
<u>601,500</u>	<u>823,189</u>	<u>221,689</u>	<u>1,680,000</u>	<u>4,138,858</u>	<u>2,458,858</u>
55,000	17,940	37,060	-	-	-
-	-	-	1,000	500	500
2,794,000	65,924	2,728,076	9,344,000	2,869,902	6,474,098
<u>2,849,000</u>	<u>83,864</u>	<u>2,765,136</u>	<u>9,345,000</u>	<u>2,870,402</u>	<u>6,474,598</u>
(2,247,500)	739,325	2,986,825	(7,665,000)	1,268,456	8,933,456
-	-	-	-	959,098	959,098
-	-	-	-	957,695	957,695
(2,247,500)	739,325	2,986,825	(7,665,000)	2,226,151	9,891,151
3,128,965	3,128,965	-	9,264,715	9,264,715	-
<u>\$ 881,465</u>	<u>\$ 3,868,290</u>	<u>\$ 2,986,825</u>	<u>\$ 1,599,715</u>	<u>\$ 11,490,866</u>	<u>\$ 9,891,151</u>

(Continued)

SPALDING COUNTY, GEORGIA

**CAPITAL PROJECTS FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Capital Projects 2008 SPLOST		
	Final Budget	Actual	Variance With Final Budget
REVENUES			
Intergovernmental	\$ -	\$ -	\$ -
Interest	-	18	18
Total revenues	<u>-</u>	<u>18</u>	<u>18</u>
EXPENDITURES			
Current:			
Capital outlay	-	-	-
Debt service:			
Interest	1,000	25	975
Issuance costs	-	-	-
Total expenditures	<u>1,000</u>	<u>25</u>	<u>975</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,000)</u>	<u>(7)</u>	<u>993</u>
OTHER FINANCING SOURCES (USES)			
Bonds issued	-	-	-
Premiums on bonds issued	-	-	-
Transfers out	(2,275,000)	(2,343,702)	(68,702)
Total other financing sources (uses)	<u>(2,275,000)</u>	<u>(2,343,702)</u>	<u>(68,702)</u>
Net change in fund balances	(2,276,000)	(2,343,709)	(67,709)
FUND BALANCES, beginning of year	<u>2,343,709</u>	<u>2,343,709</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 67,709</u>	<u>\$ -</u>	<u>\$ (67,709)</u>

Capital Project 2022 T-SPLOST

Final Budget	Actual	Variance With Final Budget
\$ -	\$ 8,525	\$ 8,525
-	8,525	8,525
-	1,786,145	(1,786,145)
-	-	-
-	164,467	(164,467)
-	1,950,612	(1,950,612)
-	(1,942,087)	(1,942,087)
-	10,000,000	10,000,000
-	914,775	914,775
-	-	-
-	10,914,775	10,914,775
-	8,972,688	8,972,688
-	-	-
\$ -	\$ 8,972,688	\$ 8,972,688

SPALDING COUNTY, GEORGIA

**SCHEDULE OF EXPENDITURES OF
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS - 2008 ISSUE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Original Estimated Cost	Current Estimated Cost	Expenditures		
			Prior Years	Current Year	Total
Acquisition, construction and development of property for the Griffin-Spalding Development Authority	\$ 21,250,000	\$ 21,250,000	\$ 20,824,629	\$ -	\$ 20,824,629
Acquisition, construction, improvements, and additions to Griffin Technical College	7,000,000	7,000,000	6,278,038	-	6,278,038
Acquisition of bus for use by senior citizens and other residents	150,000	150,000	127,827	-	127,827
Water and sewerage system improvements and equipment	2,500,000 8,274,197	2,500,000 8,274,197	71,966 7,170,311	- -	71,966 7,170,311
City of Griffin	10,924,198	10,924,198	10,204,020	-	10,204,020
City of Orchard Hill	475,605	475,605	424,749	-	424,749
City of Sunny Side	100,000	100,000	89,288	-	89,288
Bond interest expense	<u>3,326,000</u>	<u>3,326,000</u>	<u>3,026,415</u>	<u>25</u>	<u>3,026,440</u>
	<u>\$ 54,000,000</u>	<u>\$ 54,000,000</u>	<u>\$ 48,217,243</u>	25	48,217,268
Transfer out to Special Purpose Local Option Sales Tax – 2016 Issue				<u>2,343,702</u>	<u>2,343,702</u>
				<u>\$ 2,343,727</u>	<u>\$ 50,560,970</u>

SPALDING COUNTY, GEORGIA

**SCHEDULE OF EXPENDITURES OF
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS - 2016 ISSUE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year	Total
Retirement of outstanding indebtedness	\$ 3,070,000	\$ 3,070,000	\$ 3,107,018	\$ -	\$ 3,107,018
Acquisition and installation of a Computer Aided Dispatch ("CAD") and phone system for E911	1,000,000	1,000,000	1,238,955	-	1,238,955
Equipment for the Senior Nutrition Program	120,000	120,000	120,000	-	120,000
Judicial computer hardware and software upgrades	675,000	675,000	603,189	-	603,189
Acquisition and construction of a pickleball facility	957,000	957,000	1,608,673	-	1,608,673
Fairmont Park improvements	920,000	920,000	994,276	-	994,276
Heritage Park improvements	995,000	995,000	683,802	1,463,012	2,146,814
Acquisition and installation of lighting for soccer at Wyomia Tyus Park	460,000	460,000	445,620	-	445,620
Relocation of 800MHz equipment from Highway 155	426,400	426,400	380,102	-	380,102
Acquisition and equipping of fire trucks, tankers and extraction tools for the Fire Department	831,000	831,000	744,293	-	744,293
Renovation of the Animal Control facility	1,185,000	1,185,000	1,650,191	666,671	2,316,862
Acquisition and equipping of materials for the Griffin-Spalding Library System	250,000	250,000	126,101	66,809	192,910
Improvements to AMBUCS Park, City Park, Dundee Lake Park, and Wyomia Tyus Park	1,031,700	1,031,700	381,398	146,292	527,690
Construction and equipping of a new aquatics center	4,690,000	4,690,000	144,642	368,198	512,840
Acquisition of vehicles and equipment for the Sheriff's Department Gang Reduction and Intervention Program ("GRIP")	270,000	270,000	253,712	-	253,712
Roads, streets, bridges, transportation improvements, and equipment	8,705,851	8,705,851	8,645,581	149,834	8,795,415
City of Orchard Hill	491,452	491,452	415,113	-	415,113
City of Sunny Side	352,430	352,430	76,488	9,586	86,074
Bond interest expense	<u>1,625,167</u>	<u>1,625,167</u>	<u>1,160,667</u>	<u>-</u>	<u>1,160,667</u>
	<u>\$ 28,056,000</u>	<u>\$ 28,056,000</u>	<u>\$ 22,779,821</u>	<u>2,870,402</u>	<u>\$ 25,650,223</u>
Transfer to 2022 SPLOST Debt Service fund				(1,403)	
Transfer from 2016 SPLOST Debt Service fund				959,098	
				<u>\$ 3,828,097</u>	

SPALDING COUNTY, GEORGIA

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

	<u>Original Estimated Cost</u>	<u>Current Estimated Cost</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Acquisition of bus for use by senior citizens and other residents	\$ 400,000	\$ 400,000	\$ -	\$ -	\$ -
Equipment	2,500,000	2,500,000	-	846,005	846,005
Resurfacing of approximately 103 miles of roads and sidewalk and pedestrian connectivity and continuity	32,300,000	29,105,305	-	940,140	940,140
Dirt road improvements	2,500,000	2,500,000	-	-	-
Bond issuance costs	<u>1,694,695</u>	<u>1,694,695</u>	<u>-</u>	<u>164,467</u>	<u>164,467</u>
	<u>\$ 39,394,695</u>	<u>\$ 36,200,000</u>	<u>\$ -</u>	<u>\$ 1,950,612</u>	<u>\$ 1,950,612</u>

