

CHATTOOGA COUNTY, GEORGIA
FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023

BLAKE ELSBERRY, COUNTY COMMISSIONER
MARTHA TUCKER, COUNTY CLERK

CHATTOOGA COUNTY, GEORGIA
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BASIC FINANCIAL STATEMENTS

The basic financial statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

Government – Wide Financial Statements

Statement of Net Position

Statement of Activities

Fund Financial Statements

Governmental Funds

Proprietary (Enterprise) Funds

Fiduciary Fund Financial Statements

Custodial Funds

Notes to Basic Financial Statements

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Professional Corporation
Member
American Institute of
Certified Public Accountants
Trion, Georgia

INDEPENDENT AUDITOR'S REPORT

To the Commissioner
Chattooga County, Georgia

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Chattooga County, Georgia, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Chattooga County, Georgia as of December 31, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof and the budgetary comparison for the General 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 component unit, Chattooga County Health Department, which represent 3.4 percent, 1 percent, and 3.7 percent, respectively, of the assets, net position, and revenues of the County as of December 31, 2023, 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 report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Chattooga County Health Department, is based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Chattooga County, Georgia, 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; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Chattooga County, Georgia'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 Chattooga County, Georgia'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 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Chattooga County, Georgia's basic financial statements. The combining and individual fund nonmajor fund financial statements, and the schedules of special purpose local option sales tax expenditures, as required by the Official Code of Georgia 48-8-121, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit and the report of the other auditors, the combining and individual non-major fund financial statements, the schedules of special purpose local option sales expenditures are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 2, 2024 on our consideration of Chattooga County, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Chattooga County, Georgia's internal control over financial reporting and compliance.



CHRYSAN THOMAS
Certified Public Accountant

Trion, Georgia
December 2, 2024

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**CHATTOOGA COUNTY, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2023**

Our discussion and analysis of Chattooga County, Georgia's financial performance provides an overview of the County's financial activities for the fiscal year ended December 31, 2023. The County's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section. The discussion focuses on the County's primary government and, unless otherwise noted, component units reported separately from the primary government are not included.

Financial Highlights

- The County's total net assets increased by \$2,598,693, primarily as a result from the American Rescue Plan Act (ARPA) funds from the federal government. The net assets of our business-type activities decreased by \$108,755 while the assets of our governmental activities increased by \$2,707,448.
- During the year, the County had expenses that were \$2,707,000 less than the \$20.8 million generated in tax and other revenues for total governmental programs, including grants and ARPA funds.
- During 2023 the county was able to borrow \$2.18 million less than in 2022 from their Tax Anticipation Note (TAN).
- The County's governmental activities reported an increase in net assets this year of \$2,707,448.
- The increase in material costs continue to impact the county's revenue stream, but the county continues to improve its overall position.

Overview of the Financial Statements

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

Government-wide Financial Statements

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

The first of these government-wide statements is the *Statement of Net Position*. This statement is the government-wide statement of position presenting information that includes all of the County's assets and liabilities, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County as a whole is improving or deteriorating. Evaluation of the overall health of the County would extend to other non-financial factors such as diversification of the taxpayer base or the condition of County infrastructure in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities*, which reports how the County's net position changed during the current year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the County's distinct activities or functions on revenues provided by the County's taxpayers.

Both government-wide financial statements distinguish governmental activities of the County that are principally supported by taxes and user charges, and from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, public safety, public works, court system, cultural and recreational, sanitation, and health and welfare. Business-type activities include the Chattooga County Water District. The County's fiduciary activities simply hold resources temporarily for others and are not included in the government-wide statements since these assets are not available to fund County programs.

The County's financial reporting includes the funds of the County (primary government) and, additionally, organizations for which the County is accountable (component units). Component units operate independently or provide services directly to the citizens, though the County remains accountable for their activities. A board of directors that the County has the authority to make all or some of the appointments governs component units. Chattooga County has one component unit, the County Health Department, is reported separately from the primary government though included in the County's overall reporting entity.

Fund Financial Statements

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

The County has three kinds of funds:

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

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

Budgetary comparison statements are included in the basic financial statements for the general fund. Budgetary comparison schedules for special revenue funds and the capital project funds can be found in a later section of this report. These statements and schedules demonstrate compliance with the County's adopted and final revised budget.

Proprietary funds are reported in the fund financial statements and generally report services for which the County charges customers a fee. There are two kinds of proprietary funds. These are enterprise funds and internal service funds. Enterprise funds essentially encompass the same functions reported as business-type activities in the government-wide statements. Services are provided to customers external to the County organization such as the Chattooga County Water District. Internal service funds provide services and charges fees to customers (i.e., other funds) within the County organization. The County does not have any internal service funds. Proprietary fund statements and statements for discretely presented component units (reporting is similar to proprietary funds) provide both long-term and short-term financial information consistent with the focus provided by the government-wide financial statement but with more detail for major enterprise funds and individual component units. Individual fund information for non-major enterprise funds is found in combining and individual fund statements in a later section of this report.

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

Notes to the basic financial statements

The accompanying notes to the basic financial statements provide information essential to a full understanding of the government-wide and fund financial statements.

Other information

Major funds and component units are reported in the basic financial statements as discussed. Combining and individual statements and schedules for non-major funds are presented in a subsequent section of this report.

Financial Analysis of the County as a Whole

As noted previously, net position may serve over time as a useful indicator of a government's financial positions. The County's combined net position (governmental and business-type activities) totaled \$26.38 million at December 31, 2023.

The following table provides a summary of the County's governmental and business-type net position for the years 2023 and 2022.

Table 1
Net Position

| | <u>Governmental Activities</u> | | <u>Business-type Activities</u> | | <u>Total</u> | |
|--------------------------|--------------------------------|----------------------|---------------------------------|---------------------|----------------------|---------------------|
| | <u>2023</u> | <u>2022</u> | <u>2023</u> | <u>2022</u> | <u>2023</u> | <u>2022</u> |
| Current and other Assets | \$ 11,921,063 | \$ 11,395,881 | \$ 58,812 | \$ (21,697) | \$ 11,979,875 | \$11,374,184 |
| Capital assets - net | <u>7,726,442</u> | <u>7,657,007</u> | <u>15,917,508</u> | <u>16,330,317</u> | <u>23,643,950</u> | <u>23,987,324</u> |
| Total Assets | <u>19,647,505</u> | <u>19,052,888</u> | <u>15,976,320</u> | <u>16,308,620</u> | <u>35,623,825</u> | <u>35,361,508</u> |
| Long-term debt | | | | | | |
| Outstanding | - | 37,061 | 7,043,975 | 7,275,388 | 7,043,975 | 7,312,449 |
| Other liabilities | <u>1,935,716</u> | <u>4,011,486</u> | <u>268,634</u> | <u>260,766</u> | <u>2,204,350</u> | <u>4,272,252</u> |
| Total liabilities | <u>1,935,716</u> | <u>4,048,547</u> | <u>7,312,609</u> | <u>7,536,154</u> | <u>9,248,325</u> | <u>11,584,701</u> |
| Net Position: | | | | | | |
| Net investment | | | | | | |
| In Capital Assets | 7,726,442 | 7,575,446 | 8,642,120 | 8,828,631 | 16,368,562 | 16,404,077 |
| Restricted | 2,402,919 | 1,663,543 | - | - | 2,402,919 | 1,663,543 |
| Unrestricted | <u>7,582,428</u> | <u>5,765,352</u> | <u>21,591</u> | <u>(56,165)</u> | <u>7,604,019</u> | <u>5,709,187</u> |
| Total Net Position | <u>\$ 17,711,789</u> | <u>\$ 15,004,341</u> | <u>\$ 8,663,711</u> | <u>\$ 8,772,466</u> | <u>\$ 26,375,500</u> | <u>\$23,776,807</u> |

For the year ended December 31, 2023, the County's net position increased from 2022. Our analysis focuses on the net position (Table 1 above) and changes in net position (Table 2 below) of the County's governmental and business-type activities.

The major infrastructures (roads, streets, and bridges) that the County owns or is responsible for maintaining has been included in the capital assets and net position of the County for 2023 and 2022. Capital assets are used to provide services to the County's citizens; therefore, are not available for future spending. Although the County's investment in its capital assets are 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.

Changes in Net Position

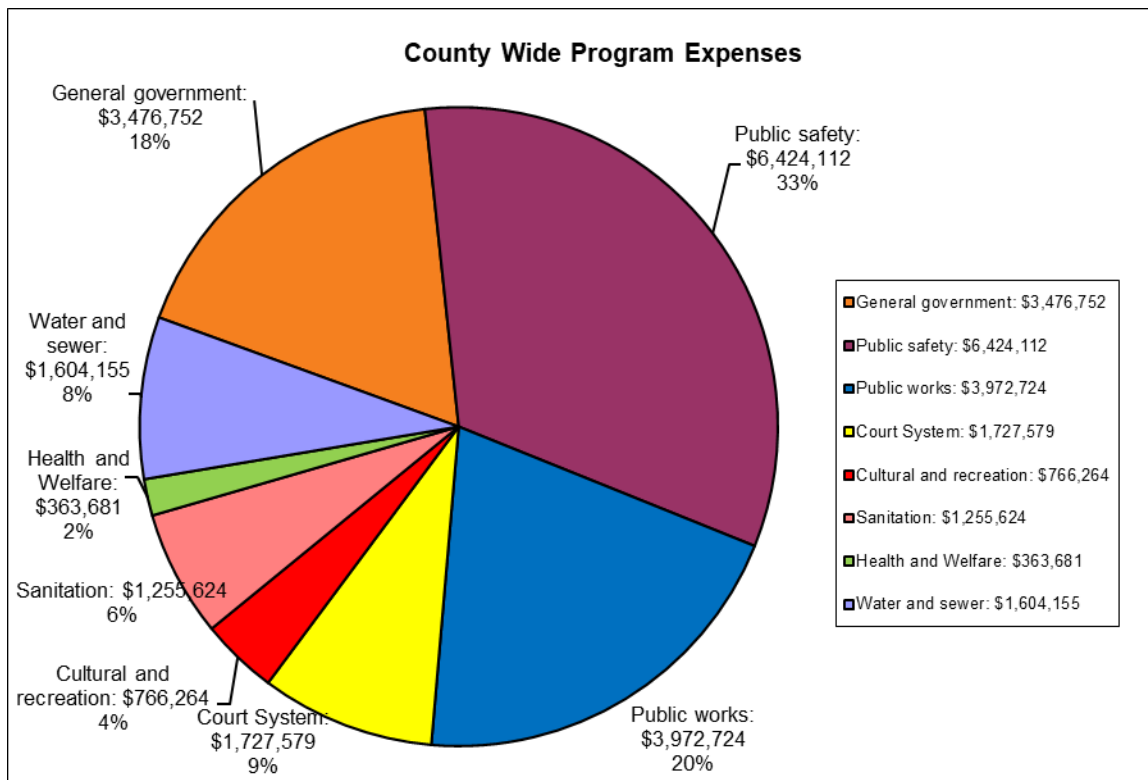
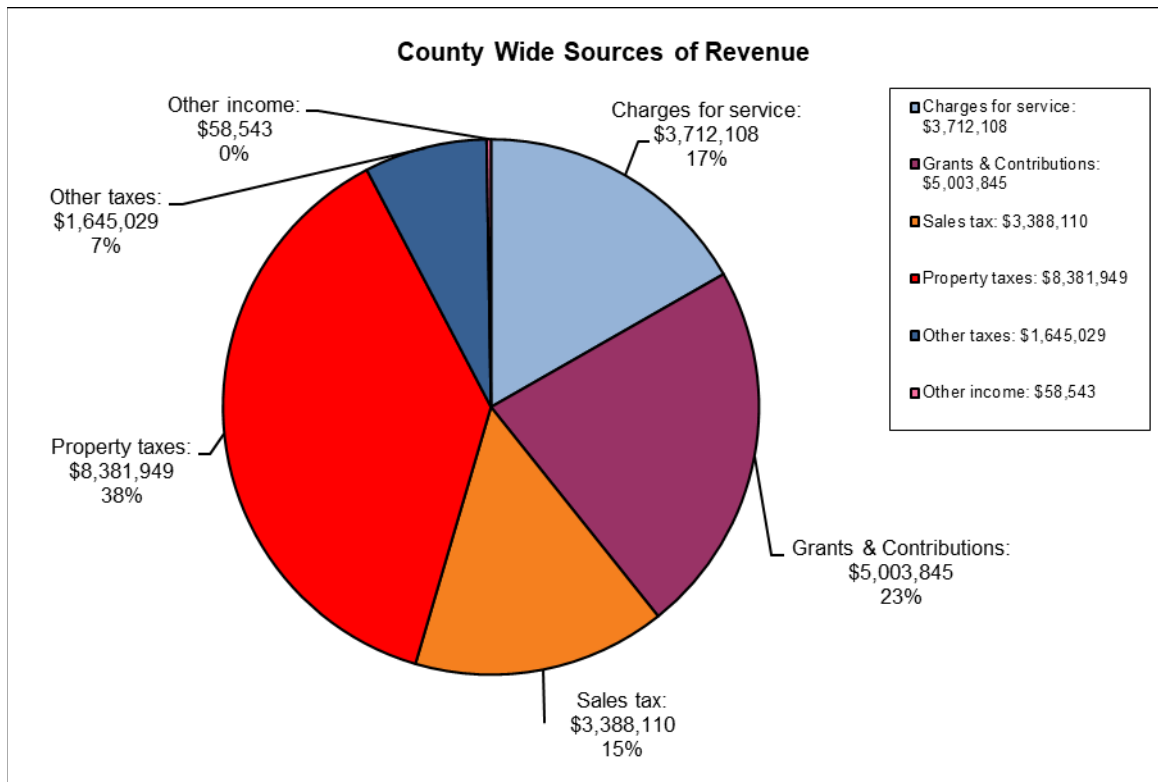
Governmental and business-type activities increased the County's net position by \$2,598,693 during 2023. American Rescue Plan funds of \$2,425,138 were recognized in 2023. Eligible expenditures recognized in 2023 include reimbursements to the general fund for payroll and various expenditures. State LMIG money of \$583,066 was received in 2023 and was spent on road improvements.

The following table indicates the changes in net assets for governmental and business-type activities during 2023 and 2022.

Table 2
Changes in Net Position

| | <u>Governmental Activities</u> | | <u>Business Activities</u> | | <u>Total Primary</u> | |
|---|--------------------------------|---------------------|----------------------------|---------------------|----------------------|----------------------|
| | <u>2023</u> | <u>2022</u> | <u>2023</u> | <u>2022</u> | <u>2023</u> | <u>2022</u> |
| Revenues | | | | | | |
| Program revenues | | | | | | |
| Charges for services | \$ 2,350,213 | \$ 2,354,733 | \$ 1,361,895 | \$ 1,283,545 | \$ 3,712,108 | \$ 3,638,278 |
| Operating grants | 5,003,845 | 2,301,188 | - | - | 5,003,845 | 2,301,188 |
| Capital grants | - | 6,508 | - | 901,643 | - | 908,151 |
| General revenues | | | | | | |
| Property taxes | 10,026,978 | 10,223,206 | - | - | 10,026,978 | 10,223,206 |
| Sales taxes | 3,388,110 | 3,232,217 | - | - | 3,388,110 | 3,232,217 |
| Other revenues | 51,376 | 35,901 | 7,167 | 177 | 58,543 | 36,078 |
| Total revenues | <u>20,820,522</u> | <u>18,153,753</u> | <u>1,369,062</u> | <u>2,185,365</u> | <u>22,189,584</u> | <u>20,339,118</u> |
| Program expenses | | | | | | |
| General government | 3,473,989 | 2,078,179 | - | - | 3,473,989 | 2,078,179 |
| Public safety | 6,424,112 | 6,014,945 | - | - | 6,424,112 | 6,014,945 |
| Public works | 3,972,724 | 4,209,333 | - | - | 3,972,724 | 4,209,333 |
| Court system | 1,727,579 | 1,629,076 | - | - | 1,727,579 | 1,629,076 |
| Cultural & recreational | 766,264 | 789,217 | - | - | 766,264 | 789,217 |
| Sanitation | 1,255,624 | 1,062,035 | - | - | 1,255,624 | 1,062,035 |
| Health and welfare | 363,681 | 395,701 | - | - | 363,681 | 395,701 |
| Interest Expense | 2,763 | 8,558 | - | - | 2,763 | 8,558 |
| Water and sewer | - | - | 1,604,155 | 1,689,291 | 1,604,155 | 1,689,291 |
| Total expenses | <u>17,986,736</u> | <u>16,187,047</u> | <u>1,604,155</u> | <u>1,689,291</u> | <u>19,590,891</u> | <u>17,876,338</u> |
| Excess (deficiency) before transfers and other items | 2,833,786 | 1,966,706 | (235,093) | 496,074 | 2,598,693 | 2,462,780 |
| Transfers-in (Out) | (126,338) | (252,031) | 126,338 | 252,031 | - | - |
| Increase (decrease) | | | | | | |
| Change in net position | <u>2,707,448</u> | <u>1,714,675</u> | <u>(108,755)</u> | <u>748,105</u> | <u>2,598,693</u> | <u>2,462,780</u> |
| Net position - beginning | <u>15,004,341</u> | <u>13,289,666</u> | <u>8,772,466</u> | <u>8,024,361</u> | <u>23,776,807</u> | <u>21,314,027</u> |
| Net position - ending | <u>\$17,711,789</u> | <u>\$15,004,341</u> | <u>\$ 8,663,711</u> | <u>\$ 8,772,466</u> | <u>\$ 26,375,500</u> | <u>\$ 23,776,807</u> |

The graphs below summarize the \$22,189,584 of the County-Wide Revenue by source, and the associated \$19,590,891 of expenses by program. The graph combines data from both governmental and business-type activities.