CUSTODIAL FUNDS

SPALDING COUNTY, GEORGIA

CUSTODIAL FUNDS

Tax Commissioner	To account for tax billings, collections and remittances made by property owners of record on behalf of other governmental agencies.
Magistrate Court	To account for the receipt and disbursement of court-ordered fines and fees made on behalf of third parties.
Probate Court	To account for the collection of fees for firearms licenses, certificates, marriage licenses, passports, etc., which are disbursed to other parties.
Clerk of Superior Court	To account for the receipt and disbursement of court-ordered fines and fees made on behalf of third parties.
Correctional Institution	To account for the receipt and disbursement of funds held on behalf of state inmates housed in the County correctional facility.
Sheriff	To account for the collection and remittance of fines, bond forfeitures, and various fees, and to account for the receipt and disbursement of funds held on behalf of County inmates housed in the County detention facility.

SPALDING COUNTY, GEORGIA

**COMBINING STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2022**

	<u>Tax Commissioner</u>	<u>Magistrate Court</u>	<u>Probate Court</u>	<u>Clerk of Superior Court</u>
ASSETS				
Cash	\$ 522,810	\$ 240,563	\$ 23,123	\$ 642,916
Taxes receivable	<u>1,675,342</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 2,198,152</u>	<u>\$ 240,563</u>	<u>\$ 23,123</u>	<u>\$ 642,916</u>
LIABILITIES				
Due to others	<u>\$ 2,198,152</u>	<u>\$ 14,647</u>	<u>\$ 5,176</u>	<u>\$ 171,259</u>
NET POSITION				
Restricted for individuals, organizations and other governments	<u>\$ -</u>	<u>\$ 225,916</u>	<u>\$ 17,947</u>	<u>\$ 471,657</u>

<u>Correctional Institution</u>	<u>Sheriff</u>	<u>Custodial Funds Total</u>
\$ 103,704	\$ 532,860	\$ 2,065,976
<u>-</u>	<u>-</u>	<u>1,675,342</u>
<u>\$ 103,704</u>	<u>\$ 532,860</u>	<u>\$ 3,741,318</u>
<u>\$ 31,254</u>	<u>\$ -</u>	<u>\$ 2,420,488</u>
<u>\$ 72,450</u>	<u>\$ 532,860</u>	<u>\$ 1,320,830</u>

SPALDING COUNTY, GEORGIA

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

	<u>Tax Commissioner</u>	<u>Magistrate Court</u>	<u>Probate Court</u>	<u>Clerk of Superior Court</u>
ADDITIONS				
Taxes collected	\$ 39,224,577	\$ -	\$ -	\$ -
Fines and fees collected	-	301,766	106,558	2,573,386
Total additions	<u>39,224,577</u>	<u>301,766</u>	<u>106,558</u>	<u>2,573,386</u>
DEDUCTIONS				
Taxes disbursed	39,215,746	-	-	-
Fines and fees disbursed	-	277,028	102,660	2,235,053
Total deductions	<u>39,215,746</u>	<u>277,028</u>	<u>102,660</u>	<u>2,235,053</u>
Change in net position	8,831	24,738	3,898	338,333
Net position, beginning of year	<u>(8,831)</u>	<u>201,178</u>	<u>14,049</u>	<u>133,324</u>
Net position, end of year	<u>\$ -</u>	<u>\$ 225,916</u>	<u>\$ 17,947</u>	<u>\$ 471,657</u>

<u>Correctional Institution</u>	<u>Sheriff</u>	<u>Custodial Funds Total</u>
\$ -	\$ -	\$ 39,224,577
680,779	235,086	3,897,575
<u>680,779</u>	<u>235,086</u>	<u>43,122,152</u>
-	-	39,215,746
696,513	195,614	3,506,868
<u>696,513</u>	<u>195,614</u>	<u>42,722,614</u>
(15,734)	39,472	399,538
<u>88,184</u>	<u>493,388</u>	<u>921,292</u>
<u>\$ 72,450</u>	<u>\$ 532,860</u>	<u>\$ 1,320,830</u>

COMPONENT UNIT – WATER AUTHORITY

SPALDING COUNTY, GEORGIA

STATEMENT OF NET POSITION COMPONENT UNIT - WATER AUTHORITY JUNE 30, 2022

ASSETS	
CURRENT ASSETS	
Cash and cash equivalents	\$ 14,640,870
Accounts receivable	2,372,435
Due from primary government	3,660
Restricted assets, cash and cash equivalents	<u>1,050,184</u>
Total current assets	<u>18,067,149</u>
NON-CURRENT ASSETS	
Capital assets:	
Capital assets, non-depreciable	1,236,655
Capital assets, depreciable, net of accumulated depreciation	<u>21,988,523</u>
Total capital assets	<u>23,225,178</u>
Total non-current assets	<u>23,225,178</u>
Total assets	<u>41,292,327</u>
LIABILITIES	
CURRENT LIABILITIES	
Accounts payable	50,320
Accrued liabilities	3,082
Current portion of compensated absences payable	8,833
Current portion of bonds payable from restricted assets	940,000
Accrued interest	<u>86,058</u>
Total current liabilities	<u>1,088,293</u>
NON-CURRENT LIABILITIES	
Compensated absences payable, net of current portion	5,888
Bonds payable, net of current portion	<u>6,666,434</u>
Total non-current liabilities	<u>6,672,322</u>
Total liabilities	<u>7,760,615</u>
NET POSITION	
Net investment in capital assets	15,618,744
Unrestricted	<u>17,912,968</u>
Total net position	<u>\$ 33,531,712</u>

SPALDING COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION COMPONENT UNIT - WATER AUTHORITY FOR THE FISCAL YEAR ENDED JUNE 30, 2022

OPERATING REVENUES

Charges for services	\$ 10,565,422
Total operating revenues	<u>10,565,422</u>

OPERATING EXPENSES

Personnel services and employee benefits	394,821
Contracted services	6,092,861
Material and supplies	251,498
Other operating expenses	71,524
Depreciation	761,563
Total operating expenses	<u>7,572,267</u>

Operating income	<u>2,993,155</u>
------------------	------------------

NON-OPERATING INCOME (EXPENSES)

Interest income	638
Interest expense	(188,993)
Total non-operating expense, net	<u>(188,355)</u>

Income before transfers	2,804,800
-------------------------	-----------

TRANSFERS

23,600

Change in net position	2,828,400
------------------------	-----------

NET POSITION, beginning of year	<u>30,703,312</u>
---------------------------------	-------------------

NET POSITION, end of year	<u>\$ 33,531,712</u>
---------------------------	----------------------

SPALDING COUNTY, GEORGIA

**STATEMENT OF CASH FLOWS COMPONENT
UNIT - WATER AUTHORITY
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers and users	\$ 9,420,663
Payments to employees	(400,305)
Payments to suppliers for goods and services provided	<u>(6,412,268)</u>
Net cash provided by operating activities	<u>2,608,090</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Purchases of capital assets	(2,147,051)
Transfers	23,600
Principal payments on long-term borrowings	(905,000)
Interest payments on long-term borrowings	<u>(275,251)</u>
Net cash used in capital and related financing activities	<u>(3,303,702)</u>