Financial Analysis of the County's Funds

Governmental Activities

To aid in the understanding of the Government-wide Statement of Activities on pages 15 and 16 some additional explanation is given. Of particular interest is the format that is significantly different from a typical Statement of Revenues, Expenses, and Changes in Fund Balance. Expenses are listed in the first column and revenues from that particular program are reported to the right. The result is a Net (Expense)/Revenue. The reason for this kind of format is to highlight the relative financial burden of each of the functions on the County's taxpayers. It also identifies how much each function draws from the general revenues or if it is self-financing through fees and grants. All other governmental revenues are reported as general at the bottom of the statement. It is important to note that all taxes are classified as general revenues even if restricted for a specific purpose.

Table 3 presents the cost of each of the County's departments as well as each program's net cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the County's taxpayers by each of these functions.

Table 3

| | Governmental Activities | | Governmental Activities | |
|--------------------------------|--------------------------------------|------------------------------------|--------------------------------------|------------------------------------|
| | 2023 | | 2022 | |
| | <u>Total Cost of Services</u> | <u>Net Cost of Services</u> | <u>Total Cost of Services</u> | <u>Net Cost of Services</u> |
| General Government | \$ 3,476,752 | \$ (439,331) | \$ 2,086,737 | \$ 635,131 |
| Sheriff and Jail, 911 and Fire | 6,424,112 | 4,965,225 | 6,014,945 | 4,651,147 |
| Public Works | 3,972,724 | 3,389,427 | 4,209,333 | 385,890 |
| Court System | 1,727,579 | 1,091,181 | 1,629,076 | 1,038,264 |
| Cultural and Recreation | 766,264 | 651,980 | 789,217 | 595,357 |
| Sanitation | 1,255,624 | 610,515 | 1,062,035 | 590,908 |
| Health and Welfare | <u>363,681</u> | <u>363,681</u> | <u>395,704</u> | <u>395,704</u> |
| Total | <u>\$ 17,986,736</u> | <u>\$ 10,632,678</u> | <u>\$ 16,187,047</u> | <u>\$ 8,292,401</u> |

Business-type Activities

Revenues of the County's business-type activities (see Table 2) decreased by \$646,410 for 2023 over 2022 due to a CDBG grant received in the prior year. Expenses decreased by \$85,136 for 2023 over 2022. A summary of activity follows in Table 4.

Table 4

| | <u>Water and Sewer</u> | |
|--|------------------------|-------------------|
| | <u>2023</u> | <u>2022</u> |
| Revenues: | | |
| Charges for Services | \$ 1,361,895 | \$ 1,283,545 |
| Capital Grants | - | 731,750 |
| Other Revenues | <u>7,167</u> | <u>177</u> |
| Total Revenues | <u>1,369,062</u> | <u>2,015,472</u> |
| Expenses: | | |
| Operating Expenses Other than Depreciation | 895,900 | 992,087 |
| Depreciation | 460,060 | 444,088 |
| Interest Expense | <u>248,195</u> | <u>253,116</u> |
| Total Expenses | <u>1,604,155</u> | <u>1,689,291</u> |
| Capital Contributions | 47,250 | 169,893 |
| Transfers in | <u>79,088</u> | <u>252,031</u> |
| Net Income(Loss) | <u>\$ (108,755)</u> | <u>\$ 748,105</u> |

The County's Funds

The County completed the year with its governmental funds (as presented in the balance sheet on page 17) reporting a *combined* fund balance of \$ 8,121,318 compared to \$ 7,072,225 for 2022.

The County received \$3.38 million in SPLOST revenue for various projects of the Cities and County. The amounts paid to the Cities were as follows:

| | | | |
|-------------|------------|--------|------------|
| Summerville | \$ 929,342 | Menlo | \$ 126,728 |
| Trion | \$ 354,840 | Lyerly | \$ 126,728 |

The Cities receive payments from the County government as reimbursement for operations of the fire departments. The amount provided was \$96,000 in 2023 and \$96,000 in 2022. ARPA funds were also given to the fire departments of \$63,719.

In addition, the County government made reimbursement payments to the Cities to assist in providing recreation. The amount provided was \$155,000 in 2023 and 2022.

There were no significant variations in budget revenues. The General Fund actual charges (expenditures) were even to the final budget amounts.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As of December 31, 2023, the County had \$23.6 million invested in a broad range of capital assets, including police and administrative equipment, buildings, vehicles, water lines, and infrastructure. (See Table 5 below). These amounts include infrastructure cost of the governmental activities and are net of \$61.6 million in accumulation depreciation.

Table 5

Capital Assets at Year-End

(Net of Depreciation)

| | 2023 | | | 2022 |
|----------------|-------------------------|--------------------------|--------------------------|--------------------------|
| | Governmental Activities | Business-type Activities | Primary Government Total | Primary Government Total |
| Land and CIP | \$ 489,812 | \$ 77,274 | \$ 567,086 | \$ 546,711 |
| Buildings | 2,668,740 | 33,201 | 2,701,941 | 2,717,178 |
| Equipment | 1,527,791 | 44,221 | 1,572,012 | 1,366,558 |
| Infrastructure | <u>3,040,099</u> | <u>15,762,812</u> | <u>18,802,911</u> | <u>19,356,877</u> |
| Total | <u>\$ 7,726,442</u> | <u>\$ 15,917,508</u> | <u>\$ 23,643,950</u> | <u>\$ 23,987,324</u> |

Debt

At December 31, 2023, the County had \$7.3 million in bonds and loans payable as presented in Table 6 below.

Table 6

Outstanding Debt at December 31, 2023

| | 2023 | | | 2022 |
|--|-------------------------|--------------------------|--------------------------|--------------------------|
| | Governmental Activities | Business Type Activities | Primary Government Total | Primary Government Total |
| Revenue Bonds (secured by specific fee revenues of the water system) | \$ - | \$ 6,409,632 | 6,409,632 | \$ 6,542,102 |
| GEFA Loans (secured by water system) | - | 865,756 | 865,756 | 959,583 |
| | - | - | - | - |
| Total | <u>\$ -</u> | <u>\$ 7,275,388</u> | <u>\$ 7,275,388</u> | <u>\$ 7,583,246</u> |

Details of capital assets and debt are disclosed in Notes 6 through 10 of the Notes to the Financial Statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The County is an average size county for Georgia but it is not located on a major interstate. The County population has seen a steady increase since the 2020 census. The tax base has remained relatively constant with primary industries being in the area of manufacturing. Major projects have been in the water utility department, broadband expansion, healthcare expansion, improving the county's capital assets, and the renovation of the historic theater in downtown Summerville.

Chattooga County continues to improve its economic and financial position overall.

The 2023 budget has been prepared with no increase in the millage rate. At December 31, 2023, the general fund had a fund balance of \$5,835,631 compared to \$5,408,682 from the prior year. Decreases in expenditures during 2023 had a positive effect on fund balance.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have questions about this report or would like to request additional financial information, please contact:

Chattooga County Commissioner's Office
10102 Commerce Street
Summerville, Georgia 30747

Telephone: 706-857-0700

Website: www.chattoogacountyga.com



Blake Elsberry, Commissioner
Chattooga County, Georgia

CHATTOOGA COUNTY, GEORGIA
STATEMENT OF NET POSITION
December 31, 2023

| | <u>Primary Government</u> | | | <u>Component Unit</u> |
|--|--------------------------------|---------------------------------|----------------------|-----------------------|
| | <u>Governmental Activities</u> | <u>Business-Type Activities</u> | <u>Total</u> | |
| Assets | | | | |
| Cash and Cash Investments | \$ 6,183,597 | \$ 225,458 | \$ 6,409,055 | \$ 696,593 |
| Receivables (Net of Allowance for Doubtful Accounts) | | | | |
| Ad Valorem Taxes | 4,026,804 | - | 4,026,804 | - |
| Other Taxes | 133,238 | - | 133,238 | - |
| Accounts | 31,686 | 207,039 | 238,725 | 1,302 |
| Due from Other Governments | 1,090,754 | - | 1,090,754 | 40,390 |
| Internal Balances | 454,984 | (454,984) | - | - |
| Inventories | - | 48,793 | 48,793 | 2,431 |
| Prepaid Items | - | 5,500 | 5,500 | 298 |
| Restricted Assets | | | | |
| Cash and Cash Investments | - | 27,006 | 27,006 | - |
| Capital Assets: | | | | |
| Construction in Process | - | 20,375 | 20,375 | - |
| Right to use leased assets, Net of amortization | - | - | - | 6,210 |
| Land | 489,812 | 56,899 | 546,711 | - |
| Buildings | 5,330,456 | 145,810 | 5,476,266 | - |
| Equipment | 6,205,505 | 940,328 | 7,145,833 | - |
| Infrastructure | 50,341,455 | 22,512,354 | 72,853,809 | - |
| Accumulated Depreciation | (54,640,786) | (7,758,258) | (62,399,044) | - |
| Total Assets | <u>19,647,505</u> | <u>15,976,320</u> | <u>35,623,825</u> | <u>747,224</u> |
| Deferred Outflows of Resources | - | - | - | <u>477,444</u> |
| Liabilities | | | | |
| Accounts Payable | 494,510 | 17,331 | 511,841 | 130 |
| Due to Other Governments | 266,866 | - | 266,866 | - |
| Unearned Revenue | 1,174,340 | - | 1,174,340 | - |
| Deposits | - | 19,890 | 19,890 | - |
| Current Portion of Long-term Debt | - | 231,413 | 231,413 | 8,203 |
| Non-Current Liabilities | | | | |
| Notes payable | - | - | - | 4,502 |
| Bonds Payable | - | 7,043,975 | 7,043,975 | - |
| Net pension liability | - | - | - | 924,166 |
| Net other post-employment benefits | - | - | - | (55,429) |
| Compensated absences | - | - | - | 58,064 |
| Total Liabilities | <u>1,935,716</u> | <u>7,312,609</u> | <u>9,248,325</u> | <u>939,636</u> |
| Deferred Inflows of Resources | - | - | - | <u>75,335</u> |
| Net Position | | | | |
| Net investment in Capital Assets | 7,726,442 | 8,642,120 | 16,368,562 | 6,210 |
| Restricted for | | | | |
| Capital projects | 1,304,374 | - | 1,304,374 | - |
| Special Programs | 1,098,545 | - | 1,098,545 | - |
| Unrestricted | <u>7,582,428</u> | <u>21,591</u> | <u>7,604,019</u> | <u>203,487</u> |
| Total Net Position | <u>\$ 17,711,789</u> | <u>\$ 8,663,711</u> | <u>\$ 26,375,500</u> | <u>\$ 209,697</u> |

CHATTOOGA COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
Year Ended December 31, 2023

| <u>Functions/Programs</u> | <u>Expenses</u> | <u>Program Revenues</u> | | |
|--------------------------------|----------------------|---------------------------------|---|---|
| | | <u>Charges for Services</u> | <u>Operating Grants and Contributions</u> | <u>Capital Grants and Contributions</u> |
| Governmental Activities | | | | |
| General Government | \$ 3,473,989 | \$ 176,691 | \$ 3,739,392 | \$ - |
| Public Safety | 6,424,112 | 777,500 | 681,387 | - |
| Public Works | 3,972,724 | 231 | 583,066 | - |
| Court System | 1,727,579 | 636,398 | - | - |
| Cultural and Recreational | 766,264 | 114,284 | - | - |
| Sanitation | 1,255,624 | 645,109 | - | - |
| Health and Welfare | 363,681 | - | - | - |
| Interest Expense | 2,763 | - | - | - |
| Total Governmental Activities | <u>17,986,736</u> | <u>2,350,213</u> | <u>5,003,845</u> | <u>-</u> |
| Business-Type Activities | | | | |
| Water and Sewer District | 1,604,155 | 1,361,895 | - | - |
| Total Business-Type Activities | <u>1,604,155</u> | <u>1,361,895</u> | <u>-</u> | <u>-</u> |
| Total Government | <u>\$ 19,590,891</u> | <u>\$ 3,712,108</u> | <u>\$ 5,003,845</u> | <u>\$ -</u> |
| Component Unit | | | | |
| Health and Welfare | <u>\$ 844,774</u> | <u>\$ 223,120</u> | <u>\$ 423,551</u> | <u>\$ -</u> |

General Revenues:
Ad Valorem Tax
Sales Tax
Miscellaneous
Investment earnings
Gain from sale of assets
Transfers
Total General Revenues and Transfers

Change in Net Position

Net Position at Beginning of Year
Net Position at End of Year

See accompanying notes to basic financial statements.

CHATTOOGA COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
Year Ended December 31, 2023

Net (Expenses) Revenue and Changes in Net Position

| Governmental Activities | Business-Type Activities | Total | Component Unit |
|------------------------------------|-------------------------------------|-----------------|---------------------------|
| \$ 442,094 | \$ - | \$ 442,094 | |
| (4,965,225) | - | (4,965,225) | |
| (3,389,427) | - | (3,389,427) | |
| (1,091,181) | - | (1,091,181) | |
| (651,980) | - | (651,980) | |
| (610,515) | - | (610,515) | |
| (363,681) | - | (363,681) | |
| (2,763) | - | (2,763) | |
| (10,632,678) | - | (10,632,678) | |
| - | (242,260) | (242,260) | |
| - | (242,260) | (242,260) | |
| \$ (10,632,678) | \$ (242,260) | \$ (10,874,938) | |
| | | | \$ (198,103) |
| | | | |
| \$ 10,026,978 | \$ - | \$ 10,026,978 | \$ - |
| 3,388,110 | - | 3,388,110 | 156,932 |
| - | - | - | - |
| 3,375 | 7,167 | 10,542 | 10,179 |
| 48,001 | - | 48,001 | - |
| (126,338) | 126,338 | - | - |
| 13,340,126 | 133,505 | 13,473,631 | 167,111 |
| 2,707,448 | (108,755) | 2,598,693 | (30,992) |
| 15,004,341 | 8,772,466 | 23,776,807 | 240,689 |
| \$ 17,711,789 | \$ 8,663,711 | \$ 26,375,500 | \$ 209,697 |

See accompanying notes to basic financial statements.

CHATTOOGA COUNTY, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2023

| | <u>General</u> | <u>American Rescue Plan Fund</u> | <u>Capital Project Sales Tax Fund</u> | <u>Other Funds</u> | <u>Total Governmental Funds</u> |
|---|---------------------|--|---|------------------------|---|
| Assets | | | | | |
| Cash and Cash Investments | \$ 2,513,926 | \$ 1,437,380 | \$ 1,532,560 | \$ 699,729 | \$ 6,183,595 |
| Receivables (net where applicable of allowance for doubtful accounts) | | | | | |
| Ad Valorem Taxes | 4,026,804 | - | - | - | 4,026,804 |
| Other | 128,848 | - | - | 36,076 | 164,924 |
| Due from other funds | 682,068 | - | - | 21,392 | 703,460 |
| Due from other governments | 779,718 | - | 310,290 | 746 | 1,090,754 |
| Total Assets | <u>\$ 8,131,364</u> | <u>\$ 1,437,380</u> | <u>\$ 1,842,850</u> | <u>\$ 757,943</u> | <u>\$ 12,169,537</u> |
| Liabilities and Fund Balances | | | | | |
| Liabilities | | | | | |
| Accounts Payable | \$ 410,314 | \$ - | \$ 44,526 | \$ 39,670 | \$ 494,510 |
| Due to other funds | 21,392 | - | 227,084 | - | 248,476 |
| Due to other governments | - | - | 266,866 | - | 266,866 |
| Unearned Revenue | - | 1,174,340 | - | - | 1,174,340 |
| Deferred Inflows of Resources | | | | | |
| Unavailable revenues | 1,864,027 | - | - | - | 1,864,027 |
| Total Liabilities and Deferred Inflows of Resources | <u>2,295,733</u> | <u>1,174,340</u> | <u>538,476</u> | <u>39,670</u> | <u>4,048,219</u> |
| Fund Balances | | | | | |
| Restricted for: | | | | | |
| Construction and capital outlay | - | - | 1,304,374 | - | 1,304,374 |
| Judicial | - | - | - | 30,587 | 30,587 |
| Public Safety | 117,232 | - | - | 629,192 | 746,424 |
| Culture and Recreation | - | - | - | 58,494 | 58,494 |
| Special Projects | - | 263,040 | - | - | 263,040 |
| Unassigned | 5,718,399 | - | - | - | 5,718,399 |
| Total Fund Balance | <u>5,835,631</u> | <u>263,040</u> | <u>1,304,374</u> | <u>718,273</u> | <u>8,121,318</u> |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances | <u>\$ 8,131,364</u> | <u>\$ 1,437,380</u> | <u>\$ 1,842,850</u> | <u>\$ 757,943</u> | <u>\$ 12,169,537</u> |

See accompanying notes to basic financial statements.

CHATTOOGA COUNTY, GEORGIA
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO STATEMENT OF NET POSITION
December 31, 2023

| | |
|--|---------------------------------|
| Total Governmental Fund Balances | \$ 8,121,318 |
| Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because: | |
| Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds balance sheet. | 7,726,442 |
| Unavailable revenue from taxes not collected within 60 days after the end of the fiscal year. | 1,864,029 |
| Net Position of Governmental Activities | <u>\$ 17,711,789</u> |

See accompanying notes to basic financial statements.

CHATTOOGA COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended December 31, 2023

| | <u>General Fund</u> | <u>American Rescue Plan Fund</u> | <u>Capital Project Sales Tax Funds</u> | <u>Other Funds</u> | <u>Total Governmental Funds</u> |
|--|-------------------------|--|--|------------------------|---|
| Revenues | | | | | |
| Taxes | | | | | |
| Ad Valorem | \$ 8,519,621 | \$ - | \$ - | \$ - | \$ 8,519,621 |
| Sales Taxes | - | - | 3,379,425 | - | 3,379,425 |
| Charges for Services | 796,943 | - | - | 763,326 | 1,560,269 |
| Licenses and Permits | 22,870 | - | - | - | 22,870 |
| Investment Income | - | 117,831 | 8,685 | 3,375 | 129,891 |
| Fines and Forfeitures | 559,960 | - | - | 76,438 | 636,398 |
| Miscellaneous | 199,544 | - | 42,603 | - | 242,147 |
| Intergovernmental | <u>1,415,202</u> | <u>2,425,138</u> | <u>583,066</u> | <u>351,138</u> | <u>4,774,544</u> |
| Total Revenues | <u>11,514,140</u> | <u>2,542,969</u> | <u>4,013,779</u> | <u>1,194,277</u> | <u>19,265,165</u> |
| Expenditures | | | | | |
| Current | | | | | |
| General Government | 3,119,290 | 116,750 | - | - | 3,236,040 |
| Public Safety | 5,020,635 | 63,719 | - | 1,102,738 | 6,187,092 |
| Public Works | 244,053 | - | 2,001,393 | - | 2,245,446 |
| Sanitation | 1,213,616 | - | - | - | 1,213,616 |
| Cultural and Recreational | 633,129 | - | - | 133,135 | 766,264 |
| Court System | 1,717,439 | - | - | 10,140 | 1,727,579 |
| Health and Welfare | 352,804 | - | - | - | 352,804 |
| Debt Service | | | | | |
| Principal | 81,561 | - | - | - | 81,561 |
| Interest | 2,763 | - | - | - | 2,763 |
| Intergovernmental payments | | | | | |
| | - | - | 1,537,638 | - | 1,537,638 |
| Capital Outlay | | | | | |
| | <u>148,405</u> | <u>511,907</u> | <u>115,370</u> | <u>58,500</u> | <u>834,182</u> |
| Total Expenditures | <u>12,533,695</u> | <u>692,376</u> | <u>3,654,401</u> | <u>1,304,513</u> | <u>18,184,985</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>(1,019,555)</u> | <u>1,850,593</u> | <u>359,378</u> | <u>(110,236)</u> | <u>1,080,180</u> |
| Other Financing Sources (Uses) | | | | | |
| Sale of assets | 48,001 | - | - | - | 48,001 |
| Transfers (Out)/In | <u>1,398,503</u> | <u>(1,670,785)</u> | <u>-</u> | <u>193,194</u> | <u>(79,088)</u> |
| Total Other Financing Sources (Uses) | <u>1,446,504</u> | <u>(1,670,785)</u> | <u>-</u> | <u>193,194</u> | <u>(31,087)</u> |
| Net Changes in Fund Balance | 426,949 | 179,808 | 359,378 | 82,958 | 1,049,093 |
| Fund Balances - Beginning | <u>5,408,682</u> | <u>83,232</u> | <u>944,996</u> | <u>635,315</u> | <u>7,072,225</u> |
| Fund Balances - End of Year | <u>\$ 5,835,631</u> | <u>\$ 263,040</u> | <u>\$ 1,304,374</u> | <u>\$ 718,273</u> | <u>\$ 8,121,318</u> |

See accompanying notes to basic financial statements.

CHATTOOGA COUNTY, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO
THE STATEMENT OF ACTIVITIES
Year Ended December 31, 2023

| | | |
|--|-----------|-------------------------|
| Net Changes in Fund Balances - Total Governmental Funds | \$ | 1,049,093 |
| Amounts Reported for Governmental Activities in the Statement of Activities are Different Because: | | |
| Governmental funds report capital outlay as expenditures. However, in the Government-Wide Statement of Activities and Changes in Net Position, the cost of those assets is allocated over their useful lives as depreciation expense. This is the amount of capital recorded in the current period net of disposals. | | 613,002 |
| Depreciation expense on capital assets is reported in the government-wide statement of activities and changes in net position, but they do not require the use of current financial resources. Therefore, depreciation expense is not reported as an expenditure in governmental funds. | | (543,565) |
| The issuance of long-term debt (e.g. bonds) provides current 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 issuance cost, premiums, discounts, and similar items when debt is first issued, whereas the amounts are deferred and amortized in the statement of activities. This amount is the net of these differences in the treatment of long-term debt and related items. | | 81,561 |
| Some revenues will not be collected for several months after the County's fiscal year end, they are not considered "available" revenues in the governmental funds. | | <u>1,507,357</u> |
| Changes In Net Position of Governmental Activities | \$ | <u>2,707,448</u> |

See accompanying notes to basic financial statements.

CHATTOOGA COUNTY, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
Year Ended December 31, 2023

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance With Final Budget Positive (Negative)</u> |
|---|----------------------------|-------------------------|---------------------|---|
| Revenues | | | | |
| Taxes | \$ 9,512,779 | \$ 9,512,779 | \$ 8,519,621 | \$ (993,158) |
| Intergovernmental | 305,075 | 1,367,175 | 1,415,202 | 48,027 |
| Charges for Services | 606,500 | 606,500 | 796,943 | 190,443 |
| Licenses and Permits | 20,700 | 20,700 | 22,870 | 2,170 |
| Fines and Forfeitures | 496,000 | 496,000 | 559,960 | 63,960 |
| Miscellaneous | 5,000 | 5,000 | 199,544 | 194,544 |
| Total Revenues | <u>10,946,054</u> | <u>12,008,154</u> | <u>11,514,140</u> | <u>(494,014)</u> |
| Expenditures | | | | |
| General Government | 1,991,017 | 3,296,817 | 3,130,383 | 166,434 |
| Public Safety | 5,072,624 | 5,274,324 | 5,124,947 | 149,377 |
| Health and Welfare | 318,897 | 397,644 | 352,804 | 44,840 |
| Sanitation | 1,019,100 | 1,332,100 | 1,330,940 | 1,160 |
| Culture and Recreation | 669,384 | 638,837 | 633,129 | 5,708 |
| Court System | 1,662,184 | 1,760,284 | 1,717,439 | 42,845 |
| Public Works | 240,000 | 244,100 | 244,053 | 47 |
| Total Expenditures | <u>10,973,206</u> | <u>12,944,106</u> | <u>12,533,695</u> | <u>410,411</u> |
| Excess (Deficiency) of Revenues over Expenditures | <u>(27,152)</u> | <u>(935,952)</u> | <u>(1,019,555)</u> | <u>(83,603)</u> |
| Other Financing Sources (Uses) | | | | |
| Sale of assets | - | - | 48,001 | 48,001 |
| Transfers In | - | 1,398,503 | 1,398,503 | - |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>1,398,503</u> | <u>1,446,504</u> | <u>48,001</u> |
| Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses | <u>\$ (27,152)</u> | <u>\$ 462,551</u> | <u>426,949</u> | <u>\$ (35,602)</u> |
| Fund Balances - Beginning | | | <u>5,408,682</u> | |
| Fund Balances - End of Year | | | <u>\$ 5,835,631</u> | |

See accompanying notes to basic financial statements.

CHATTOOGA COUNTY, GEORGIA
BALANCE SHEET
PROPRIETARY FUND
December 31, 2023

| | Water Fund |
|--|----------------------|
| Assets | |
| Current Assets | |
| Cash and Cash Investments | \$ 225,458 |
| Receivables (Net Where Applicable of Allowance for Doubtful Accounts) | |
| Accounts | 207,039 |
| Inventories | 48,793 |
| Prepaid Expenses | 5,500 |
| Total Current Assets | 486,790 |
| Current Assets - Restricted | |
| Cash and Cash Investments | 27,006 |
| Noncurrent Assets | |
| Capital Assets | |
| Construction in Process | 20,375 |
| Land | 56,899 |
| Buildings | 145,810 |
| Equipment | 940,328 |
| Infrastructure | 22,512,354 |
| Accumulated Depreciation | (7,758,258) |
| Total Capital Assets Net of Accumulated Depreciation | 15,917,508 |
| Total Noncurrent Assets | 15,917,508 |
| Total Assets | \$ 16,431,304 |

See accompanying notes to basic financial statements.

CHATTOOGA COUNTY, GEORGIA
BALANCE SHEET
PROPRIETARY FUND
December 31, 2023

| | <u>Water Fund</u> |
|--|----------------------|
| Liabilities | |
| Current Liabilities | |
| Accounts Payable | \$ 17,331 |
| Deposits | 19,890 |
| Due to general fund | 454,984 |
| Bonds and notes payable | <u>231,413</u> |
| Total Current Liabilities | <u>723,618</u> |
| Noncurrent Liabilities | |
| Bonds and notes payable | <u>7,043,975</u> |
| Total Liabilities | <u>7,767,593</u> |
| Fund Equity | |
| Net investment in capital assets | 8,642,120 |
| Unrestricted | <u>21,591</u> |
| Total Fund Equity | <u>8,663,711</u> |
| Total Liabilities and Fund Equity | <u>\$ 16,431,304</u> |

See accompanying notes to basic financial statements.

CHATTOOGA COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUND
Year Ended December 31, 2023

| | Water Fund |
|--|-------------------|
| Operating Revenues | |
| Charges for Services | \$ 1,361,895 |
| Total Operating Revenues | 1,361,895 |
| Operating Expenses | |
| Personal Services | 361,982 |
| Supplies | 499,319 |
| Contractual Services | 34,599 |
| Depreciation | 460,060 |
| Total Operating Expenses | 1,355,960 |
| Operating Income (Loss) | 5,935 |
| Nonoperating Revenues (Expenses) | |
| Investment Income | 7,167 |
| Interest Expense | (248,195) |
| Total Nonoperating Revenues (Expenses) | (241,028) |
| Income (Loss) before other revenues | (235,093) |
| Capital Contributions | 47,250 |
| Transfers in | 79,088 |
| total Other Revenues | 126,338 |
| Change in Net Position | (108,755) |
| Net Position - Beginning of Year | 8,772,466 |
| Net Position - End of Year | \$ 8,663,711 |

See accompanying notes to basic financial statements.

CHATTOOGA COUNTY, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
Year Ended December 31, 2023

| | Water Fund |
|---|-------------------|
| Cash Flows from Operating Activities | |
| Cash received from customers | \$ 1,329,215 |
| Cash payments to suppliers for goods and services | (496,704) |
| Cash payments to employees for services | <u>(361,982)</u> |
| Net Cash Provided (Used) by Operating Activities | <u>470,529</u> |
| Cash Flows from Noncapital Financing Activities | |
| Loan from (payment to) general fund | <u>79,087</u> |
| Cash Flows from Capital and Related Financing Activities | |
| Reduction of Bond Debt Principal - Net | (226,298) |
| Interest Paid on Bonds and Notes | <u>(248,195)</u> |
| Net Cash Provided (Used) by Capital and Related Financing Activities | <u>(474,493)</u> |
| Cash Flows from Investing Activities | |
| Interest on Cash and Cash Investments | <u>7,167</u> |
| Increase (Decrease) in Cash and Cash Investments | 82,290 |
| Cash and Cash Investments - Beginning of Year | <u>170,174</u> |
| Cash and Cash Investments - End of Year | <u>\$ 252,464</u> |

Non-cash capital contributions were received from the following:

| | | |
|--|----|---------------|
| Capital Project Sales Tax Funds - construction costs | \$ | 20,375 |
| truck | | <u>26,875</u> |
| Total non-cash capital contributions | \$ | <u>47,250</u> |

See accompanying notes to the basic financial statements.

CHATTOOGA COUNTY, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended December 31, 2023

| | Water Fund |
|--|-------------------|
| Reconciliation of Income (Loss) from operations to net cash provided (used) by operating activities | |
| Operating Income (Loss) | \$ 5,935 |
| Depreciation | 460,060 |
| Change in operating assets and liabilities: | |
| (Increase) Decrease in Accounts Receivable | (26,105) |
| Increase (Decrease) in Accounts Payable | 9,328 |
| (Increase) Decrease in Prepaid Expense | 4,532 |
| (Increase) Decrease in Inventory | 23,354 |
| (Increase) Decrease in Deposits | (6,575) |
| Net Cash Provided (Used) by Operating Activities | \$ 470,529 |
| Reconciliation of Total Cash and Cash Investments: | |
| Current Assets - Cash and Cash Investments | \$ 225,458 |
| Restricted Assets - Cash and Cash Investments | 27,006 |
| Total Cash and Cash Investments | \$ 252,464 |

See accompanying notes to the basic financial statements.

CHATTOOGA COUNTY, GEORGIA
STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
December 31, 2023

| | <u>CUSTODIAL FUNDS</u> |
|-----------------------------------|----------------------------|
| ASSETS | |
| Cash and Cash Equivalents | \$ 281,080 |
| Receivables | |
| Taxes | <u>4,663,515</u> |
| | |
| Total Assets | <u>4,944,595</u> |
| | |
| LIABILITIES | |
| Accounts Payable | 139,963 |
| Due to Other Governments | <u>4,701,350</u> |
| | |
| Total Liabilities | <u>4,841,313</u> |
| | |
| NET POSITION | |
| Restricted for | |
| Individuals and other governments | <u>103,282</u> |
| | |
| Total Net Position | <u>\$ 103,282</u> |

See accompanying notes to basic financial statements.

CHATTOOGA COUNTY, GEORGIA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
For the Year Ended December 31, 2023

| | |
|--|-------------------|
| Additions | |
| Taxes Collected for other governments | \$ 15,234,626 |
| Court fees collected for individuals | 169,723 |
| Court fees collected for other agencies | 230,085 |
| Court fees collected for other funds | <u>8,887,175</u> |
| Total Additions | <u>24,521,609</u> |
| Deductions | |
| Payments of taxes to other governments | 15,234,626 |
| Payments to individuals | 167,037 |
| Payments of court fees to other agencies | 232,894 |
| Payments of court fees to other funds | <u>8,887,175</u> |
| Total Deductions | <u>24,521,732</u> |
| Change in Net Position | (123) |
| Net Position - Beginning of Year | <u>103,405</u> |
| Net Position - End of Year | <u>\$ 103,282</u> |

See accompanying notes to basic financial statements.

CHATTOOGA COUNTY, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

1. Summary of Significant Accounting Policies

A. General Statement

The accounting and reporting policies of Chattooga County, Georgia relating to the funds included in the accompanying basic financial statements conform to accounting principles generally accepted in the United States of America applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants in the publication entitled Audits of State and Local Governmental Units and by the Financial Accounting Standards Board (when applicable). As allowed in Section P80 of GASB's Codification of Governmental Accounting and Financial Reporting Standards, the County has elected not to apply Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the Committee of Accounting Procedure issued after November 30, 1989. During 2003, the County implemented the new financial reporting requirements of GASB Statement Nos. 33 and 34, with the exception of the area dealing with infrastructure assets of the Governmental Activities Fund, which was implemented in the 2005 year. The more significant accounting policies of the County are described below.

B. Financial Reporting Entity

Chattooga County, Georgia (the primary government) operates under a Single Commissioner form of government and provides the following services: public safety, highway and streets, sanitation, health and social services, culture-recreation, and general administrative services.

The County's basic financial statements include the accounts of all County operations. The criteria for including organizations as component units within the County's reporting entity, as set forth in section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards, include whether:

- the organization is legally separate (can sue and be sued in their own name)
- the County holds the corporate powers of the organization
- the County appoints a voting majority of the organization's board
- the County is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the County
- there is fiscal dependency by the organization on the County

Based on the aforementioned criteria the Industrial Development Authority, Hospital Authority, Board of Education, Library, and Department of Family and Children's Services did not meet the criteria for inclusion in these financial statements. The State of Georgia has concluded that the Department of Health should be included as a discretely presented component unit of the primary government.

CHATTOOGA COUNTY, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

1. Summary of Significant Accounting Policies - continued

C. Basis of Presentation

Government-wide Financial Statements

The government-wide financial statements (the statement of net position and the statement of activities) report information on all of the activities of the County. The effect of interfund activity, within the governmental and business-type activities columns has been removed from these statements. 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. The fiduciary funds of the government are not included in the government-wide financial statement.

The statement of activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Indirect expenses are allocated to functions on a usage basis. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given program and 2) operating or capital grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements

The County segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Separate statements are presented for governmental and proprietary activities. These statements present each major fund as a separate column on the fund financial statements; all non-major funds are aggregated and presented in a single column.

Governmental funds are those funds through which most governmental functions typically are financed. The measurement focus of governmental funds is on the sources, uses, and balance of current financial resources. The County has presented the following major governmental funds:

General Fund -

General Fund is the main operating fund of the County. The fund is used to account for all financial resources not accounted for in other funds. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges, and capital improvement costs that are not paid through other funds are paid from the General Fund.