Net decrease in cash and cash equivalents	(694,974)
Cash and cash equivalents, beginning of year	<u>16,386,028</u>
Cash and cash equivalents, end of year	<u>\$ 15,691,054</u>

Reconciliation to the statement of net position:

Cash and cash equivalents	\$ 14,640,870
Restricted cash and cash equivalents	<u>1,050,184</u>
Total	<u>\$ 15,691,054</u>

Reconciliation of operating income to net cash provided by operating activities:

Operating income	\$ 2,993,155
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	761,563
Increase in accounts receivable	(1,144,639)
Increase in due from primary government	(120)
Decrease in accrued liabilities	(5,484)
Increase in accounts payable	<u>3,615</u>
Net cash provided by operating activities	<u>\$ 2,608,090</u>

III. STATISTICAL SECTION

STATISTICAL SECTION

This part of Spalding County, Georgia’s (the “County”) Annual Comprehensive Financial Report (“ACFR”) presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government’s overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends	115 – 122
<i>These schedules contain trend information to help the reader understand how the County’s financial performance and well-being have changed over time.</i>	
Revenue Capacity	123 – 128
<i>These schedules contain information to help the reader assess the County’s most significant local revenue source, the property tax.</i>	
Debt Capacity	129 – 132
<i>These schedules contain information to help the reader assess the affordability of the County’s current levels of outstanding debt and the County’s ability to issue additional debt in the future.</i>	
Demographic and Economic Information	133 – 135
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the County’s financial activities take place.</i>	
Operating Information	136 – 139
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the County’s financial report relates to the services the government provides and the activities it performs.</i>	

Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports for the relevant year.

SPALDING COUNTY, GEORGIA

NET POSITION BY COMPONENT LAST TEN FISCAL YEARS

	Fiscal Year Ended June 30,				
	2013	2014	2015	2016	2017
Primary government:					
Governmental activities:					
Investment in capital assets	\$ 85,013,668	\$ 84,742,325	\$ 85,020,018	\$ 80,220,168	\$ 84,145,000
Restricted	22,485,176	22,961,705	22,977,148	22,603,433	18,546,505
Unrestricted	(6,712,169)	(2,321,893)	(4,259,173)	(3,484,551)	(5,647,943)
Total primary government net position	<u>\$ 100,786,675</u>	<u>\$ 105,382,137</u>	<u>\$ 103,737,993</u>	<u>\$ 99,339,050</u>	<u>\$ 97,043,562</u>

Fiscal Year Ended June 30,				
2018	2019	2020	2021	2022
\$ 81,899,912	\$ 81,336,766	\$ 77,247,114	\$ 80,199,921	\$ 73,120,794
16,753,035	21,399,966	24,951,060	25,942,428	36,338,048
(6,092,143)	(3,862,370)	(11,704,117)	(16,012,886)	(7,805,340)
<u>\$ 92,560,804</u>	<u>\$ 98,874,362</u>	<u>\$ 90,494,057</u>	<u>\$ 90,129,463</u>	<u>\$ 101,653,502</u>

SPALDING COUNTY, GEORGIA

CHANGES IN NET POSITION LAST TEN FISCAL YEARS (ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year Ended June 30,				
	2013	2014	2015	2016	2017
Expenses					
Governmental activities:					
General government	\$ 7,179,178	\$ 7,034,101	\$ 5,496,857	\$ 6,313,727	\$ 9,048,366
Judicial	4,858,593	4,794,545	4,938,181	4,801,190	4,454,124
Public safety	27,907,077	27,191,157	27,544,324	28,428,857	30,304,644
Public works	4,423,522	7,115,261	2,688,331	4,512,690	4,683,035
Health and welfare	615,933	569,205	574,334	576,772	559,589
Culture and recreation	2,586,924	2,394,204	2,499,384	3,071,094	2,302,041
Housing and development	793,346	825,926	1,830,357	5,636,437	3,518,215
Interest on long-term debt	749,441	561,341	364,470	759,213	432,502
Total primary government expenses	<u>\$ 49,114,014</u>	<u>\$ 50,485,740</u>	<u>\$ 45,936,238</u>	<u>\$ 54,099,980</u>	<u>\$ 55,302,516</u>
Program revenues					
Governmental activities:					
Charges for services:					
General government	\$ 1,813,058	\$ 1,787,846	\$ 2,318,583	\$ 2,060,790	\$ 2,073,456
Judicial	1,685,596	1,627,286	1,624,499	1,683,399	1,680,909
Public safety	5,300,243	5,225,633	5,654,678	5,757,601	5,817,893
Other activities	380,215	427,564	551,090	580,049	581,784
Operating grants and contributions	1,480,378	1,762,818	1,437,094	1,566,317	1,755,962
Capital grants and contributions	275,942	37,160	6,917	43,316	61,735
Total primary government program revenues	<u>\$ 10,935,432</u>	<u>\$ 10,868,307</u>	<u>\$ 11,592,861</u>	<u>\$ 11,691,472</u>	<u>\$ 11,971,739</u>
Net (expense)/revenue					
Total primary government net expense	<u>\$ (38,178,582)</u>	<u>\$ (39,617,433)</u>	<u>\$ (34,343,377)</u>	<u>\$ (42,408,508)</u>	<u>\$ (43,330,777)</u>
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes					
Property taxes	\$ 23,156,753	\$ 24,660,616	\$ 23,979,331	\$ 25,227,897	\$ 25,102,166
Alcoholic beverage taxes	333,786	330,240	333,273	344,805	340,499
Vehicle taxes	2,119,129	2,609,866	2,481,082	2,349,670	2,297,219
Sales taxes	12,821,902	13,830,494	9,376,475	6,749,243	9,704,870
Intangible taxes	280,425	196,240	198,185	268,726	300,393
Insurance premium taxes	1,791,251	1,861,717	1,964,919	2,104,227	2,239,234
Hotel/motel taxes	110,037	116,554	121,465	98,582	178,892
Other taxes	539,489	528,494	525,761	754,005	737,194
Unrestricted investment earnings	162,997	148,120	142,586	112,410	134,822
Total primary government	<u>\$ 41,315,769</u>	<u>\$ 44,282,341</u>	<u>\$ 39,123,077</u>	<u>\$ 38,009,565</u>	<u>\$ 41,035,289</u>
Change in Net Position					
Total primary government	<u>\$ 3,137,187</u>	<u>\$ 4,664,908</u>	<u>\$ 4,779,700</u>	<u>\$ (4,398,943)</u>	<u>\$ (2,295,488)</u>

Fiscal Year Ended June 30,

2018	2019	2020	2021	2022
\$ 7,094,473	\$ 6,398,786	\$ 9,864,438	\$ 12,527,377	\$ 7,406,448
4,749,565	4,754,535	6,428,585	5,400,942	5,068,086
32,043,298	32,358,206	42,576,772	38,922,165	35,454,459
6,655,312	4,665,063	7,132,495	6,190,601	6,389,904
994,880	1,024,892	1,115,190	1,150,150	1,060,857
3,192,941	2,876,231	4,293,452	3,951,680	3,373,669
4,590,713	1,360,182	1,654,013	2,751,724	2,130,672
558,406	584,771	567,532	588,107	795,380
<u>\$ 59,879,588</u>	<u>\$ 54,022,666</u>	<u>\$ 73,632,477</u>	<u>\$ 71,482,746</u>	<u>\$ 61,679,475</u>