American Rescue Plan Fund –

The American Rescue Plan Fund is used to account for the County's American Rescue Plan Act (ARPA) Local Fiscal Recovery Funds.

Capital Projects Fund - Sales Tax

The Sales Tax Fund is used to account for funds received and expended for the construction and renovation of roads and bridges and special projects financed through Special Purpose Sales Tax revenue.

CHATTOOGA COUNTY, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

:

1. Summary of Significant Accounting Policies – continued

Proprietary Funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. The accounting objectives are determinations of net income financial position and cash flow. All assets and liabilities are included on the Statement of Net Position. The County has presented the following major proprietary fund

Water Fund -

The Water Fund is used to account for the provision of water services to the residents of the County. Activities of the fund include administration, operations, and maintenance of the water system and billing and collection activities. The fund also accounts for the accumulation of resources for, and the payment of, long-term debt principal and interest for water debt. All costs are financed through charges to utility customers with rates reviewed and adjusted, if necessary, to ensure integrity of the funds.

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. Operating expenses for the proprietary funds include the cost of personal and contractual services, supplies, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Fiduciary Fund (Not included in Government-wide statements) -

Fiduciary funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, and other governmental units.

Custodial Funds-

Custodial funds account for assets held by the County in a purely custodial capacity. Since these funds are custodial in nature (i.e., assets equal liabilities), they do not involve the measurement of results of operations. The custodial funds are as follows:

Tax Commissioner - Collects and remits taxes collected for other governments and the County. The portion collected for the County is included in the County's General Fund.

Clerk of Court - Collects and remits fines and forfeitures authorized by the Courts for other governments, individuals, entities, and the County. The portion collected for the County is included in the County's General Fund.

Probate Court - Collects charges for various licenses and death certificates issued to the citizens of the County and remits them to other government agencies and the County. The portion collected for the County is included in the County's General Fund.

Magistrate Court - Collects fines and forfeitures authorized by the Court and remits them to other governments, individuals, entities, and the County. The portion collected for the County is included in the County's General Fund.

**CHATTOOGA COUNTY, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

1. Summary of Significant Accounting Policies - continued

Fund Financial Statements – continued

Major and Non-major Funds

The funds are further classified as major or non-major as follows:

| Major Funds (See above for descriptions) | | |
|---|--|--|
| <u>Fund</u> | | <u>Description</u> |
| Capital Projects Fund - Sales Tax | | |
| American Rescue Plan Fund | | |
| Proprietary Fund - Water | | |
| Non-major Funds: | | |
| Special Revenue Funds | | Used for accounting for revenues and expenditures of contracts and special projects. |

D. Measurement Focus and Basis of Accounting

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

Measurement Focus

The government-wide statements and fund financial statements for proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of net position and the operating statements present increases (revenues) and decreases (expenses) in net total position. Under the accrual basis of accounting, revenues are recognized when earned, including unbilled water and sewer services, which are accrued. Expenses are recognized at the time the liability is incurred.

Governmental fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual; i.e. when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The County considers property taxes as available if they are collected within 60 days after year-end. A one-year availability period is used for recognition of all other Governmental Fund revenues. Expenditures are recorded when the related fund liability is incurred.

Custodial funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

The revenues susceptible to accrual are property taxes, franchise fees, licenses, charges for service, interest income, and intergovernmental revenues. Sales taxes collected and held by the state at year-end on behalf of the government are also recognized as revenue. All other governmental fund revenues are recognized when received.

CHATTOOGA COUNTY, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

1. Summary of Significant Accounting Policies - continued

D. Measurement Focus and Basis of Accounting – continued

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-like activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported when due.

All proprietary funds and custodial funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

Proprietary fund types utilize the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Unbilled water funds utility service receivables are accrued at year-end by prorating actual subsequent billings.

The government reports deferred revenue on its combined balance sheet. Deferred revenues arise when potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Deferred revenues also arise when the government receives resources before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized.

The **discretely presented component unit (County Health Department)** uses the accrual basis of accounting for government-wide financial statements. At the fund reporting level, governmental funds use the modified accrual basis of accounting. The account group records acquisition cost of all capital assets owned by the Health Department as of the reporting period. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures. The fiscal year used by the component unit ends June 30. The fiscal year ended June 30, 2023 is included in these financial statements. Copies of the audited financial statements can be obtained at 60 Farrar Drive, Summerville, Georgia, 30747.

CHATTOOGA COUNTY, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

1. Summary of Significant Accounting Policies - continued

E. Budgetary Control

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

- a. Prior to October 1, the department heads submit to the County Commissioner a proposed operating budget for the year commencing the following January 1. The operating budget identifies the proposed expenditures for each department.
- b. After receipt of the department operating budgets, the Commissioner develops the County's budget. The County's budget includes proposed expenditures and the means of financing them.
- c. The budget is published in the local newspaper two weeks prior to a public hearing.
- d. Public hearing is conducted to obtain taxpayer comments.
- e. The budget is formally adopted after the public hearing.

The legal level of control (the level at which expenditures may not legally exceed appropriations) for each legally adopted annual operating budget is at the department level.

Formal budgetary integration is employed as a management control device during the year for the General Fund, Capital Projects Funds, and Special Revenue Funds. Formal budgets are also adopted for the Water District. Budgets for the General, Capital Projects, and Special Revenue Funds are adopted on the modified accrual (or GAAP) basis.

Budgeted amounts are as originally adopted, or as amended, by the Commissioner. Individual amendments were not material in relation to the original appropriations, which were amended. Unencumbered appropriations lapse at year-end.

The County does not employ encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation.

There were no material supplementary appropriations made during the year.

The actual results of operations as compared with the budget are presented in the Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis).

F. Cash and Cash Equivalents

Cash and cash equivalents, as authorized by statutes, include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the County, stated at cost. The County has no custodial or foreign risk policy other than the requirement that deposits should be in federally insured depositories.

**CHATTOOGA COUNTY, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

1. Summary of Significant Accounting Policies– continued

G. Inventory

Enterprise Fund inventory consists of supplies and is stated at the lower of cost or market using the FIFO (first-in, first-out) method.

H. Prepaid Items

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

I. Interfund Receivables and Payables

Any residual balances outstanding between the governmental activities and business-type activities are reported in the governmental-wide financial statements as “internal balances.”

J. Transactions Between Funds

Legally authorized transfers are treated as interfund transfers and are included in the results of operations of Governmental Funds as follows:

| <u>FUNDS</u> | <u>Amount</u> | |
|---------------------------------|---------------|------------------|
| General Fund to E-911 Emergency | \$ 193,194 | (For Operations) |
| General Fund to Water Fund | \$ 79,088 | (For Operations) |
| ARPA Fund to General Fund | \$ 1,670,785 | |

Transfers from the American Rescue Plan Fund were to reimburse the general fund for general operating expenses.

K. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the fund financial statements for proprietary funds. All capital assets are valued at historical cost or estimated historical cost if actual historical is not available. Donated assets are valued at their fair market value on the date donated. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized. Interest has not been capitalized during the construction period on property, plant and equipment. See Note 1-N for the deferral method of reporting infrastructure assets (roads, bridges, etc.) for the governmental activities fund.

Assets capitalized, not including infrastructure assets, have an original cost of \$1,000 or more and over three years of useful life. Infrastructure assets capitalized have an original cost of \$5,000 or more. Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

| | |
|----------------------------|---------------|
| Buildings and Improvements | 20 - 50 Years |
| Water and Sewer System | 30 - 50 Years |
| Infrastructure | 20 - 40 Years |
| Machinery and Equipment | 5 - 10 Years |

CHATTOOGA COUNTY, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

1. Summary of Significant Accounting Policies - continued

L. Accumulated Unpaid Vacation, Sick Pay, and Other Employee Benefit Amounts

National Council on Governmental Accounting Statement 4, "Accounting and Financial Reporting Principles for claims and Judgments and Compensated Absences," concludes that vacation and sick pay costs (and other employee benefit amounts) should be accrued. All material amounts of employee benefits including compensated absences have been paid during the year negating any requirement for accruals.

M. Fund Equity

At the governmental fund financial reporting level, fund equity 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 current assets and current liabilities. Amounts are classified as non-spendable, restricted, committed, assigned, or unassigned. The non-spendable fund balance includes amounts that are not available to fund expenditures such as inventories and prepaid amounts. The restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource provider, or through enabling legislation. The committed fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority (the Commissioner). Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes, but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. Unassigned fund balance is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications. In other funds, the unassigned classification should be used only to report a deficit balance resulting from overspending for specific purpose for which amounts have been restricted, committed, or assigned.

Net Position - Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition construction or improvements of those assets and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on the use either through the enabling legislations adopted by the County or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The remaining balance of 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 is available. In governmental funds, the County's policy is to first apply the expenditure toward restricted fund balance and then to other, less-restrictive classifications – committed and then assigned fund balances before using unassigned fund balances.

Deferred Outflows/Inflows of Resources - In addition to assets, the Statement of Financial 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 position that applies to a future period and so will not be recognized as an outflow of resources (expense) until then. The County does not have any items that qualify for reporting in this category.

CHATTOOGA COUNTY, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

1. Summary of Significant Accounting Policies - continued

M. Fund Equity – continued

In addition to liabilities, the Statement of Financial Position will sometimes report a separate section of deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The County reports one of these items. Unavailable revenue is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

N. Implementation of New Accounting Principles

The County elected to utilize the infrastructure transition option in the implementation of GASB Statement No. 34 (GASB 34), “Basis Financial Statements – Management’s Discussion and Analysis – for State and Local Governments” and in fiscal year 2003 began capitalizing major infrastructure networks completed during the year. The County implemented infrastructure assets already in place at January 1, 2003 in 2005. In the absence of actual cost information, the County used a weighted average age calculation for estimating the historical cost of these infrastructure networks.

2. Cash and Cash Equivalents

Deposits consist of cash and short-term certificates of deposit and money market accounts. The county’s policy and state statutes require all deposits be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of December 31, 2023, all of the County’s deposits were insured or collateralized. The County has no foreign risk or interest rate risk policies.

3. Property Tax

Property taxes attach as an enforceable lien on property 30 days after the due date. Property taxes are billed on or about October 20 of each year and are payable in sixty days. The property taxes for 2023 were levied on November 29, 2023, billed on November 29, 2023 with a due date of March 1, 2024. Liens can be attached on March 31, 2024.

The County bills and collects its own taxes and collects various taxes for the Chattooga County Board of Education, the City of Summerville, Town of Trion, City of Menlo, Town of Lyerly, and the State of Georgia. Collection of the taxes for the County and the other government agencies is the responsibility of the Tax Commissioner’s office, which is accounted for in the Custodial Fund. County property tax revenues are recognized when levied to the extent that they result in current receivables in accordance with Interpretation #3 issued by the National Council on Government Accounting. Current receivables include those property tax receivables expected to be collected within sixty days after year-end.

CHATTOOGA COUNTY, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

3. Property Tax - continued

The following is a summary of the estimated amount of property, and utility taxes for all governments collectible at December 31, 2023:

| <u>TAX YEAR</u> | <u>TOTAL UNCOLLECTED</u> | <u>RESERVE FOR UNCOLLECTIBLE</u> | <u>ESTIMATED COLLECTIBLE</u> |
|-----------------|------------------------------|--------------------------------------|----------------------------------|
| 2023 | \$ 3,911,584 | \$ 19,475 | \$ 3,892,109 |
| 2022 | 104,426 | 972 | 103,454 |
| 2021 | 20,113 | 897 | 19,216 |
| 2020 | 8,320 | 1,464 | 6,856 |
| 2019 | 8,972 | 3,803 | 5,169 |
| 2018 | 3,077 | 3,077 | - |
| 2017 | 1,940 | 1,940 | - |
| 2016 | 708 | 708 | - |
| 2015 | 586 | 586 | - |
| 2014 | 988 | 988 | - |
| Total | <u>\$ 4,060,714</u> | <u>\$ 33,910</u> | <u>\$ 4,026,804</u> |

4. Restricted Assets

Restricted assets represent monies and other assets, which are restricted for use by legal or contractual requirements, amounts used in prior years for operating expenditures out of customer deposits, and amounts, deposited into the reserve account from unrestricted assets as required by the bond ordinances (Note 8).

Restricted assets were composed of the following at December 31, 2023:

Proprietary Funds:

Cash:

| | |
|-----------------------|------------------|
| Renewal and Extension | <u>\$ 27,006</u> |
|-----------------------|------------------|

5. Contingent Liabilities and Landfill Closure

Legal proceedings and possible claims are pending or may be asserted in the future against the County. The County's insurance carrier is defending the proceedings where coverage is afforded. At this time, neither the County nor the County's legal counsel can estimate the outcome of the cases. However, they consider the likelihood of negative consequences to be minimal.

The County closed its only sanitation landfill in 1992 and the closure was completed in 1999. After closure, the site is required by state law to be monitored for a minimum of 25 years at an expected cost of \$25,000 per year. The estimated balance for future costs is \$500,000 over 20 years. The estimated remaining cost of closure and yearly cost of landfill monitoring is based on current effective rates. Future closure and monitoring costs are to be paid from revenues derived from the 1% special local option sales tax. The actual cost of closure and future monitoring is subject to change due to changes in inflation, technology, or applicable landfill laws and regulations. The County presently contracts with an independent company to transport its waste to another site operated by another municipality.

CHATTOOGA COUNTY, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

6. Capital Assets

Capital assets acquired prior to January 1, 1986 are shown at the fair market value as determined by the County Tax Assessors. Assets acquired after January 1, 1986 are recorded at cost.

A summary of changes in Capital Assets is as follows:

Governmental Activities:

| | <u>Balance January 1</u> | <u>Additions</u> | <u>Transfers and Retirements</u> | <u>Balance December 31</u> |
|---|------------------------------|------------------|--|--------------------------------|
| Capital Assets not being Depreciated: | | | | |
| Land | \$ 489,812 | \$ - | \$ - | \$ 489,812 |
| Total | <u>489,812</u> | <u>-</u> | <u>-</u> | <u>489,812</u> |
| Capital Assets being Depreciated: | | | | |
| Buildings | 5,205,097 | 125,359 | - | 5,330,456 |
| Equipment | 5,928,545 | 510,918 | 233,958 | 6,205,505 |
| Infrastructure | <u>50,341,455</u> | <u>-</u> | <u>-</u> | <u>50,341,455</u> |
| Total | <u>61,475,097</u> | <u>636,277</u> | <u>233,958</u> | <u>61,877,416</u> |
| Less Accumulated Depreciation: | | | | |
| Buildings | 2,524,544 | 137,172 | - | 2,661,716 |
| Equipment | 4,592,753 | 295,644 | 210,683 | 4,677,714 |
| Infrastructure | <u>47,190,607</u> | <u>110,749</u> | <u>-</u> | <u>47,301,356</u> |
| Total | <u>54,307,904</u> | <u>543,565</u> | <u>210,683</u> | <u>54,640,786</u> |
| Total Capital Assets being Depreciated, Net | <u>7,167,193</u> | <u>92,712</u> | <u>23,275</u> | <u>7,236,630</u> |
| Total Governmental Activities, Capital Assets, Net | <u>\$ 7,657,005</u> | <u>\$ 92,712</u> | <u>\$ 23,275</u> | <u>\$ 7,726,442</u> |

Business-type Activities:

| | <u>Balance January 1</u> | <u>Additions</u> | <u>Retirements</u> | <u>Balance December 31</u> |
|---|------------------------------|---------------------|--------------------|--------------------------------|
| Capital Assets not being Depreciated: | | | | |
| Land | \$ 56,899 | \$ - | \$ - | \$ 56,899 |
| Construction in process | <u>-</u> | <u>20,375</u> | <u>-</u> | <u>20,375</u> |
| Total | <u>56,899</u> | <u>20,375</u> | <u>-</u> | <u>77,274</u> |
| Capital Assets being Depreciated: | | | | |
| Buildings | 145,810 | - | - | 145,810 |
| Equipment | 916,904 | 26,875 | 3,451 | 940,328 |
| Infrastructure | <u>22,512,354</u> | <u>-</u> | <u>-</u> | <u>22,512,354</u> |
| Total | <u>23,575,068</u> | <u>26,875</u> | <u>3,451</u> | <u>23,598,492</u> |
| Less Accumulated Depreciation: | | | | |
| Buildings | 109,185 | 3,424 | - | 112,609 |
| Equipment | 886,138 | 13,420 | 3,451 | 896,107 |
| Infrastructure | <u>6,306,325</u> | <u>443,217</u> | <u>-</u> | <u>6,749,542</u> |
| Total | <u>7,301,648</u> | <u>460,061</u> | <u>3,451</u> | <u>7,758,258</u> |
| Total Capital Assets being Depreciated, Net | <u>16,273,420</u> | <u>(433,186)</u> | <u>-</u> | <u>15,840,234</u> |
| Total Business-type Activities Capital Assets, Net | <u>\$ 16,330,319</u> | <u>\$ (412,811)</u> | <u>\$ -</u> | <u>\$ 15,917,508</u> |

CHATTOOGA COUNTY, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

6. Capital Assets - continued

Depreciation for the year by functions was as follows:

| | | |
|--|---------------|---------------------|
| General Government | \$ 103,764 | |
| Public Safety | 173,301 | |
| Roads and Bridges | 213,615 | |
| Sanitation | 42,008 | |
| Health and Welfare | <u>10,877</u> | |
| | | |
| Total Government Activities | | \$ 543,565 |
| Total Business-Type Activities – Water | | <u>460,060</u> |
| | | |
| Total Depreciation | | <u>\$ 1,003,625</u> |

7. Long Term Debt

During 2008, the Water District received a loan from the Georgia Environmental Facilities Authority (GEFA) for \$573,300 to finance the construction of a water expansion project in the Cloudland and the Gore/Subligna area. The loan is payable over 20 years at \$2,388.75 monthly at zero interest beginning November 2009.

On October 15, 2009, the County issued Chattooga County, Georgia Water System Revenue Bond, Series 2008B. The principal face amount is \$4,921,000, with monthly payments of \$21,554 including interest at 4.375% with the first payment due November 2010. This bond was issued for the purpose of refinancing the costs of the additions, extensions, and improvements to the existing water system of the County in the Gore/Subligna area. The bond was purchased by Rural Development, United States Department of Agriculture. This bond is secured by the revenues derived from operations of the water system.

In September 2011, the Water District received another GEFA loan in the amount of \$1,303,258 to help fund the construction of additional water lines to the Cloudland area. Construction was completed in 2013. Monthly payments began January 2015 of \$5,430 with zero percent interest.

During 2011, the Water District began construction on Phase 2 of the water expansion project in the east and south areas of the County. The county received a USDA loan in the amount of \$2,801,000 to assist with this project. Interim financing was provided by United Community Bank at 3.9% and repaid in March 2012. Water System Revenue Bonds Series 2011B were issued on March 22, 2012 in the amount of \$2,801,000 at 3.25% with repayment commencing April 2013 at an amount of \$10,588 per month for 40 years.

On September 2, 2020, the County issued a promissory note in the principal amount of \$259,212 to finance a garbage truck for sanitation. The note is payable in five annual installments with the first payment being \$100,000 and \$48,000 thereafter including interest at 5.5%.

CHATTOOGA COUNTY, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

7. Long Term Debt– continued

| | <u>Balance</u> <u>12/31/2022</u> | <u>Increase</u> | <u>Decrease</u> | <u>Balance</u> <u>12/31/2023</u> | <u>Due</u> <u>Within</u> <u>One Year</u> |
|--------------------------------|-------------------------------------|-----------------|-------------------|-------------------------------------|--|
| Governmental Activities: | | | | | |
| Promissory Note | \$ 81,561 | \$ - | \$ 81,561 | \$ - | \$ - |
| Total Governmental Activities | <u>\$ 81,561</u> | <u>\$ -</u> | <u>\$ 81,561</u> | <u>\$ -</u> | <u>\$ -</u> |
| Business-Type Activities: | | | | | |
| Revenue Bonds Series 2008B | \$ 4,170,703 | \$ - | \$ 80,890 | \$ 4,089,813 | \$ 84,437 |
| GEFA Loan 2008 | 210,210 | - | 28,665 | 181,545 | 28,665 |
| GEFA Loan 2011 | 749,373 | - | 65,162 | 684,211 | 65,163 |
| Revenue Bonds Series 2011B | <u>2,371,399</u> | <u>-</u> | <u>51,580</u> | <u>2,319,819</u> | <u>53,148</u> |
| Total Business-Type Activities | <u>\$ 7,501,685</u> | <u>\$ -</u> | <u>\$ 226,297</u> | <u>\$ 7,275,388</u> | <u>\$ 231,413</u> |

The series 2008B requires a reserve account with monthly deposits beginning November 2010 of \$2,155 to be made until the fund reaches an equivalent of 10% of the annual payments. As of December 31, 2023, this fund had been established at \$27,006

The annual requirements to amortize the long-term debt as of December 31, 2023, including interest payments, are as follows:

| | <u>REVENUE BONDS</u> | | <u>GEFA LOANS AND NOTE</u> | |
|-------------|----------------------|---------------------|----------------------------|-----------------|
| <u>YEAR</u> | <u>PRINCIPAL</u> | <u>INTEREST</u> | <u>PRINCIPAL</u> | <u>INTEREST</u> |
| 2024 | \$ 137,585 | \$ 243,079 | \$ 93,828 | \$ - |
| 2025 | 142,905 | 237,759 | 93,828 | - |
| 2026 | 148,437 | 232,228 | 93,828 | - |
| 2027 | 154,188 | 226,476 | 93,828 | - |
| 2028 | 160,169 | 220,495 | 93,828 | - |
| 2029-2033 | 899,253 | 1,004,066 | 392,700 | - |
| 2034-2038 | 1,089,011 | 814,309 | 3,916 | - |
| 2039-2043 | 1,320,068 | 583,252 | - | - |
| 2044-2048 | 1,601,650 | 301,673 | - | - |
| 2049-2052 | <u>756,366</u> | <u>32,149</u> | <u>-</u> | <u>-</u> |
| TOTAL | <u>\$ 6,409,632</u> | <u>\$ 3,895,486</u> | <u>\$ 865,757</u> | <u>\$ -</u> |

CHATTOOGA COUNTY, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

8. Tax Anticipation Note

The County issued a tax anticipation note in January in advance of property tax collections, depositing the proceeds in its general fund for operations. This note bears interest at 3%. Total payments of principal and interest were \$1,363,028. Short-term debt activity for the year ended December 31, 2023 was as follows:

| | Beginning Balance | Issued | Repayments | Ending Balance |
|------------------------|------------------------------|---------------|-------------------|---------------------------|
| Tax anticipation notes | \$ - | \$ 1,320,000 | \$ 1,320,000 | \$ - |

9. Risk Management/Self-Insurance Fund

The County is exposed to various risks of loss related to tort; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County purchases insurance coverage from GIRMA to cover its risk of loss for all areas except workers' compensation claims. For workers' compensation coverage, the County participates in the Association of County Commissioners of Georgia Group Self-Insurance Workers' Compensation Fund, and for other general insurance, the County participates in the Interlock Risk Management Agency risk pool, public entity risk pools currently operating as a common risk management and insurance program for member local governments.

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

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

Payments are made into these funds based on actuarial estimates needed to pay prior and current year claims. Insurance premiums are assessed the County to cover liabilities and property damages. There were no unpaid claims at the end of the current year, which would require accrual on the balance sheet. Also, settlement amounts have not exceeded coverage's in any of the last three years for either fund.

**CHATTOOGA COUNTY, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

10. Joint Venture

Under Georgia law, the County, in conjunction with other cities and counties in the Northwest area, is Member of the Northwest Georgia Regional Commission (NWGRC). Membership in NWGRC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34, which provides for the organizational structure of the NWGRC. Membership in the NWGRC includes the chief elected official of each county and municipality of the area. OCGA Section 50-8-39.1 provides that the member governments are liable for obligations of the NWGRC. During the year, the County paid \$24,936 in dues to the NWGRC. The financial requirements of the County related to the NWGRC are limited to the amount of its annual dues. Separate financial statements may be obtained from the NWGRC, Jackson Hill, Rome, GA 30161.

11. Interfund Receivable/Payables

Interfund balances at December 31, 2023, consisted of the following amounts for reimbursable expenses. These remaining balances resulted from the time lag between the dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting period, and (3) payments between funds are made. The county expects to repay all interfund balances within one year.

| <u>Due to</u> | <u>Due From</u> | <u>Amount</u> |
|---------------|------------------|---------------|
| General Fund | Water Fund | \$ 454,984 |
| General Fund | Capital Projects | \$ 227,084 |
| 911 | General Fund | \$ 21,392 |

12. Retirement Benefits

The following pension and retirement plans are in effect but are not under the direct control of the County:

Probate Judges' Retirement Fund of Georgia - The Probate Judge is covered under a Pension plan which requires that certain sums from marriage licenses and fines or bond forfeitures be remitted to the pension plan before the payment of any costs or other claims.

Clerk of Superior Court Retirement Fund - The Clerk of Superior Court is covered under a pension plan which requires that certain sums from fees and fines or bond forfeitures be remitted to the pension plan before the payment of any costs or other claims.

Sheriff's Retirement Fund/Peace Officer's Annuity and Benefit Fund - The Sheriff and sheriff deputies are covered under separate pension plans which require that certain sums from fines or bond forfeitures be remitted by the Probate Judge or Clerk of Superior Court to the pension plans before the payment of any costs or other claims.

GASB Statement No. 68 valuation reports and schedules can be found on their respective web sites.

The county also offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457(b) plan administered by MassMutual Financial Group. The plan, which is available to all full-time County employees, permits them to defer a portion of their salary until future years. If participants elect to contribute to the plan, the County will make a matching contribution of up to 3% in a 401(a) plan. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. Participants are

CHATTOOGA COUNTY, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

12. Retirement Benefits – continued

100% vested in the plan. The 457(b) plan was effective beginning in 2018. The county contributed 3% in the 401(a) plan in 2023 in the amount of \$108,177.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, and rights (until paid or made available to the employee or other beneficiary) are solely the property and rights of the employees.

The County has only minor administrative involvement and does not perform any investing for the plan. Due to the fact the County's role in management of the plan assets is basically limited to transmitting amounts withheld from payroll to an outside party responsible for administering the plan, the County does not report the assets of the Plan in the County's financial statements.

13. Post Employment Benefits

On January 1, 2014, the county adopted a resolution to provide health insurance benefits for certain employees upon their retirement. The benefit applies to any employee, including elected officials, who retire with 35 years of service. The retiree can continue their health insurance benefits with the county continuing the employer portion of the benefit until the retiree becomes eligible for Medicare. Currently there are no employees receiving this benefit.

14. Tax Abatements

In calendar year 2017, the county adopted Governmental Accounting Standards Board (GASB) Statement No. 77, Tax Abatement Disclosures. This statement requires state and local governments to disclose tax abatement agreements entered by other governments that reduce the reporting government's tax revenues. The following information should be disclosed: (1) brief descriptive information, such as the tax being abated, the authority under which tax abatements are provided, eligibility criteria, the mechanism by which taxes are abated, provisions for recapturing abated taxes, and the types of commitments made by tax abatement recipients; (2) the gross dollar amount of taxes abated during the period; and (3) commitments made by a government, other than to abate taxes, as part of a tax abatement agreement.

Chattooga County, through the Development Authority of Chattooga County, allows for taxable revenue bond financing, pursuant to the Georgia Development Authorities law, under Title 36 Chapter 62 of the Official Code of Georgia, in order to promote the creation of jobs and stimulate development activity within Chattooga County. The taxable revenue bond financings result in the reduction of ad valorem (real and/or personal property) taxes.

The county offers a reduction in property taxes through the structure of these financing arrangements. Specifically, the Development Authority of Chattooga County, may enter into agreements with private individuals or entities in order to incentivize these businesses to build, relocate, expand, or renovate in Chattooga County. The agreements involve a bond issuance and sale-leaseback transaction, whereby the Development Authority takes title to property and leases it back to the company. The Business or individual is responsible for making ad valorem tax payments on its leasehold interest. The rental payments for the leasehold offset the debt service on the bonds over a fixed 10-year term, so that at the end of the incentive period the bonds are fully retired and the company regains title of the property through an option to purchase.

CHATTOOGA COUNTY, GEORGIA
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

14. Tax Abatements– continued

The Development Authority considers the fiscal impacts of a proposed project and weighs such benefits against the costs of reduced revenue impacts when considering whether to enter a taxable revenue bond deal with an individual or entity. Generally eligible projects involve a commitment of significant capital investment and/or the creation of net new jobs to the County, which propose a favorable return on investment for the County. There are no additional commitments other than to provide favorable tax treatment. There are provisions for recapturing some portion of the value of these incentives in the event capital investment and job creation numbers are not met during the incentive period; however, the Development Authority can immediately return title to a company for a non-performing project, which cancels the incentive going forward. There are no amounts receivable from other governments.

For the 2023 calendar year, Chattooga County abated property taxes that were levied on November 29, 2023 and due March 1, 2024 totaling \$17,601 from one manufacturing company of which \$8,439 was for the Chattooga County Board of Education.

Combining Financial Statements

Non-Major Governmental Funds

**CHATTOOGA COUNTY, GEORGIA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
December 31, 2023**

| | Special Revenue | | | |
|--|------------------------------|-----------------------------|------------------|------------------|
| | Drug Confiscation | Jail Improvement | Date | E-911 |
| Assets | | | | |
| Cash and Cash Investments | \$ 182,243 | \$ 246,789 | \$ 43,862 | \$ 6,912 |
| Accounts Receivable - Other | - | - | - | 36,076 |
| Due from other funds | - | - | - | 21,392 |
| Due from other governments | - | 646 | 100 | - |
| | <u>182,243</u> | <u>247,435</u> | <u>43,962</u> | <u>64,380</u> |
| Total Assets | \$ 182,243 | \$ 247,435 | \$ 43,962 | \$ 64,380 |
| Liabilities and Fund Balances | | | | |
| Liabilities | | | | |
| Accounts Payable | \$ - | \$ - | \$ - | \$ 20,257 |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>20,257</u> |
| Total Liabilities | - | - | - | 20,257 |
| Fund Balances | | | | |
| Restricted for: | | | | |
| Public Safety | 182,243 | 247,435 | 43,962 | 44,123 |
| Culture and Recreation | - | - | - | - |
| Judicial | - | - | - | - |
| | <u>182,243</u> | <u>247,435</u> | <u>43,962</u> | <u>44,123</u> |
| Total Fund Balances | 182,243 | 247,435 | 43,962 | 44,123 |
| Total Liabilities and Fund Balances | \$ 182,243 | \$ 247,435 | \$ 43,962 | \$ 64,380 |

**CHATTOOGA COUNTY, GEORGIA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
December 31, 2023**

Special Revenue

| <u>Housing Prisoners</u> | <u>Law Library</u> | <u>Agricultural Fair</u> | <u>Multiple Grants</u> | <u>Juvenile Services</u> | <u>Total Other Governmental Funds</u> |
|------------------------------|------------------------|------------------------------|----------------------------|------------------------------|---|
| \$ 119,872 | \$ 30,587 | \$ 58,494 | \$ 1,382 | \$ 9,588 | \$ 699,729 |
| - | - | - | - | - | 36,076 |
| - | - | - | - | - | 21,392 |
| - | - | - | - | - | 746 |
| <u>\$ 119,872</u> | <u>\$ 30,587</u> | <u>\$ 58,494</u> | <u>\$ 1,382</u> | <u>\$ 9,588</u> | <u>\$ 757,943</u> |
| | | | | | |
| <u>\$ 19,413</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 39,670</u> |
| <u>19,413</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>39,670</u> |
| | | | | | |
| 100,459 | - | - | 1,382 | 9,588 | 629,192 |
| - | - | 58,494 | - | - | 58,494 |
| - | 30,587 | - | - | - | 30,587 |
| <u>100,459</u> | <u>30,587</u> | <u>58,494</u> | <u>1,382</u> | <u>9,588</u> | <u>718,273</u> |
| | | | | | |
| <u>\$ 119,872</u> | <u>\$ 30,587</u> | <u>\$ 58,494</u> | <u>\$ 1,382</u> | <u>\$ 9,588</u> | <u>\$ 757,943</u> |

CHATTOOGA COUNTY, GEORGIA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2023

| | Special Revenue | | | |
|--|------------------------------|-----------------------------|----------------------|------------------|
| | <u>Drug Confiscation</u> | <u>Jail Improvement</u> | <u>Date Fund</u> | <u>E-911</u> |
| Revenues | | | | |
| Investment Income | \$ - | \$ 237 | \$ - | \$ - |
| Fines and Forfeiture | - | 31,954 | 22,171 | - |
| Intergovernmental Revenue | 198,300 | - | - | - |
| Miscellaneous | - | - | - | 631,703 |
| Total Revenues | <u>198,300</u> | <u>32,191</u> | <u>22,171</u> | <u>631,703</u> |
| Expenditures | | | | |
| Current | | | | |
| Public Safety | 115,853 | 14,509 | 11,682 | 866,356 |
| Culture and Recreation | - | - | - | - |
| Courts | - | - | - | - |
| Total Expenditures | <u>115,853</u> | <u>14,509</u> | <u>11,682</u> | <u>866,356</u> |
| Excess (Deficiency) of Revenues over Expenditures | <u>82,447</u> | <u>17,682</u> | <u>10,489</u> | <u>(234,653)</u> |
| Other Financing Sources (Uses) | | | | |
| Transfers In | - | - | - | 193,194 |
| Transfers Out | - | - | - | - |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>193,194</u> |
| Net Changes in Fund Balance | 82,447 | 17,682 | 10,489 | (41,459) |
| Fund Balances - Beginning of Year | <u>99,796</u> | <u>229,753</u> | <u>33,473</u> | <u>85,582</u> |
| Fund Balances - End of Year | <u>\$ 182,243</u> | <u>\$ 247,435</u> | <u>\$ 43,962</u> | <u>\$ 44,123</u> |

CHATTOOGA COUNTY, GEORGIA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2023