\$ 1,783,252	\$ 1,662,159	\$ 1,769,137	\$ 1,772,658	\$ 1,833,552
2,403,684	2,415,084	2,089,267	2,254,470	2,308,226
6,354,027	6,756,048	6,825,059	6,133,089	6,942,121
1,071,279	1,384,558	1,172,580	1,906,201	1,611,146
1,693,743	1,790,001	2,933,777	3,704,577	1,807,377
543,005	348,719	345,137	1,394,507	929,326
<u>\$ 13,848,990</u>	<u>\$ 14,356,569</u>	<u>\$ 15,134,957</u>	<u>\$ 17,165,502</u>	<u>\$ 15,431,748</u>

<u>\$ (46,030,598)</u>	<u>\$ (39,666,097)</u>	<u>\$ (58,497,520)</u>	<u>\$ (54,317,244)</u>	<u>\$ (46,247,727)</u>
------------------------	------------------------	------------------------	------------------------	-------------------------------

\$ 25,483,255	\$ 27,825,071	\$ 29,768,448	\$ 30,772,322	\$ 33,294,791
320,121	338,099	350,850	371,329	409,846
2,438,219	2,702,707	3,173,566	3,734,827	3,699,214
10,235,164	11,051,719	12,407,764	14,183,537	14,993,150
354,537	366,664	515,881	735,220	879,867
2,420,573	2,610,028	2,800,952	2,976,270	3,092,774
184,931	294,857	274,682	277,764	334,121
767,605	679,187	712,089	788,398	914,646
112,951	111,323	112,983	112,983	153,357
<u>\$ 42,317,356</u>	<u>\$ 45,979,655</u>	<u>\$ 50,117,215</u>	<u>\$ 53,952,650</u>	<u>\$ 57,771,766</u>

<u>\$ (3,713,242)</u>	<u>\$ 6,313,558</u>	<u>\$ (8,380,305)</u>	<u>\$ (364,594)</u>	<u>\$ 11,524,039</u>
-----------------------	---------------------	-----------------------	---------------------	-----------------------------

SPALDING COUNTY, GEORGIA

FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year Ended June 30,				
	2013	2014	2015	2016	2017
General Fund					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Assigned	1,428,381	1,524,540	1,734,488	1,734,488	2,065,765
Unassigned	396,132	1,138,875	1,562,527	2,665,611	3,383,165
Total General Fund	<u>1,824,513</u>	<u>2,663,415</u>	<u>3,297,015</u>	<u>4,400,099</u>	<u>5,448,930</u>
All Other Governmental Funds					
Restricted	23,348,779	24,150,690	23,903,282	23,487,582	19,734,391
Assigned	257,207	137,122	157,108	57,908	77,508
Unassigned	(17,473)	-	(325)	(98,329)	(80,005)
Total All Other Governmental Funds	<u>23,588,513</u>	<u>24,287,812</u>	<u>24,060,065</u>	<u>23,447,161</u>	<u>19,731,894</u>
Total Governmental Funds					
Nonspendable	-	-	-	-	-
Restricted	23,348,779	24,150,690	23,903,282	23,487,582	19,734,391
Assigned	1,685,588	1,661,662	1,891,596	1,791,996	2,143,273
Unassigned	378,659	1,138,875	1,562,202	2,567,282	3,303,160
Total Governmental Funds	<u>\$ 25,413,026</u>	<u>\$ 26,951,227</u>	<u>\$ 27,357,080</u>	<u>\$ 27,846,860</u>	<u>\$ 25,180,824</u>

Fiscal Year Ended June 30,

2018	2019	2020	2021	2022
\$ -	\$ -	\$ -	\$ -	\$ 42
1,985,941	3,931,796	4,428,705	4,858,640	10,756,656
3,978,741	2,293,851	7,777,752	5,439,610	1,088,508
<u>5,964,682</u>	<u>6,225,647</u>	<u>12,206,457</u>	<u>10,298,250</u>	<u>11,845,206</u>
16,666,378	21,741,099	25,914,169	27,211,125	37,509,210
131,343	962,396	159,593	277,411	1,529,398
<u>(130,871)</u>	<u>(109,902)</u>	<u>(77,448)</u>	<u>(16,279)</u>	<u>(16,279)</u>
<u>16,666,850</u>	<u>22,593,593</u>	<u>25,996,314</u>	<u>27,472,257</u>	<u>39,022,329</u>
-	-	-	-	42
16,666,378	21,741,099	25,914,169	27,211,125	37,509,210
2,117,284	4,894,192	4,588,298	5,136,051	12,286,054
3,847,870	2,183,949	7,700,304	5,423,331	1,072,229
<u>\$ 22,631,532</u>	<u>\$ 28,819,240</u>	<u>\$ 38,202,771</u>	<u>\$ 37,770,507</u>	<u>\$ 50,867,535</u>

SPALDING COUNTY, GEORGIA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year Ended June 30,				
	2013	2014	2015	2016	2017
REVENUES					
Taxes	\$ 40,600,157	\$ 44,079,395	\$ 39,399,484	\$ 38,044,455	\$ 40,931,615
Licenses and permits	192,893	227,586	446,798	418,321	392,243
Intergovernmental	1,712,109	1,784,111	1,430,352	1,464,375	1,572,996
Court fees, fines and forfeitures	1,640,502	1,455,478	1,649,797	1,574,445	1,553,137
Charges for services	5,997,745	5,996,839	6,476,550	6,395,476	6,303,136
Interest	151,839	151,156	149,490	122,429	165,022
Contributions and donations	42,094	6,580	6,515	7,190	15,310
Rentals	177,095	172,800	230,493	200,242	194,690
Other	1,172,539	1,215,928	1,345,439	1,588,107	1,878,492
Total Revenues	51,686,973	55,089,873	51,134,918	49,815,040	53,006,641
EXPENDITURES					
General government	4,870,294	4,406,367	4,787,118	5,601,742	6,159,612
Judicial	4,231,806	4,331,535	4,453,014	4,209,749	4,396,908
Public safety	26,894,567	27,261,190	28,032,298	28,089,221	28,851,742
Public works	3,492,002	3,874,610	3,291,378	3,544,994	3,712,824
Health and welfare	614,442	570,127	572,952	555,399	542,743
Culture and recreation	2,417,196	2,265,625	2,596,783	2,469,123	2,543,356
Housing and development	779,043	882,691	859,778	896,855	1,293,733
Intergovernmental	1,760,066	2,278,890	304,851	312,493	-
Capital outlay	3,591,788	2,954,068	1,259,214	9,370,601	8,347,006
Debt service:					
Principal	4,036,121	4,081,346	4,140,010	3,306,685	-
Interest	780,656	645,223	431,669	438,481	381,967
Issuance costs	-	-	-	250,572	-
Total Expenditures	53,467,981	53,551,672	50,729,065	59,045,915	56,229,891
Excess (deficiency) of revenues over (under) expenditures	(1,781,008)	1,538,201	405,853	(9,230,875)	(3,223,250)
OTHER FINANCING SOURCES (USES)					
Transfers in	1,309,771	1,636,593	1,799,381	2,924,615	2,579,853
Transfers out	(1,309,771)	(1,636,593)	(1,799,381)	(2,924,615)	(2,579,853)
Issuance of general obligation bonds	-	-	-	8,800,000	-
Premium on bond issue	-	-	-	1,019,527	-
Capital leases	-	-	-	-	458,342
Total Other Financing Sources (Uses)	-	-	-	9,819,527	458,342
Net Change in Fund Balances	\$ (1,781,008)	\$ 1,538,201	\$ 405,853	\$ 588,652	\$ (2,764,908)
Debt Service as a Percentage of Non-capital Expenditures	9.89%	9.12%	9.62%	6.85%	0.79%

Fiscal Year Ended June 30,

	2018	2019	2020	2021	2022
\$	41,809,792	\$ 44,605,309	\$ 49,534,574	\$ 54,124,918	\$ 57,626,520
	444,861	543,445	500,423	978,071	681,870
	2,720,819	2,935,975	2,915,204	4,769,254	2,633,042
	2,346,158	2,204,448	1,983,126	1,964,327	1,795,694
	6,588,044	7,093,240	7,124,450	7,231,672	7,394,050
	222,788	341,954	312,438	144,945	176,514
	13,465	12,547	31,035	4,695	17,340
	194,408	194,330	196,828	190,396	182,203
	2,150,224	2,246,691	2,307,375	2,589,464	2,704,392
	<u>56,490,559</u>	<u>60,177,939</u>	<u>64,905,453</u>	<u>71,997,742</u>	<u>73,211,625</u>
	7,083,845	6,279,108	8,362,276	12,239,923	7,600,024
	4,722,297	4,798,893	4,987,513	5,137,452	5,489,666
	29,508,660	31,042,684	31,789,250	34,837,175	36,289,000
	4,279,733	5,279,609	4,595,151	4,696,304	5,951,803
	976,264	1,006,296	973,796	1,122,462	1,113,663
	2,822,324	3,003,876	3,176,433	2,952,576	3,340,186
	1,111,086	1,280,492	1,489,274	2,722,062	2,174,445
	-	-	-	-	-
	7,738,743	1,140,703	4,137,636	4,652,555	5,001,603
	58,817	362,108	372,799	3,284,000	3,548,846
	504,452	578,032	567,379	641,075	500,092
	-	-	-	-	164,467
	<u>58,806,221</u>	<u>54,771,801</u>	<u>60,451,507</u>	<u>72,285,584</u>	<u>71,173,795</u>
	<u>(2,315,662)</u>	<u>5,406,138</u>	<u>4,453,946</u>	<u>(287,842)</u>	<u>2,037,830</u>
	2,662,287	3,120,878	1,731,849	3,931,513	5,757,526
	(2,662,287)	(3,120,878)	(1,731,849)	(3,931,513)	(5,757,526)
	-	-	-	-	10,000,000
	-	-	-	-	914,776
	-	547,940	4,929,585	-	-
	-	<u>547,940</u>	<u>4,929,585</u>	<u>-</u>	<u>10,914,776</u>
\$	<u>(2,315,662)</u>	<u>\$ 5,954,078</u>	<u>\$ 9,383,531</u>	<u>\$ (287,842)</u>	<u>\$ 12,952,606</u>
	1.03%	1.86%	1.69%	5.77%	6.44%

SPALDING COUNTY, GEORGIA

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY LAST TEN FISCAL YEARS

Fiscal Year	Assessed Value					Less: Tax Exempt Property	Total Taxable Assessed Value
	Real and Personal Property	Motor Vehicle and Mobile Home	Timber	Heavy Timber			
2013	\$ 1,496,524,055	\$ 121,069,324	\$ 650,043	\$ -	\$ 220,097,899	\$ 1,398,145,523	
2014	1,479,706,924	125,820,159	309,703	-	200,203,913	1,405,632,873	
2015	1,463,189,723	106,571,218	677,011	-	209,881,406	1,360,556,546	
2016	1,519,814,420	79,819,338	1,455,865	-	205,799,187	1,395,290,436	
2017	1,574,189,988	63,144,960	924,412	92,143	202,224,290	1,436,127,213	
2018	1,605,028,191	48,401,542	720,581	89,200	191,620,795	1,462,618,719	
2019	1,647,661,035	39,346,196	414,506	227,080	195,602,397	1,492,046,420	
2020	1,805,581,377	33,679,986	476,686	341,532	222,529,078	1,617,550,503	
2021	1,871,596,468	28,964,911	476,686	405,035	216,728,158	1,684,714,942	
2022	2,016,703,437	25,881,747	289,681	467,766	228,959,713	1,814,382,918	

SOURCE:

Spalding County Board of Equalization and Assessment

Total Taxable Property		Assessed Value as a Percentage of Actual Value
Total Direct Tax Rate	Estimated Actual Value	
15.01	\$ 3,495,363,808	40%
16.01	3,514,082,183	40%
16.01	3,401,391,365	40%
16.01	3,488,226,090	40%
15.66	3,590,318,033	40%
15.36	3,656,546,798	40%
16.54	3,730,116,050	40%
16.54	4,043,876,258	40%
16.14	4,211,787,355	40%
16.14	4,535,957,295	40%

SPALDING COUNTY, GEORGIA

DIRECT AND OVERLAPPING PROPERTY TAX RATES LAST TEN FISCAL YEARS (RATE PER \$1,000 OF ASSESSED VALUE)

	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Spalding County direct rates:										
Unincorporated maintenance and operations	18.73	19.70	19.62	19.60	19.32	18.85	19.95	19.93	19.67	19.83
Sales tax reduction	(3.72)	(3.69)	(3.61)	(3.59)	(3.66)	(3.49)	(3.42)	(3.40)	(3.53)	(3.70)
Total direct rate	15.01	16.01	16.01	16.01	15.66	15.36	16.53	16.54	16.14	16.13
Municipal rates:										
City of Griffin:										
Maintenance and operations	8.61	7.33	7.89	7.89	7.77	7.64	7.64	7.08	7.08	7.08
City of Orchard Hill maintenance and operations										
	5.00	6.31	6.31	6.31	6.31	5.94	5.94	5.61	5.63	5.59
City of Sunny Side maintenance and operations										
	4.08	5.00	5.00	5.00	5.00	5.00	5.00	4.79	4.72	4.64
Fire protection (1)	6.00	6.10	6.22	6.31	5.91	5.84	6.06	6.11	6.11	5.92
Insurance premium rollback (1)	(1.83)	(1.93)	(2.05)	(2.14)	(2.30)	(2.23)	(2.45)	(2.50)	(2.50)	(2.44)
Board of Education	19.47	19.47	19.47	18.74	18.57	18.20	18.07	17.08	16.74	16.74
State of Georgia	0.20	0.15	0.10	0.05	-	-	-	-	-	-
Total Unincorporated Spalding County										
	38.85	39.80	39.75	38.97	37.84	37.17	38.21	37.23	36.49	36.36
Total Municipalities:										
City of Griffin	43.29	42.96	43.47	42.69	42.00	41.20	42.24	40.70	39.96	39.96
City of Orchard Hill	39.68	41.94	41.89	41.11	40.54	39.51	40.54	39.23	38.51	38.47
City of Sunny Side	38.76	40.63	40.58	39.80	39.23	38.56	39.60	38.41	37.60	37.52

SOURCE:

Spalding County Tax Commissioner's Office

NOTE:

(1) Fire protection and insurance premium rollback is applied only to unincorporated rates.