Special Revenue

| <u>Housing Prisoners</u> | <u>Law Library</u> | <u>Agricultural Fair</u> | <u>Multiple Grants</u> | <u>Juvenile Services</u> | <u>Total Other Governmental Funds</u> |
|------------------------------|------------------------|------------------------------|----------------------------|------------------------------|---|
| \$ - | \$ 579 | \$ 2,514 | \$ - | \$ 45 | \$ 3,375 |
| - | 13,803 | - | - | 8,510 | 76,438 |
| - | - | - | 152,838 | - | 351,138 |
| <u>17,339</u> | <u>-</u> | <u>114,284</u> | <u>-</u> | <u>-</u> | <u>763,326</u> |
| <u>17,339</u> | <u>14,382</u> | <u>116,798</u> | <u>152,838</u> | <u>8,555</u> | <u>1,194,277</u> |
| - | - | - | 152,838 | - | 1,161,238 |
| - | - | 133,135 | - | - | 133,135 |
| <u>-</u> | <u>9,820</u> | <u>-</u> | <u>-</u> | <u>320</u> | <u>10,140</u> |
| <u>-</u> | <u>9,820</u> | <u>133,135</u> | <u>152,838</u> | <u>320</u> | <u>1,304,513</u> |
| <u>17,339</u> | <u>4,562</u> | <u>(16,337)</u> | <u>-</u> | <u>8,235</u> | <u>(110,236)</u> |
| - | - | - | - | - | 193,194 |
| <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>193,194</u> |
| 17,339 | 4,562 | (16,337) | - | 8,235 | 82,958 |
| <u>83,120</u> | <u>26,025</u> | <u>74,831</u> | <u>1,382</u> | <u>1,353</u> | <u>635,315</u> |
| <u>\$ 100,459</u> | <u>\$ 30,587</u> | <u>\$ 58,494</u> | <u>\$ 1,382</u> | <u>\$ 9,588</u> | <u>\$ 718,273</u> |

Schedule of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual

Special Revenue Funds

CHATTOOGA COUNTY, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL REVENUE FUND - DRUG CONFISCATION ACCOUNT
Year Ended December 31, 2023

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|---|----------------------------|-------------------------|-------------------|---|
| Revenues | | | | |
| Intergovernmental Revenue | \$ 7,000 | \$ 115,853 | \$ 198,300 | \$ 82,447 |
| Miscellaneous | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Revenues | <u>7,000</u> | <u>115,853</u> | <u>198,300</u> | <u>82,447</u> |
| Expenditures | | | | |
| Public Safety - Sheriff | | | | |
| Crime Prevention | 1,500 | 57,353 | 57,353 | - |
| Capital Outlay | <u>2,000</u> | <u>58,500</u> | <u>58,500</u> | <u>-</u> |
| Total Expenditures | <u>3,500</u> | <u>115,853</u> | <u>115,853</u> | <u>-</u> |
| Net Change in Fund Balance | <u>\$ 3,500</u> | <u>\$ -</u> | 82,447 | <u>\$ 82,447</u> |
| Fund Balance - Beginning of Year | | | <u>99,796</u> | |
| Fund Balance - End of Year | | | <u>\$ 182,243</u> | |

CHATTOOGA COUNTY, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
SPECIAL REVENUE FUND - JAIL IMPROVEMENT FUND
Year Ended December 31, 2023

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|---|----------------------------|-------------------------|-------------------|---|
| Revenues | | | | |
| Interest income | \$ 200 | \$ 200 | \$ 237 | \$ 37 |
| Fines and Forfeitures | <u>28,600</u> | <u>28,600</u> | <u>31,954</u> | <u>3,354</u> |
| Total Revenues | <u>28,800</u> | <u>28,800</u> | <u>32,191</u> | <u>3,391</u> |
| Expenditures | | | | |
| Public Safety - Sheriff Jail Maintenance | <u>22,000</u> | <u>22,000</u> | <u>14,509</u> | <u>7,491</u> |
| Total Expenditures | <u>22,000</u> | <u>22,000</u> | <u>14,509</u> | <u>7,491</u> |
| Net Change in Fund Balance | <u>\$ 6,800</u> | <u>\$ 6,800</u> | 17,682 | <u>\$ 10,882</u> |
| Fund Balance - Beginning of Year | | | <u>229,753</u> | |
| Fund Balance - End of Year | | | <u>\$ 247,435</u> | |

CHATTOOGA COUNTY, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
SPECIAL REVENUE FUND - DATE FUND
Year Ended December 31, 2023

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|---|----------------------------|-------------------------|------------------|---|
| Revenues | | | | |
| Fines and Forfeitures | \$ - | \$ - | \$ 22,171 | \$ 22,171 |
| Miscellaneous | - | - | - | - |
| Total Revenues | <u>-</u> | <u>-</u> | <u>22,171</u> | <u>22,171</u> |
| Expenditures | | | | |
| Public Safety - Sheriff Crime Prevention | <u>51,500</u> | <u>51,500</u> | <u>11,682</u> | <u>39,818</u> |
| Total Expenditures | <u>51,500</u> | <u>51,500</u> | <u>11,682</u> | <u>39,818</u> |
| Net Change in Fund Balance | <u>\$ (51,500)</u> | <u>\$ (51,500)</u> | 10,489 | <u>\$ 61,989</u> |
| Fund Balance - Beginning of Year | | | <u>33,473</u> | |
| Fund Balance - End of Year | | | <u>\$ 43,962</u> | |

CHATTOOGA COUNTY, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
SPECIAL REVENUE FUND - E911 EMERGENCY FUND
Year Ended December 31, 2023

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|---|----------------------------|-------------------------|------------------|---|
| Revenues | | | | |
| Miscellaneous | | | | |
| 911 Fees | \$ 675,000 | \$ 675,000 | \$ 631,703 | \$ (43,297) |
| Total Revenues | <u>675,000</u> | <u>675,000</u> | <u>631,703</u> | <u>(43,297)</u> |
| Expenditures | | | | |
| Public Safety - E911 | | | | |
| Salaries | 495,950 | 511,017 | 511,017 | - |
| Benefits | 176,600 | 196,297 | 196,297 | - |
| Insurance | 2,150 | 5,161 | 5,161 | - |
| Supplies | 11,550 | 11,550 | 10,837 | 713 |
| Maintenance - Buildings & Equipment | 29,800 | 35,493 | 35,493 | - |
| Telephone | 45,000 | 45,000 | 43,297 | 1,703 |
| Training and Travel | 2,000 | 2,000 | 496 | 1,504 |
| Computer Expense | 34,800 | 35,714 | 35,714 | - |
| Utilities | 16,400 | 22,946 | 22,946 | - |
| Uniform and Laundry | 500 | 500 | 192 | 308 |
| Capital Outlay | 10,000 | 10,000 | 4,906 | 5,094 |
| | - | | | |
| Total Expenditures | <u>824,750</u> | <u>875,678</u> | <u>866,356</u> | <u>9,322</u> |
| Excess of Revenues Over Expenditures | <u>(149,750)</u> | <u>(200,678)</u> | <u>(234,653)</u> | <u>(33,975)</u> |
| Other Financing Sources (Uses) | | | | |
| Transfers - In | - | 272,282 | 193,194 | (79,088) |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>272,282</u> | <u>193,194</u> | <u>(79,088)</u> |
| Net Change in Fund Balance | <u>\$ (149,750)</u> | <u>\$ 71,604</u> | <u>(41,459)</u> | <u>\$ (113,063)</u> |
| Fund Balance - Beginning of Year | | | <u>85,582</u> | |
| Fund Balance - End of Year | | | <u>\$ 44,123</u> | |

CHATTOOGA COUNTY, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
SPECIAL REVENUE FUND - LAW LIBRARY
Year Ended December 31, 2023

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|---|----------------------------|-------------------------|------------------|---|
| Revenues | | | | |
| Fines and forfeitures | \$ 13,000 | \$ 13,000 | \$ 13,803 | \$ 803 |
| Investment earnings | 400 | 400 | 579 | 179 |
| Total Revenues | <u>13,400</u> | <u>13,400</u> | <u>14,382</u> | <u>982</u> |
| Expenditures | | | | |
| Court System | <u>13,400</u> | <u>13,400</u> | <u>9,820</u> | <u>3,580</u> |
| Total Expenditures | <u>13,400</u> | <u>13,400</u> | <u>9,820</u> | <u>3,580</u> |
| Net Change in Fund Balance | <u>\$ -</u> | <u>\$ -</u> | 4,562 | <u>\$ 4,562</u> |
| Fund Balance - Beginning of Year | | | <u>26,025</u> | |
| Fund Balance - End of Year | | | <u>\$ 30,587</u> | |

CHATTOOGA COUNTY, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL REVENUE FUND - MULTIPLE GRANTS FUND
Year Ended December 31, 2023

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|---|----------------------------|-------------------------|-----------------|---|
| Revenues | | | | |
| Intergovernmental Revenue | \$ - | \$ 152,838 | \$ 152,838 | \$ - |
| Miscellaneous | - | - | - | - |
| Total Revenues | - | <u>152,838</u> | <u>152,838</u> | - |
| Expenditures | | | | |
| Public Safety - Sheriff | | | | |
| Crime Prevention | - | 152,838 | 152,838 | - |
| Capital Outlay | - | - | - | - |
| Total Expenditures | - | <u>152,838</u> | <u>152,838</u> | - |
| Net Change in Fund Balance | <u>\$ -</u> | <u>\$ -</u> | - | <u>\$ -</u> |
| Fund Balance - Beginning of Year | | | <u>1,382</u> | |
| Fund Balance - End of Year | | | <u>\$ 1,382</u> | |

Supplementary Individual Fund
Financial Schedules

General Fund

The supplementary schedules are included to provide management additional information for financial analysis.

CHATTOOGA COUNTY, GEORGIA
COMPARATIVE BALANCE SHEET
GENERAL FUND
December 31, 2023
(with comparative totals for 2022)

| | 2023 | 2022 |
|---|------------------|------------------|
| Assets | | |
| Cash | \$ 2,513,926 | \$ 3,664,324 |
| Accounts Receivable | 128,848 | 133,858 |
| Due from other funds | 682,068 | 892,877 |
| Due from other governments | 779,718 | - |
| Taxes Receivable | 4,026,804 | 1,109,292 |
| Prepaid expenses | - | 94,748 |
| Total Assets | \$ 8,131,364 | \$ 5,895,099 |
| Liabilities and Fund Balance | | |
| Liabilities | | |
| Accounts Payable | \$ 410,314 | \$ 129,747 |
| Due to other funds | 21,392 | - |
| Deferred Inflows of Resources | | |
| Unavailable Revenues | 1,864,027 | 356,670 |
| Total Liabilities and Deferred Inflows of Resources | 2,295,733 | 486,417 |
| Fund Balance | | |
| Unassigned | 5,835,631 | 5,408,682 |
| Total Fund Balance | 5,835,631 | 5,408,682 |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances | \$ 8,131,364 | \$ 5,895,099 |

CHATTOOGA COUNTY, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
Year Ended December 31, 2023
(with comparative totals for 2022)

| | <u>2023</u> | | | <u>2022</u> | |
|--|----------------------------|-------------------------|---------------------|---|-------------------|
| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> | <u>Actual</u> |
| Revenues | | | | | |
| Taxes | \$ 9,512,779 | \$ 9,512,779 | \$ 8,519,621 | \$ (993,158) | \$ 10,251,429 |
| Licenses and Permits | 20,700 | 20,700 | 22,870 | 2,170 | 18,243 |
| Fines and Forfeitures | 496,000 | 496,000 | 559,960 | 63,960 | 523,288 |
| Intergovernmental | 305,075 | 1,367,175 | 1,415,202 | 48,027 | 514,954 |
| Charges for Services | 606,500 | 606,500 | 796,943 | 190,443 | 614,339 |
| Miscellaneous | 5,000 | 5,000 | 199,544 | 194,544 | 322,832 |
| Total Revenues | <u>10,946,054</u> | <u>12,008,154</u> | <u>11,514,140</u> | <u>(494,014)</u> | <u>12,245,085</u> |
| Expenditures | | | | | |
| Current | | | | | |
| General Government | 1,991,017 | 3,296,817 | 3,130,383 | 166,434 | 2,023,282 |
| Public Safety | 5,072,624 | 5,274,324 | 5,124,947 | 149,377 | 4,904,928 |
| Court System | 1,662,184 | 1,760,284 | 1,717,439 | 42,845 | 1,620,953 |
| Roads and Bridges | 240,000 | 244,100 | 244,053 | 47 | 298,109 |
| Health and Welfare | 318,897 | 397,644 | 352,804 | 44,840 | 384,827 |
| Culture and Recreation | 669,384 | 638,837 | 633,129 | 5,708 | 660,275 |
| Sanitation | 1,019,100 | 1,332,100 | 1,330,940 | 1,160 | 1,086,144 |
| Total Expenditures | <u>10,973,206</u> | <u>12,944,106</u> | <u>12,533,695</u> | <u>410,411</u> | <u>10,978,518</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>(27,152)</u> | <u>(935,952)</u> | <u>(1,019,555)</u> | <u>(83,603)</u> | <u>1,266,567</u> |
| Other Financing Sources (Uses) | | | | | |
| Sale of assets | - | - | 48,001 | 48,001 | 34,965 |
| Transfers In (Out) | - | 1,398,503 | 1,398,503 | - | (403,319) |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>1,398,503</u> | <u>1,446,504</u> | <u>48,001</u> | <u>(368,354)</u> |
| Net Change in Fund Balance | <u>\$ (27,152)</u> | <u>\$ 462,551</u> | <u>426,949</u> | <u>\$ (35,602)</u> | <u>\$ 898,213</u> |
| Fund Balances - Beginning | | | <u>5,408,682</u> | | |
| Fund Balanced - End of Year | | | <u>\$ 5,835,631</u> | | |

CHATTOOGA COUNTY GEORGIA
SCHEDULE OF EXPENDITURES BY DEPARTMENTS
BUDGET AND ACTUAL
GENERAL FUND
Year Ended December 31, 2023
(with comparative totals for 2022)

| | 2023 | | | Variance Positive (Negative) | 2022 |
|--------------------------------------|----------------------------|-------------------------|----------------------|---|----------------------|
| | Original Budget | Final Budget | Actual | | Actual |
| General Government | | | | | |
| Commissioner's Office | \$ 482,696 | \$ 603,296 | \$ 603,222 | \$ 74 | \$ 474,842 |
| General Expenses | 79,000 | 1,171,100 | 1,170,786 | 314 | 92,147 |
| Buildings and Grounds | 223,799 | 316,899 | 316,886 | 13 | 384,628 |
| Registrar | 102,626 | 102,626 | 77,920 | 24,706 | 101,928 |
| Code Enforcement | 73,182 | 73,182 | 72,763 | 419 | 66,820 |
| Tax Assessors | 576,147 | 576,147 | 440,723 | 135,424 | 472,110 |
| Tax Commissioner | 453,567 | 453,567 | 448,083 | 5,484 | 430,807 |
| Total General Government | 1,991,017 | 3,296,817 | 3,130,383 | 166,434 | 2,023,282 |
| Public Safety | | | | | |
| Sheriff | | | | | |
| General | 2,467,994 | 2,467,994 | 2,409,443 | 58,551 | 2,362,764 |
| Jail | 2,003,823 | 2,109,823 | 2,108,696 | 1,127 | 1,934,428 |
| Malt Beverage Services | 7,200 | 23,500 | 23,489 | 11 | 14,252 |
| Community Oriented Police | 227,680 | 227,680 | 157,405 | 70,275 | 126,673 |
| Total Sheriff | 4,706,697 | 4,828,997 | 4,699,033 | 129,964 | 4,438,117 |
| Animal Control | 138,027 | 186,027 | 185,651 | 376 | 159,291 |
| Fire Departments | 173,100 | 173,100 | 154,047 | 19,053 | 174,585 |
| Civil Defense | 7,600 | 8,000 | 8,146 | (146) | 11,550 |
| Coroner | 47,200 | 65,600 | 65,517 | 83 | 55,837 |
| Local Emergency Planning | - | 12,600 | 12,553 | 47 | 65,548 |
| Total Public Safety | 5,072,624 | 5,274,324 | 5,124,947 | 149,377 | 4,904,928 |
| Courts | | | | | |
| Clerk of Courts | 339,525 | 356,225 | 356,141 | 84 | 344,996 |
| Probate Court | 300,850 | 300,850 | 270,302 | 30,548 | 315,289 |
| Magistrate Court | 230,580 | 233,480 | 233,417 | 63 | 220,459 |
| Juvenile Court | 130,350 | 156,850 | 156,785 | 65 | 126,408 |
| Superior Court | 72,350 | 83,350 | 83,023 | 327 | 106,746 |
| State Court | 215,753 | 231,753 | 230,989 | 764 | 210,844 |
| Court Reporter and Public Defender | 141,076 | 141,076 | 130,425 | 10,651 | 134,139 |
| District Attorney | 226,000 | 251,000 | 250,957 | 43 | 155,997 |
| Probation Office | 5,700 | 5,700 | 5,400 | 300 | 6,075 |
| Total Courts | 1,662,184 | 1,760,284 | 1,717,439 | 42,845 | 1,620,953 |
| Roads and Bridges (Work Camp) | 240,000 | 244,100 | 244,053 | 47 | 298,109 |
| Health and Welfare | | | | | |
| Board of Health | 158,132 | 158,132 | 120,332 | 37,800 | 160,379 |
| Public Welfare | 99,320 | 99,320 | 99,320 | - | 99,320 |
| County Agent | 112,892 | 118,492 | 118,062 | 430 | 111,834 |
| Crisis Centers | 21,100 | 21,100 | 14,890 | 6,210 | 12,494 |
| Indigent Care | 600 | 600 | 200 | 400 | 800 |
| Total Health and Welfare | 392,044 | 397,644 | 352,804 | 44,840 | 384,827 |
| Culture and Recreation | | | | | |
| Public Library | 84,000 | 84,000 | 81,656 | 2,344 | 70,822 |
| Public Transportation | 146,892 | 177,492 | 176,524 | 968 | 177,963 |
| Senior, Civic and other buildings | 70,845 | 70,845 | 71,874 | (1,029) | 79,979 |
| Economic Development | 107,200 | 107,200 | 103,227 | 3,973 | 145,762 |
| Boys and Girls Club | 17,000 | 18,000 | 18,485 | (485) | 18,420 |
| Agricultural Center | 15,300 | 26,300 | 26,363 | (63) | 12,329 |
| Recreation | 155,000 | 155,000 | 155,000 | - | 155,000 |
| Total Culture and Recreation | 596,237 | 638,837 | 633,129 | 5,708 | 660,275 |
| Sanitation | | | | | |
| Solid Waste and Water Project | 1,019,100 | 1,332,100 | 1,330,940 | 1,160 | 1,086,144 |
| Total Sanitation | 1,019,100 | 1,332,100 | 1,330,940 | 1,160 | 1,086,144 |
| Total Expenditures | \$ 10,973,206 | \$ 12,944,106 | \$ 12,533,695 | \$ 410,411 | \$ 10,978,518 |