SPALDING COUNTY, GEORGIA

PRINCIPAL PROPERTY TAXPAYERS CURRENT YEAR AND NINE YEARS AGO

Taxpayer	Type of Business	Fiscal Year 2022		
		Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Toppan USA Inc.	GE film (plastic)	\$ 24,450,877	1	1.35%
Caterpillar, Inc.	Power generation systems	23,700,635	2	1.31%
Norcom	School paper products	20,792,573	3	1.15%
Hoshizaki Americas, Inc.	Commercial refrigeration systems	17,781,686	4	0.98%
Pulte Home Company LLC	Sun City Peachtree retirement community	10,862,583	5	0.60%
Central Georgia EMC	Public utility	10,413,340	6	0.57%
Dematic Corporation	Supply chain automation and logistics	9,452,921	7	0.52%
North Griffin Square	Retail	9,268,397	8	0.51%
Wal-Mart Stores, Inc.	Retail	8,395,187	9	0.46%
Griffin Crossroads	Apartment homes	5,298,100	10	0.29%
Tenet/Spalding Regional Hospital	Hospital/healthcare	-	-	-
Transcontinental US LLC	Flexible packaging manufacturing	-	-	-
AEP Industries	Packaging film manufacturing	-	-	-
Norfolk Southern Corporation	Public utility	-	-	-
Total		<u>\$ 140,416,299</u>		<u>7.74%</u>

SOURCE:

Spalding County Tax Commissioner's Office

Fiscal Year 2013		
Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
\$ -		-
44,981,565	1	3.22%
37,513,812	2	2.68%
11,801,206	4	0.84%
8,470,550	8	0.61%
7,146,798	9	0.51%
-		-
-		-
9,188,196	7	0.66%
-	-	-
15,877,628	3	1.14%
10,409,719	6	0.74%
11,362,331	5	0.81%
5,715,115	10	0.41%
<u>\$ 162,466,920</u>		<u>11.62%</u>

SPALDING COUNTY, GEORGIA

PROPERTY TAX LEVIES AND COLLECTIONS LAST TEN FISCAL YEARS

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Original Levy		Amount	Percentage of Adjusted Levy
2013	\$ 20,986,164	\$ 19,551,976	93.17%	\$ 1,257,061	\$ 20,809,037	99.16%
2014	22,504,182	21,422,273	95.19%	1,092,185	22,514,458	100.05%
2015	21,782,510	19,683,567	90.36%	1,026,097	20,709,664	95.07%
2016	22,338,600	20,805,491	93.14%	821,557	21,627,048	96.81%
2017	22,489,752	20,797,500	92.48%	837,269	21,634,769	96.20%
2018	22,465,824	21,133,423	94.07%	713,917	21,847,340	97.25%
2019	24,670,669	22,691,502	91.98%	629,708	23,321,210	94.53%
2020	26,175,770	24,430,912	93.33%	897,358	25,328,270	96.76%
2021	27,187,930	25,437,745	93.56%	562,313	26,000,058	95.63%
2022	29,280,512	26,301,680	89.83%	-	26,301,680	89.83%

SOURCE:

Spalding County Tax Commissioner's Office

SPALDING COUNTY, GEORGIA

RATIOS OF OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Bonds (1)	Certificates of Participation	Intergovernmental Payable	Capital Lease Obligations	Total Debt	Percentage of Personal Income (2)	Total Debt Per Capita (2)
2013	\$ 6,532,634	\$ 5,474,116	\$ -	\$ 2,053,926	\$ 14,060,676	0.75%	\$ 221
2014	3,313,053	5,061,581	-	1,585,115	9,959,749	0.53%	156
2015	-	4,620,000	-	1,186,684	5,806,684	0.30%	91
2016	9,819,527	2,500,000	-	-	12,319,527	0.61%	191
2017	9,661,490	2,500,000	3,300,000	458,342	15,919,832	0.75%	244
2018	9,471,847	2,500,000	3,285,000	399,525	15,656,372	0.72%	237
2019	9,282,204	2,500,000	3,052,500	817,857	15,652,561	0.69%	234
2020	9,092,559	2,500,000	2,815,000	5,612,143	20,019,702	0.84%	297
2021	6,059,922	2,500,000	2,570,000	5,443,143	16,573,065	0.63%	244
2022	13,945,831	2,500,000	2,320,000	5,074,297	23,840,128	0.81%	350

NOTES:

Details regarding Spalding County's outstanding debt can be found in the notes to the financial statements.

(1) Presented net of original issuance discounts and premiums.

(2) See the Schedule of Demographic and Economic Statistics for personal income and population data.

SPALDING COUNTY, GEORGIA

RATIOS OF GENERAL BONDED DEBT OUTSTANDING LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Bonds (1)	Less: Amounts Available in Debt Service Fund (2)	Total	Percentage of Estimated Actual Taxable Value of Property (3)	Bonded Debt Per Capita (4)
2013	\$ 6,532,634	\$ 1,313,912	\$ 5,218,722	0.15%	\$ 82
2014	3,313,053	713,923	2,599,130	0.07%	41
2015	-	-	-	-	-
2016	9,819,527	253,965	9,565,562	0.27%	148
2017	9,661,490	151,150	9,510,340	0.26%	146
2018	9,471,847	572,520	8,899,327	0.24%	135
2019	9,282,204	634,522	8,647,682	0.23%	129
2020	9,092,559	3,702,694	5,389,865	0.13%	80
2021	6,059,922	3,038,100	3,021,822	0.07%	44
2022	13,945,831	5,093,302	8,852,529	0.24%	161

NOTES:

Details regarding Spalding County's outstanding debt can be found in the notes to the financial statements.

- (1) Presented net of original issuance discounts and premiums.
- (2) This is the amount restricted for debt service principal payments.
- (3) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.
- (4) See the Schedule of Demographic and Economic Statistics for population data.

SPALDING COUNTY, GEORGIA

LEGAL DEBT MARGIN INFORMATION LAST TEN FISCAL YEARS

	Fiscal Year Ended June 30,				
	2013	2014	2015	2016	2017
Debt limit	\$ 139,808,821	\$ 140,559,346	\$ 136,055,655	\$ 139,529,044	\$ 143,612,721
Total net debt applicable to limit	6,500,000	3,300,000	-	8,800,000	8,800,000
Legal debt margin	\$ 133,308,821	\$ 137,259,346	\$ 136,055,655	\$ 130,729,044	\$ 134,812,721
Total net debt applicable to the limit as a percentage of debt limit	4.65%	2.35%	0.00%	6.31%	6.13%

NOTE:

Under Georgia law, Spalding County's outstanding general obligation debt should not exceed 10% of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying the general obligation bonds.

Fiscal Year Ended June 30,				
2018	2019	2020	2021	2022
\$ 146,261,872	\$ 149,204,642	\$ 161,755,050	\$ 168,471,494	\$ 181,438,292
<u>8,800,000</u>	<u>8,800,000</u>	<u>8,800,000</u>	<u>5,930,000</u>	<u>8,852,529</u>
<u>\$ 137,461,872</u>	<u>\$ 140,404,642</u>	<u>\$ 152,955,050</u>	<u>\$ 162,541,494</u>	<u>\$ 172,585,763</u>
6.02%	5.90%	5.44%	3.52%	4.88%

Legal Debt Margin Calculation for Fiscal Year 2022

Total assessed value	\$ 2,043,342,631
Less exemptions	228,959,713
Total taxable assessed value	<u>1,814,382,918</u>
Debt limit (10% of assessed value)	181,438,292
Debt applicable to limit:	
General obligation bonds	13,945,831
Less: Amount set aside for repayment of general obligation debt	<u>5,093,302</u>
Total net debt applicable to limit	<u>8,852,529</u>
Legal debt margin	<u>\$ 172,585,763</u>

SPALDING COUNTY, GEORGIA

DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN FISCAL YEARS

Fiscal Year	Population (1)	Personal Income (thousands) (1)	Per Capita Personal Income (1)	School Enrollment (2)	Unemployment Rate (3)
2013	63,521	\$ 1,866,984	\$ 29,392	10,582	12.00%
2014	63,703	1,876,855	29,463	10,626	9.80%
2015	63,826	1,944,012	30,458	10,474	8.40%
2016	64,523	2,029,856	31,459	10,261	7.00%
2017	65,348	2,120,825	32,454	10,305	6.10%
2018	66,092	2,175,022	32,909	10,383	5.10%
2019	66,835	2,268,227	33,938	10,353	4.40%
2020	67,414	2,377,913	35,273	10,207	9.80%
2021	67,306	2,615,132	38,854	9,667	5.20%
2022	68,166	2,926,749	42,936	9,540	3.50%

SOURCES:

- (1) Bureau of Economic Analysis; 2022 population is an estimate by the Georgia Governor's Office of Planning and Budget
- (2) Spalding County Board of Education
- (3) U.S. Bureau of Labor Statistics

SPALDING COUNTY, GEORGIA

PRINCIPAL EMPLOYERS CURRENT YEAR AND NINE YEARS AGO

Employer	Industry	Fiscal Year 2022		
		Employees	Rank	Percentage of Total County Employment
Griffin-Spalding County School System	Education	1,452	1	4.34%
Caterpillar, Inc.	Power generation systems	900	2	2.69%
Wellstar Spalding Regional Medical Center	Hospital/healthcare	900	2	2.69%
Southern Crescent Technical College	Education	640	4	1.91%
Spalding County	Government	601	5	1.80%
CareMaster Medical	Home nursing	600	6	1.79%
City of Griffin	Government	466	7	1.39%
University of Georgia Griffin Campus	Agricultural research education	405	8	1.21%
Norcom	School paper products	280	9	0.84%
1888 Mills/Southern Terry	Terry cloth towels	278	10	0.83%
AEP Industries, Inc.	Packaging film manufacturing	-	-	-
		6,522		19.49%

SOURCE:

Griffin-Spalding County Development Authority

Fiscal Year 2013		
Employees	Rank	Percentage of Total County Employment
1,455	1	4.91%
900	2	3.04%
900	2	3.04%
360	8	1.21%
572	4	1.93%
-	-	0.00%
490	5	1.65%
405	6	1.37%
280	9	0.94%
375	7	1.26%
250	10	0.84%
5,987		20.19%

SPALDING COUNTY, GEORGIA

FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION LAST TEN FISCAL YEARS

Function	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government	49	45	46	48	47	49	49	50	51	49
Judicial	50	48	47	43	42	42	43	43	44	47
Public Safety										
Sheriff:										
Officers	155	155	157	157	144	176	175	175	169	169
Civilians	38	35	38	35	31	24	24	25	31	31
Correctional Institution:										
Officers	77	77	74	75	73	72	72	75	77	77
Civilians	6	6	6	7	6	10	10	10	7	4
Fire:										
Firefighters and officers	81	81	82	81	74	81	81	81	81	81
Civilians	1	1	1	1	1	1	1	1	1	1
Animal Control	5	5	5	5	5	5	5	5	5	6
Coroner	1	1	1	1	1	1	1	1	1	1
Emergency 911	26	26	26	26	24	26	26	26	26	26
800 MHz Communications	1	1	1	1	1	1	1	1	1	2
Homeland Security	1	1	1	1	1	1	1	1	1	1
Juvenile Probation	6	6	6	6	6	6	6	6	6	6
Public Works										
Streets and highways	35	35	32	32	26	32	32	33	33	33
Solid waste	10	10	9	10	9	10	10	10	10	11
Health and Welfare	1	1	1	5	5	5	6	5	5	5
Culture and Recreation	36	34	31	34	32	38	37	37	37	38
Housing and Development	15	15	12	12	12	14	11	10	11	12
Total Governmental Funds	<u>594</u>	<u>583</u>	<u>576</u>	<u>580</u>	<u>540</u>	<u>594</u>	<u>589</u>	<u>595</u>	<u>597</u>	<u>598</u>

SOURCE:

Spalding County Human Resources Department

SPALDING COUNTY, GEORGIA

OPERATING INDICATORS BY FUNCTION LAST TEN FISCAL YEARS

Function	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Public Safety										
Sheriff:										
Physical arrests	1,124	1,019	1,764	1,376	5,254	2,978	1,827	3,149	2,510	4,464
Traffic violations	1,528	1,125	679	640	1,693	3,395	3,903	3,709	3,775	4,502
Fire District:										
Calls answered	1,734	1,747	2,379	3,534	3,442	3,944	2,959	2,709	3,076	4,082
Inspections	267	390	265	512	457	334	697	315	395	339
Public Works										
Street resurfacing (miles)	6	27	-	15	17	12	-	13	13	4

SOURCE:

Various County departments

NOTE:

Indicators are not available for the general government, judicial, culture and recreation, health and welfare, and housing and development functions.

SPALDING COUNTY, GEORGIA

CAPITAL ASSET STATISTICS BY FUNCTION LAST TEN FISCAL YEARS

Function	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Public Safety										
Sheriff:										
Detention facilities	2	2	2	2	2	2	2	2	2	2
Patrol units	53	40	48	50	49	49	49	54	54	55
Fire District:										
Fire stations	7	7	7	7	7	7	7	7	7	7
Fire trucks	11	9	10	12	11	12	11	12	12	12
Public Works										
Roads (miles)	447	448	451	457	457	458	458	471	472	472
Culture and Recreation										
Parks acreage	509	509	509	509	509	509	509	509	557	559
Playgrounds	13	13	13	13	13	17	21	22	24	24
Baseball/softball diamonds	20	20	20	20	20	20	20	20	19	20
Soccer fields	7	7	7	7	7	7	7	7	7	7
Football fields	3	2	2	2	2	2	2	2	2	2
Recreation centers	4	4	3	3	3	3	3	3	3	3
Senior centers	1	1	1	1	1	1	1	1	1	1
Nature trails	1	1	1	1	1	1	1	1	1	1
Walking trails	9	9	9	9	9	10	11	11	11	11
Disc golf courses	-	-	-	1	1	2	3	4	4	4
Skate parks	1	1	1	1	1	1	1	1	1	1
Pickleball courts	-	-	-	-	-	18	18	18	18	18
Bike/hiking trails	-	-	-	-	-	-	-	-	1	1
Dog park	-	-	-	-	-	-	-	-	1	1
Community garden	-	-	-	-	-	-	-	-	1	1

SOURCE:

Various County departments.

NOTE:

Indicators are not available for the general government, judicial, health and welfare, and housing and development functions.

SPALDING COUNTY, GEORGIA

SALES TAX COLLECTIONS LAST TEN FISCAL YEARS

Fiscal Year	Local Option		Special Purpose		Transportation Special Purpose		Total Sales Taxes
	Sales Tax ("LOST")	Percent Increase (Decrease)	Local Option Sales Tax ("SPLOST") (1)	Percent Increase (Decrease)	Local Option Sales Tax ("TSPLOST")	Percent Increase (Decrease)	
2013	\$ 5,075,784	-2.79%	\$ 6,045,005	-21.10%	\$ -	-	\$ 11,120,789
2014	4,881,064	-3.84%	6,473,573	7.09%	-	-	11,354,637
2015	5,071,956	3.91%	4,037,934	-37.62%	-	-	9,109,890
2016	5,229,127	3.10%	1,538,916	-61.89%	-	-	6,768,043
2017	5,157,876	-1.36%	5,059,738	228.79%	-	-	10,217,614
2018	5,192,928	0.68%	4,913,020	-2.90%	-	-	10,105,948
2019	5,713,122	10.02%	5,319,754	8.28%	-	-	11,032,876
2020	6,161,958	7.86%	5,728,989	7.69%	-	-	11,890,947
2021	7,275,252	18.07%	6,800,551	18.70%	-	-	14,075,803
2022	7,684,065	5.62%	5,293,650	-22.16%	1,991,598	100.00%	14,969,313

SOURCE: Spalding County Finance Department

NOTE:

(1) The 2008 SPLOST ended December 31, 2014. The 2016 SPLOST began April 1, 2016 and ended March 31, 2022.