CHATTOOGA COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES BY ACCOUNTS
GENERAL FUND
Year Ended December 31, 2023
(with comparative totals for 2022)

| | <u>2023</u> | <u>2022</u> |
|-----------------------------|------------------|------------------|
| EXPENDITURES | | |
| General Government - | | |
| Commissioner's Office - | | |
| Salaries - Commissioner | \$ 94,060 | \$ 88,809 |
| Salaries - Others | 217,713 | 165,079 |
| Benefits | 80,153 | 66,643 |
| Dues | 6,837 | 5,700 |
| Insurance | 88,285 | 57,529 |
| Office Expense | 88,045 | 81,068 |
| Telephone | 4,259 | 4,143 |
| Training and Travel | 9,476 | 5,871 |
| Capital Outlay | 14,394 | - |
| Total Commissioner's Office | <u>603,222</u> | <u>474,842</u> |
| General Expenses - | | |
| Professional Services | 1,127,456 | 58,230 |
| Interest Expense | 43,330 | 33,917 |
| Total General Expenses | <u>1,170,786</u> | <u>92,147</u> |
| Building and Grounds - | | |
| Salaries | 106,731 | 112,855 |
| Benefits | 25,881 | 25,384 |
| Insurance | 1,156 | 1,169 |
| Supplies | 6,005 | 20,939 |
| Maintenance | 117,832 | 154,507 |
| Utilities | 59,281 | 69,774 |
| Capital Outlay | - | - |
| Total Buildings and Grounds | <u>316,886</u> | <u>384,628</u> |
| Registrar - | | |
| Salaries | 44,502 | 52,824 |
| Benefits | 12,358 | 12,629 |
| Insurance | 721 | 730 |
| Office Expense | 8,081 | 25,335 |
| Telephone | 3,297 | 3,159 |
| Training and Travel | 5,324 | 3,053 |
| Utilities | 3,637 | 4,198 |
| Capital Outlay | - | - |
| Total Registrar | <u>77,920</u> | <u>101,928</u> |
| Subtotal Carried Forward | <u>2,168,814</u> | <u>1,053,545</u> |

CHATTOOGA COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES BY ACCOUNTS
GENERAL FUND
Year Ended December 31, 2023
(with comparative totals for 2022)

| | 2023 | 2022 |
|---------------------------------|------------------|------------------|
| Subtotal Brought Forward | \$ 2,168,814 | \$ 1,053,545 |
| EXPENDITURES - continued | | |
| General Government - continued | | |
| Code Enforcement - | | |
| Salaries | 42,619 | 40,852 |
| Benefits | 21,206 | 19,244 |
| Insurance | 4,082 | 3,786 |
| Office Expense | 3,620 | 2,306 |
| Telephone | 1,236 | 632 |
| Capital Outlay | - | - |
| Total Code Enforcement | 72,763 | 66,820 |
| Tax Assessors - | | |
| Salaries - Arbitrators | 12,375 | 13,275 |
| Salaries - Other | 250,711 | 258,464 |
| Benefits | 100,611 | 92,230 |
| Dues | 3,679 | 3,541 |
| Insurance | 7,432 | 4,225 |
| Legal | 9,139 | 5,031 |
| Office Expense | 38,795 | 38,519 |
| Telephone | 5,827 | 4,508 |
| Training and Travel | 5,758 | 14,838 |
| Capital Outlay | 6,396 | 37,479 |
| Total Tax Assessors | 440,723 | 472,110 |
| Tax Commissioner - | | |
| Salaries - Tax Commissioner | 68,865 | 64,350 |
| Salaries - Others | 164,462 | 163,365 |
| Benefits | 122,365 | 118,321 |
| Auditors and Attorneys | 24,217 | 21,653 |
| Insurance | 1,011 | 1,021 |
| Office Expense | 51,677 | 46,071 |
| Telephone | 7,795 | 7,040 |
| Training and Travel | 4,340 | 4,688 |
| Capital Outlay | 3,351 | 4,298 |
| Total Tax Commissioner | 448,083 | 430,807 |
| Total General Government | 3,130,383 | 2,023,282 |

CHATTOOGA COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES BY ACCOUNTS
GENERAL FUND
Year Ended December 31, 2023
(with comparative totals for 2022)

| | <u>2023</u> | <u>2022</u> |
|---------------------------------|------------------|------------------|
| EXPENDITURES - continued | | |
| Public Safety - | | |
| Sheriff - General | | |
| Salaries - Sheriff | \$ 91,054 | \$ 87,162 |
| Salaries - Others | 1,371,153 | 1,349,813 |
| Benefits | 435,730 | 411,657 |
| Auditors and Attorneys | 3,112 | 3,560 |
| Dues | 2,193 | 3,353 |
| Insurance | 144,666 | 122,777 |
| Supplies | 53,259 | 45,940 |
| Repairs and maintenance | 7,501 | 9,245 |
| Telephone | 12,280 | 15,574 |
| Training and Travel | 270 | 4,001 |
| Capital Outlay | 89,447 | 130,084 |
| Vehicle Expense | 187,886 | 135,863 |
| Debt service | - | 33,000 |
| Uniforms | 10,892 | 10,735 |
| Total Sheriff - General | <u>2,409,443</u> | <u>2,362,764</u> |
| Community Oriented Police - | <u>157,405</u> | <u>126,673</u> |
| Malt Beverage Services - | <u>23,489</u> | <u>14,252</u> |
| Jail - | | |
| Salaries | 590,535 | 575,403 |
| Benefits | 160,739 | 138,249 |
| Insurance | 20,651 | 20,877 |
| Supplies | 52,254 | 38,960 |
| Buildings and Grounds | 86,077 | 57,704 |
| Telephone | 2,014 | 1,980 |
| Training and Travel | 1,061 | 1,111 |
| Meals and Housing | 970,514 | 901,414 |
| Medical | 222,772 | 195,977 |
| Uniforms and Laundry | 1,064 | 1,600 |
| Capital Outlay | 1,015 | 1,153 |
| Total Jail | <u>2,108,696</u> | <u>1,934,428</u> |
| Total Sheriff | <u>4,699,033</u> | <u>4,438,117</u> |
| Animal Control - | <u>185,651</u> | <u>159,291</u> |
| Fire - | <u>154,047</u> | <u>174,585</u> |
| Civil Defense - | <u>8,146</u> | <u>11,550</u> |
| Subtotal Carried Forward | <u>5,046,877</u> | <u>4,783,543</u> |

CHATTOOGA COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES BY ACCOUNTS
GENERAL FUND
Year Ended December 31, 2023

(with comparative totals for 2022)

| | 2023 | 2022 |
|---------------------------------|------------------|------------------|
| Subtotal Brought Forward | \$ 5,046,877 | \$ 4,783,543 |
| EXPENDITURES - continued | | |
| Public Safety - continued | | |
| Coroner - | | |
| Salaries | 26,649 | 19,367 |
| Benefits | 19,249 | 19,210 |
| Training | 2,306 | 2,968 |
| Inquest expense | 12,011 | 11,368 |
| Supplies | 5,302 | 2,924 |
| Total Coroner | 65,517 | 55,837 |
| Local Emergency Planning | 12,553 | 65,548 |
| Total Public Safety | 5,124,947 | 4,904,928 |
| Courts - | | |
| Clerk of Courts - | | |
| Salaries - Clerk | 83,563 | 78,385 |
| Salaries - Others | 138,811 | 143,840 |
| Salaries - Arbitrators | 23,650 | 12,600 |
| Benefits | 62,641 | 60,109 |
| Auditors and Attorneys | 3,300 | 3,000 |
| Insurance | 1,156 | 1,169 |
| Office Expense | 33,015 | 34,804 |
| Telephone | 2,082 | 2,298 |
| Training and Travel | 5,786 | 5,561 |
| Capital Outlay | 2,137 | 3,230 |
| Total Clerk of Courts | 356,141 | 344,996 |
| Probate Court - | | |
| Salaries - Judge | 84,367 | 74,465 |
| Salaries - Others | 97,960 | 97,787 |
| Benefits | 62,037 | 61,239 |
| Auditors and Attorneys | 1,500 | 4,539 |
| Insurance | 831 | 730 |
| Office Expense | 11,708 | 8,059 |
| Telephone | 2,736 | 2,565 |
| Training and Travel | 7,348 | 10,007 |
| Election Expense | - | 13,714 |
| Poll Workers | - | 41,340 |
| Capital Outlay | 1,815 | 844 |
| Total Probate Court | 270,302 | 315,289 |
| Subtotal Carried Forward | 626,443 | 660,285 |

CHATTOOGA COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES BY ACCOUNTS
GENERAL FUND
Year Ended December 31, 2023

(with comparative totals for 2022)

| | 2023 | 2022 |
|---------------------------------|-------------|-------------|
| Subtotal Brought Forward | \$ 626,443 | \$ 660,285 |
| EXPENDITURES - continued | | |
| Courts - continued | | |
| Juvenile Court - | | |
| Salaries | 50,400 | 50,400 |
| Benefits | 3,856 | 3,856 |
| Office Expense | 953 | 678 |
| Court Appointed Attorneys | 90,226 | 64,521 |
| Witness Fees | 3,367 | 300 |
| Court Reporters | 7,983 | 6,653 |
| Total Juvenile Court | 156,785 | 126,408 |
| Magistrate's Office - | | |
| Salaries | 167,643 | 157,145 |
| Benefits | 51,376 | 53,934 |
| Auditors and Attorneys | 1,500 | 1,500 |
| Supplies | 6,268 | 2,457 |
| Insurance | 576 | 584 |
| Telephone | 1,533 | 1,241 |
| Training and Travel | 2,420 | 2,067 |
| Capital Outlay | 2,101 | 1,531 |
| Total Magistrate's Office | 233,417 | 220,459 |
| Superior Court - | | |
| Salaries | 10,426 | 10,653 |
| Office Expense | 2,759 | 4,958 |
| Telephone | 2,959 | 2,865 |
| Court Reporters | 13,253 | 29,449 |
| Jurors | 44,800 | 51,150 |
| Witness Fees | 1,926 | 831 |
| Bailiffs and Administrators | 6,900 | 6,840 |
| Total Superior Court | 83,023 | 106,746 |
| Subtotal Carried Forward | 1,099,668 | 1,113,898 |

CHATTOOGA COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES BY ACCOUNTS
GENERAL FUND
Year Ended December 31, 2023
(with comparative totals for 2022)

| | 2023 | 2022 |
|--|------------------|------------------|
| Subtotal Brought Forward | \$ 1,099,668 | \$ 1,113,898 |
| EXPENDITURES - continued | | |
| Courts - continued | | |
| State Court - | | |
| Salaries | 156,730 | 138,825 |
| Benefits | 59,523 | 59,324 |
| Insurance | 435 | 436 |
| Office Expense | 2,855 | 2,147 |
| Employee training | 1,965 | 1,850 |
| Telephone | 565 | 552 |
| Attorneys | 4,940 | 5,000 |
| Court Reporters | 3,600 | 2,600 |
| Witness Fees | 376 | 110 |
| Capital Outlay | - | - |
| Total State Court | 230,989 | 210,844 |
| District Attorney - | | |
| Prorate Expenses | 249,714 | 154,618 |
| Office Expense | 1,243 | 1,379 |
| Capital Outlay | - | - |
| Total District Attorney | 250,957 | 155,997 |
| Probation Office - | 5,400 | 6,075 |
| Court Reporter and Public Defender - | | |
| Salaries | 17,164 | 17,164 |
| Benefits | 3,105 | 2,906 |
| Attorney Fees | 110,156 | 114,069 |
| Total Court Reporter and Public Defender | 130,425 | 134,139 |
| Total Courts | 1,717,439 | 1,620,953 |
| Roads and Bridges- | | |
| Salaries | 102,485 | 123,507 |
| Benefits | 32,426 | 39,489 |
| Gas, Oil, and Tires | 10,716 | 7,894 |
| Maintenance | 25,224 | 13,827 |
| Insurance | 23,429 | 19,353 |
| Supplies | 27,222 | 24,234 |
| Utilities | 12,310 | 9,799 |
| Telephone | 6,542 | 6,987 |
| Uniforms | 3,699 | 3,534 |
| Capital Outlay | - | 49,485 |
| Total Roads and Bridges | 244,053 | 298,109 |

CHATTOOGA COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES BY ACCOUNTS
GENERAL FUND
Year Ended December 31, 2023
(with comparative totals for 2022)

| | <u>2023</u> | <u>2022</u> |
|--|-----------------------------|-----------------------------|
| EXPENDITURES - continued | | |
| Health and Welfare - | - | |
| Board of Health | \$ 120,332 | \$ 160,379 |
| Public Welfare | 99,320 | 99,320 |
| County Agent | 118,062 | 111,834 |
| Child Advocacy Center | 4,193 | 4,026 |
| Family Crisis Center | 5,662 | 4,026 |
| Other Agencies | 5,035 | 4,442 |
| Hospital and Medical Care | <u>200</u> | <u>800</u> |
| Total Health and Welfare | <u>352,804</u> | <u>384,827</u> |
| | | |
| Culture and Recreation - | | |
| Public Library | 81,656 | 70,822 |
| Public Transportation | 176,524 | 177,963 |
| Civic, Senior, and Multi-purpose Centers | 71,874 | 79,979 |
| Economic Development | 103,227 | 145,762 |
| Boys and Girls Club | 18,485 | 18,420 |
| Agricultural Center | 26,363 | 12,329 |
| Recreation | <u>155,000</u> | <u>155,000</u> |
| Total Culture and Recreation | <u>633,129</u> | <u>660,275</u> |
| | | |
| Sanitation - | | |
| Solid Waste | 629,681 | 334,597 |
| Salaries | 319,718 | 348,885 |
| Benefits | 84,104 | 86,812 |
| Insurance | 16,309 | 12,048 |
| Supplies | 10,102 | 19,766 |
| Gas, Oil, and Repairs | 123,847 | 184,147 |
| Landfill Maintenance | 18,400 | 23,270 |
| Utilities | 8,073 | 9,661 |
| Professional services | 253 | 1,062 |
| Debt service | 84,723 | 48,000 |
| Capital Outlay | <u>35,730</u> | <u>17,896</u> |
| Total Sanitation | <u>1,330,940</u> | <u>1,086,144</u> |
| | | |
| TOTAL EXPENDITURES | <u>\$ 12,533,695</u> | <u>\$ 10,978,518</u> |

Capital Projects Fund

CHATTOOGA COUNTY, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL PROJECT - SALES TAX FUND
Year Ended December 31, 2023

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance With Final Budget Positive (Negative)</u> |
|----------------------------------|----------------------------|-------------------------|---------------------|---|
| Revenues | | | | |
| Intergovernmental | | | | |
| State Government - | | | | |
| Special Project Local | | | | |
| Option Sales Tax (SPLOST) | \$ 3,237,600 | \$ 3,237,600 | \$ 3,379,425 | \$ 141,825 |
| Interest Income | 6,000 | 6,000 | 8,685 | 2,685 |
| Intergovernmental | 583,065 | 583,065 | 583,066 | 1 |
| Miscellaneous Income | <u>10,500</u> | <u>10,500</u> | <u>42,603</u> | <u>32,103</u> |
| Total Revenues | <u>3,837,165</u> | <u>3,837,165</u> | <u>4,013,779</u> | <u>176,614</u> |
| Expenditures | | | | |
| Roads and Bridges | | | | |
| Personnel | 303,600 | 465,159 | 463,159 | 2,000 |
| Benefits | 88,000 | 132,476 | 132,476 | - |
| Insurance | 69,000 | 79,126 | 79,126 | - |
| Professional fees | 8,000 | 8,000 | 6,000 | 2,000 |
| Capital Expenditures | 1,298,000 | 1,048,000 | 1,037,861 | 10,139 |
| Materials | 324,113 | 324,113 | 296,772 | 27,341 |
| Maintenance | <u>34,000</u> | <u>101,369</u> | <u>101,369</u> | <u>-</u> |
| Total Roads and Bridges | 2,124,713 | 2,158,243 | 2,116,763 | 41,480 |
| Intergovernmental Payments | | | | |
| Municipal Contracts | <u>1,292,000</u> | <u>1,537,638</u> | <u>1,537,638</u> | <u>-</u> |
| Net Change in Fund Balance | <u>\$ 420,452</u> | <u>\$ 141,284</u> | 359,378 | <u>\$ 218,094</u> |
| Fund Balances - Beginning | | | <u>944,996</u> | |
| Fund Balances - Ending | | | <u>\$ 1,304,374</u> | |

See accompanying notes to basic financial statements.