CONTINUING DISCLOSURE INFORMATION

SPALDING COUNTY, GEORGIA

DISCRETELY PRESENTED COMPONENT UNIT SPALDING COUNTY WATER AUTHORITY REVENUE BOND COVERAGE LAST TEN FISCAL YEARS

Fiscal Year	Gross Revenues	Operating Expenses (1)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2013	\$ 7,147,054	\$ 5,142,221	\$ 2,004,833	\$ 1,000,000	\$ 708,000	\$ 1,708,000	1.17
2014	8,021,289	5,685,488	2,335,801	1,020,000	667,600	1,687,600	1.38
2015	7,880,155	5,628,960	2,251,195	140,000	644,400	784,400	2.87
2016	7,762,610	5,755,928	2,006,682	285,000	410,332	695,332	2.89
2017	8,661,978	6,078,404	2,583,574	475,000	421,288	896,288	2.88
2018	8,399,530	6,072,230	2,327,300	605,000	398,438	1,003,438	2.32
2019	8,931,647	6,568,587	2,363,060	710,000	368,313	1,078,313	2.19
2020	9,244,400	6,945,144	2,299,256	810,000	331,694	1,141,694	2.01
2021	9,382,775	6,907,992	2,474,783	880,000	208,411	1,088,411	2.27
2022	10,565,422	6,810,704	3,754,718	905,000	188,993	1,093,993	3.43

NOTE:

(1) Exclusive of depreciation and amortization.

SPALDING COUNTY, GEORGIA

DISCRETELY PRESENTED COMPONENT UNIT SPALDING COUNTY WATER AUTHORITY TEN LARGEST WATER CUSTOMERS CURRENT FISCAL YEAR

Customer	Industry	Rank	Usage (in gallons)	Total Annual Billing	Percentage of Total Annual Charges
Spalding LEC	Government	1	14,300,237	\$ 155,269	1.66 %
Trimark Northside	Apartment homes	2	12,772,971	138,114	1.48
Caterpillar	Power generation system	3	10,149,851	110,659	1.18
Walker Concrete	Concrete company	4	7,387,661	80,218	0.86
Spalding CI	Government	5	5,616,503	61,095	0.65
AEP Industries	Packaging film	6	4,761,390	51,618	0.55
Brightmoor	Nursing home	7	4,666,898	50,769	0.54
Del Webb's SCP HOA	Home owners association	8	3,938,867	42,989	0.46
Sumika	Polypropylene products	9	3,778,054	41,074	0.44
Rinnai America Corp	Tankless water heaters	10	3,175,656	34,410	0.37
Total			<u>70,548,088</u>	<u>\$ 766,215</u>	<u>8.19 %</u>

SOURCE:

City of Griffin

SPALDING COUNTY, GEORGIA

DISCRETELY PRESENTED COMPONENT UNIT SPALDING COUNTY WATER AUTHORITY NUMBER OF CUSTOMERS AND CONSUMPTION LAST TEN FISCAL YEARS

Fiscal Year	Number of Customers (as of June 30)	Total Water Consumption	Rates per 1,000 Gallons		
			1,000 - 7,000 Gallons	7,000 - 10,000 Gallons	Over 10,000 Gallons
2013	12,193	\$ 776,411,400	\$ 7.06	\$ 8.83	\$ 9.67
2014	12,478	753,268,900	7.06	8.83	9.67
2015	12,656	754,504,640	7.06	8.83	9.67
2016	12,943	740,362,000	7.37	9.21	10.10
2017	13,029	801,021,100	7.37	9.21	10.10
2018	13,185	764,139,600	7.37	9.21	10.10
2019	13,520	778,475,600	7.95	9.94	10.89
2020	13,804	809,041,230	7.95	9.94	10.89
2021	13,756	804,037,070	7.95	9.94	10.89
2022	14,623	805,165,620	7.95	9.94	10.89

SOURCE:
City of Griffin

SPALDING COUNTY, GEORGIA

DISCRETELY PRESENTED COMPONENT UNIT SPALDING COUNTY WATER AUTHORITY SUMMARY OF WATER COSTS AND WHOLESALE WATER RATES PAID TO THE CITY OF GRIFFIN - LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Total Water Cost</u>	<u>Price per 1,000 Gallons (1)</u>
2013	\$ 4,880,469	\$ 6.51
2014	4,778,185	6.17
2015	4,698,232	6.29
2016	4,764,166	6.60
2017	5,164,211	6.27
2018	4,794,798	6.28
2019	5,103,514	6.86
2020	5,541,020	6.74
2021	5,372,459	6.72
2022	5,518,806	7.06

SOURCE:

City of Griffin

NOTE:

(1) The significant rise in wholesale water rates in 2011 and later years is primarily due to an increase in debt service (and thus operating costs) of the City associated with the Still Branch Reservoir.

SPALDING COUNTY, GEORGIA

**DISCRETELY PRESENTED COMPONENT UNIT
SPALDING COUNTY WATER AUTHORITY
WATER CONNECTION FEES AND SEWER SERVICE RATES
CURRENT FISCAL YEAR**

Water Connection Fees (1)		Sewer Service Rates (2)	
Meter Size	Cost	Gallons	Sewer Service Rate
3/4"	\$ 930	Up to 2,000	\$ 21.60
1"	1,185		
2" or larger	1,000	Over 2,000	10.80/1,000 gallons
Fire lines	1,000		

SOURCE:

Spalding County Water Authority

NOTES:

- (1) The current water tap fees have been in effect since 2006.
- (2) The current sewer service rates have been in effect since inception of the sewer system.

IV. SUPPLEMENTAL SCHEDULE

Supplemental Schedules are used to demonstrate finance-related legal and contractual compliance, provide details of data summarized in the financial statements and present other information deemed useful.

SPALDING COUNTY, GEORGIA

**SCHEDULE OF STATE CONTRACTUAL ASSISTANCE - DHR
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

<u>State Program Name</u>	<u>Contract Number</u>	<u>Contract Period</u>	<u>Due From State June 30, 2021</u>	<u>Revenue Received</u>	<u>Expenditures</u>	<u>Due From State June 30, 2022</u>
Community Services Block Grant	42700-040-0000096875	July 2021 - September 2021	\$ 19,306	\$ 74,714	\$ 55,408	\$ -
Community Services Block Grant	42700-040-0000088063	October 2021 - June 2022	-	118,255	52,957	65,298
			<u>\$ 19,306</u>	<u>\$ 192,969</u>	<u>\$ 108,365</u>	<u>\$ 65,298</u>

V. 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**

**To the Board of Commissioners
of Spalding County, Georgia
Griffin, 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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of **Spalding County, Georgia** (the "County"), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated December 30, 2022. Our report includes a reference to other auditors who audited the financial statements of the Spalding County Board of Health and the Griffin-Spalding County Development Authority, as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

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.



Macon, Georgia
December 30, 2022

SPALDING COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

SECTION I SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting: Material weaknesses identified?	___ Yes <u> X </u> No
Significant deficiencies identified not considered to be material weaknesses?	___ Yes <u> X </u> None Reported
Noncompliance material to financial statements noted?	___ Yes <u> X </u> No

Federal Awards

There was not an audit of major federal award programs as of June 30, 2022 due to the total amount expended being less than \$750,000.

SECTION II FINANCIAL STATEMENT FINDINGS AND RESPONSES

None reported.

SECTION III FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None reported.

SPALDING COUNTY, GEORGIA
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

None reported.