CHATTOOGA COUNTY, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL REVENUE FUND - AMERICAN RESCUE PLAN FUND
Year Ended December 31, 2023

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|---|----------------------------|-------------------------|--------------------|---|
| Revenues | | | | |
| Intergovernmental Revenue | \$ - | \$ 2,425,138 | \$ 2,425,138 | \$ - |
| Investment Income | - | <u>117,831</u> | <u>117,831</u> | - |
| Total Revenues | - | <u>2,542,969</u> | <u>2,542,969</u> | - |
| Expenditures | | | | |
| General Government | - | 116,750 | 116,750 | - |
| Public Safety | - | 63,719 | 63,719 | - |
| Capital Outlay | - | - | <u>511,907</u> | <u>(511,907)</u> |
| Total Expenditures | - | <u>692,376</u> | <u>692,376</u> | - |
| Excess of Revenues Over Expenditures | - | <u>1,850,593</u> | <u>1,850,593</u> | - |
| Other Financing Sources (Uses) | | | | |
| Transfers - Out | - | <u>(1,670,785)</u> | <u>(1,670,785)</u> | <u>(65,268)</u> |
| Total Other Financing Sources (Uses) | - | <u>(1,670,785)</u> | <u>(1,670,785)</u> | <u>(65,268)</u> |
| Net Change in Fund Balance | <u>\$ -</u> | <u>\$ 179,808</u> | 179,808 | <u>\$ (65,268)</u> |
| Fund Balance - Beginning of Year | | | <u>83,232</u> | |
| Fund Balance - End of Year | | | <u>\$ 263,040</u> | |

Proprietary Fund

CHATTOOGA COUNTY, GEORGIA
COMPARATIVE STATEMENTS OF NET POSITION
WATER REVENUE FUND
Year Ended December 31, 2023
(with comparative totals for 2022)

| | <u>2023</u> | <u>2022</u> |
|---|----------------------|----------------------|
| Assets | | |
| Current Assets | | |
| Cash and Cash Investments | \$ 225,458 | \$ 144,109 |
| Accounts Receivable | 207,039 | 180,934 |
| Inventory | 48,793 | 72,147 |
| Prepaid Expenses | 5,500 | 10,032 |
| Total Current Assets | <u>486,790</u> | <u>407,222</u> |
| Current Assets - Restricted | | |
| Cash and Cash Investments | <u>27,006</u> | <u>26,065</u> |
| Total Current Restricted Assets | <u>27,006</u> | <u>26,065</u> |
| Noncurrent Assets | | |
| Capital Assets | | |
| Construction in Process | 20,375 | - |
| Land | 56,899 | 56,899 |
| Buildings | 145,810 | 145,810 |
| Infrastructure | 22,512,354 | 22,512,354 |
| Equipment | 940,328 | 916,904 |
| Accumulated Depreciation | <u>(7,758,258)</u> | <u>(7,301,650)</u> |
| Total Capital Assets, Net of Depreciation | <u>15,917,508</u> | <u>16,330,317</u> |
| Total Noncurrent Assets | <u>15,917,508</u> | <u>16,330,317</u> |
| Total Assets | <u>\$ 16,431,304</u> | <u>\$ 16,763,604</u> |
| Liabilities | | |
| Current Liabilities | | |
| Accounts Payable | \$ 17,331 | \$ 8,003 |
| Deposits | 19,890 | 26,465 |
| Due to general fund | 454,984 | 454,984 |
| Bonds and Notes Payable | <u>231,413</u> | <u>226,298</u> |
| Total Current Liabilities | <u>723,618</u> | <u>715,750</u> |
| Noncurrent Liabilities | | |
| Notes and Bonds Payable | <u>7,043,975</u> | <u>7,275,388</u> |
| Total Noncurrent Liabilities | <u>7,043,975</u> | <u>7,275,388</u> |
| Total Liabilities | <u>7,767,593</u> | <u>7,991,138</u> |
| Net Position | | |
| Net investment in capital assets | 8,642,120 | 8,828,631 |
| Unrestricted | <u>21,591</u> | <u>(56,165)</u> |
| Total Net Position | <u>\$ 8,663,711</u> | <u>\$ 8,772,466</u> |

CHATTOOGA COUNTY, GEORGIA
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND NET POSITION
WATER REVENUE FUND
Year Ended December 31, 2023
(with comparative totals for 2022)

| | 2023 | 2022 |
|--|--------------|--------------|
| Operating Revenues | | |
| Charges for Services | \$ 1,361,895 | \$ 1,283,545 |
| Total Operating Revenues | 1,361,895 | 1,283,545 |
| Operating Expenses | | |
| Personal Services | 361,982 | 349,851 |
| Supplies and Materials | 499,319 | 615,860 |
| Contractual Services | 34,599 | 26,376 |
| Depreciation | 460,060 | 444,088 |
| Total Operating Expenses | 1,355,960 | 1,436,175 |
| Income (Loss) from Operations | 5,935 | (152,630) |
| Nonoperating Revenues (Expenses) | | |
| Interest Earned | 7,167 | 177 |
| Interest Expense | (248,195) | (253,116) |
| Grant and Donation Revenue | - | 731,750 |
| Total Nonoperating Revenue (Expenses) | (241,028) | 478,811 |
| Income (Loss) before other revenues | (235,093) | 326,181 |
| Capital Contributions | 47,250 | 169,893 |
| Transfers in | 79,088 | 252,031 |
| Total Other Revenues | 126,338 | 421,924 |
| Change in Net Position | (108,755) | 748,105 |
| Net Position - Beginning of Year | 8,772,466 | 8,024,361 |
| Net Position - End of Year | \$ 8,663,711 | \$ 8,772,466 |

CHATTOOGA COUNTY, GEORGIA
COMPARATIVE STATEMENTS OF CASH FLOWS
WATER REVENUE FUND
Year Ended December 31, 2023
(with comparative totals for 2022)

| | <u>2023</u> | <u>2022</u> |
|--|-------------------|-------------------|
| Cash Flows from Operating Activities | | |
| Cash received from customers | \$ 1,329,215 | \$ 1,288,088 |
| Cash payments to supplies for goods and services | (496,704) | (668,381) |
| Cash payments to employees for services | <u>(361,982)</u> | <u>(349,851)</u> |
| Net Cash Provided (Used) by Operating Activities | <u>470,529</u> | <u>269,856</u> |
| Cash Flows from Noncapital Financing Activities | | |
| Loan from (payment to) general fund | <u>79,087</u> | <u>252,031</u> |
| Cash Flows from Capital and Related Financing Activities | | |
| Acquisition and construction of capital assets | - | (756,846) |
| Reduction of Bond Debt Principal - Net | (226,298) | (221,376) |
| Interest Paid on Bonds and Notes | (248,195) | (253,116) |
| Grant and Donation Revenue | <u>-</u> | <u>731,750</u> |
| Net Cash Provided (Used) by Capital and Related Financing Activities | <u>(474,493)</u> | <u>(499,588)</u> |
| Cash Flows from Investing Activities | | |
| Interest on Cash and Cash Investments | <u>7,167</u> | <u>177</u> |
| Increase (Decrease) in Cash and Cash Investments | 82,290 | 22,476 |
| Cash and Cash Investments - January 1 | <u>170,174</u> | <u>147,698</u> |
| Cash and Cash Investments - December 31 | <u>\$ 252,464</u> | <u>\$ 170,174</u> |

Non-cash capital contributions were received from the following:

| | |
|--------------------------------------|------------------|
| Capital Project Sales Tax Funds - | \$ 47,250 |
| Total non-cash capital contributions | <u>\$ 47,250</u> |

CHATTOOGA COUNTY, GEORGIA
COMPARATIVE STATEMENTS OF CASH FLOWS
WATER REVENUE FUND
Year Ended December 31, 2023
(with comparative totals for 2022)

| | <u>2023</u> | <u>2022</u> |
|--|-------------------|-------------------|
| Reconciliation of Income (Loss) from operations to net cash provided (used) by operating activities | | |
| Income (Loss) from operations | \$ 5,935 | \$ (152,630) |
| Adjustments to reconcile income (loss) from operations to net cash provided (used) by operating activities | | |
| Depreciation | 460,060 | 444,088 |
| Change in assets and liabilities: | | |
| (Increase) Decrease in Accounts Receivable | (26,105) | 34,798 |
| Increase (Decrease) in Accounts Payable | 9,328 | 521 |
| (Increase) Decrease in Prepaid Expense | 4,532 | (5,032) |
| (Increase) Decrease in Inventory | 23,354 | (21,634) |
| Increase (Decrease) in Deposits | <u>(6,575)</u> | <u>(30,255)</u> |
| Net Cash Provided (Used) by Operating Activities | <u>\$ 470,529</u> | <u>\$ 269,856</u> |
| Reconciliation of Total Cash and Cash Investments | | |
| Current Assets - Cash and Cash Investments | \$ 225,458 | \$ 144,109 |
| Restricted Assets - Cash and Cash Investments | <u>27,006</u> | <u>26,065</u> |
| Total Cash and Cash Investments | <u>\$ 252,464</u> | <u>\$ 170,174</u> |

Custodial Funds

CHATTOOGA COUNTY, GEORGIA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
December 31, 2023

| | <u>Custodial Funds</u> | | | | |
|--|-----------------------------|----------------------------|--------------------------|-----------------------------|---------------------|
| | <u>Tax Commissioner</u> | <u>Clerk of Courts</u> | <u>Probate Judge</u> | <u>Magistrate Court</u> | <u>Total</u> |
| Assets | | | | | |
| Cash | \$ 177,798 | \$ 87,043 | \$ 967 | \$ 15,272 | \$ 281,080 |
| Taxes Receivable (Net of Allowance for Uncollectible) | <u>4,663,515</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>4,663,515</u> |
| Total Assets | <u>\$ 4,841,313</u> | <u>\$ 87,043</u> | <u>\$ 967</u> | <u>\$ 15,272</u> | <u>\$ 4,944,595</u> |
| Liabilities | | | | | |
| Accounts Payable | \$ 139,963 | \$ - | \$ - | \$ - | \$ 139,963 |
| Due to Other Governments | <u>4,701,350</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>4,701,350</u> |
| Total Liabilities | <u>4,841,313</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>4,841,313</u> |
| Net Position | | | | | |
| Restricted for Individuals and other government | <u>-</u> | <u>87,043</u> | <u>967</u> | <u>15,272</u> | <u>103,282</u> |
| Total net position | <u>\$ -</u> | <u>\$ 87,043</u> | <u>\$ 967</u> | <u>\$ 15,272</u> | <u>\$ 103,282</u> |

CHATTOOGA COUNTY, GEORGIA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
Year Ended December 31, 2023

| | <u>Tax Commissioner</u> | <u>Clerk of Courts</u> | <u>Probate Judge</u> | <u>Magistrate Judge</u> | <u>Total</u> |
|--|-----------------------------|----------------------------|--------------------------|-----------------------------|-------------------|
| Additions | | | | | |
| Taxes Collected for other governments | \$ 15,234,626 | \$ - | \$ - | \$ - | \$ 15,234,626 |
| Court fees collected for individuals | - | 127,141 | 7,500 | 35,082 | 169,723 |
| Court fees collected for other agencies | - | 195,872 | 16,839 | 17,374 | 230,085 |
| Court fees collected for other funds | <u>7,985,790</u> | <u>764,247</u> | <u>82,433</u> | <u>54,705</u> | <u>8,887,175</u> |
| Total Additions | <u>23,220,416</u> | <u>1,087,260</u> | <u>106,772</u> | <u>107,161</u> | <u>24,521,609</u> |
| Deductions | | | | | |
| Payments of taxes to other governments | 15,234,626 | - | - | - | 15,234,626 |
| Payments to individuals | - | 125,047 | 7,500 | 34,490 | 167,037 |
| Payments of court fees to other agencies | - | 196,930 | 18,780 | 17,184 | 232,894 |
| Payments of court fees to other funds | <u>7,985,790</u> | <u>764,247</u> | <u>82,433</u> | <u>54,705</u> | <u>8,887,175</u> |
| Total Deductions | <u>23,220,416</u> | <u>1,086,224</u> | <u>108,713</u> | <u>106,379</u> | <u>24,521,732</u> |
| Change in Net Position | <u>-</u> | <u>1,036</u> | <u>(1,941)</u> | <u>782</u> | <u>(123)</u> |
| Net Position - Beginning of Year | <u>-</u> | <u>86,007</u> | <u>2,908</u> | <u>14,490</u> | <u>103,405</u> |
| Net Position - End of Year | <u>\$ -</u> | <u>\$ 87,043</u> | <u>\$ 967</u> | <u>\$ 15,272</u> | <u>\$ 103,282</u> |

Federal and State Compliance

CHRYSAN THOMAS
Certified Public Accountant
Professional Corporation
Member
American Institute of
Certified Public Accountants
Trion, Georgia

**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 Honorable Commissioner
Chattooga County, Georgia

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Chattooga County, Georgia, as of and for the year ended December 31, 2023 and the related notes to the financial statements, which collectively comprise Chattooga County, Georgia's basic financial statements and have issued our report thereon dated December 2, 2024. Our report includes a reference to other auditors who audited the financial statements of the component unit, Chattooga County Health Department, as described in our report on Chattooga County, Georgia'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 matter 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 Chattooga County, Georgia's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Chattooga County, Georgia's internal control. Accordingly, we do not express an opinion on the effectiveness of Chattooga County, Georgia's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies described as 23-01, 23-02, 23-03 and 23-04.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Chattooga County, Georgia's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 is required to be reported under *Government Auditing Standards*.

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

Purpose of this Report

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



CHRYSAN THOMAS
Certified Public Accountant

Trion, Georgia
December 2, 2024

CHATTOOGA COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND RESPONSES
Year Ended December 31, 2023

Financial Statement Findings

FS23-01 **Criteria:** Custodial funds are used to account for resources held by the County, primarily the elected officials, in a purely custodial capacity, which means that all funds held are owed to other governments, organizations, or individuals. Due to the nature of these funds, it is important that adequate records be maintained to account for receipts, disbursements, and any residual funds that are held to be paid later. Such listings should be reconciled to the respective cash balances maintained.

Condition: The bookkeeping function in the custodial funds is being conducted without the use of general ledgers in the Probate Court, the Magistrate Court, and Clerk of Superior Court. Also, these departments have a list of older outstanding funds being held that have not been paid out.

Cause: General ledger usage has not been implemented in these departments. There are also no procedures in place for routine reviews of the reconciling balances on a monthly or annual basis and a system to determine how to pay out the older accounts.

Effect: Accounting data could be misstated and amounts not disbursed in a timely manner.

Recommendation: We recommend a general ledger be used by all custodial funds and procedures be implemented to require reports be prepared and reconciled on a weekly, monthly, and annual basis. Reviews and monitoring of these procedures on a timely basis should also be implemented.

Response: We agree with the finding. We plan for all custodial funds to begin using general ledgers. We are working on reconciling the detail listing to the cash balances and implementing an accounting system that will properly review and monitor our procedures. We will ensure that procedures are clearly conveyed to all employees.

CHATTOOGA COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND RESPONSES
Year Ended December 31, 2023

Financial Statement Findings - Continued

FS23-02 **Criteria:** Segregation of employee's duties is a common practice in an effective internal control structure. Policies should be in place requiring the segregation of certain duties. With regard to segregation of duties, critical duties can be categorized in four types of functions: 1) authorization; 2) custody; 3) record keeping; and 4) reconciliation. In a perfect system, no one person should handle more than one type of function.

When duties cannot be separated, compensating controls should be in place. Compensating controls is an internal control that is intended to reduce the risk of an existing or potential control weakness.

Condition: There is lack of appropriate segregation of duties and a lack of appropriate reviews and approvals of transactions in some offices of the County.

Cause: The limited number of employees involved in the various offices and the resulting overlapping of duties causes segregation of duties to be difficult.

Effect: Without the implementation of the above internal control functions there is an increased risk of misappropriation of funds.

Recommendation: Procedures be implemented which would provide for improved internal controls in the above areas. It is also recommended these procedures be reviewed periodically on a continuous basis.

Response: We agree with the finding. We are implementing procedures to improve our accounting system as well as separating the duties of our employees when possible. We have also added a position in our finance office by hiring a deputy clerk.

CHATTOOGA COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND RESPONSES
Year Ended December 31, 2023

Financial Statement Findings - Continued

FS23-03 **Criteria:** Monitoring and reviews are common practices in an effective internal control structure. Policies should be in place requiring the monitoring and reviews of certain duties and timely reconciliations. Regarding monitoring and reviews, there should be a person over these functions who has the level of knowledge to perform these functions.

Condition: There is a lack of personnel to perform reviews and monitoring of the accounting of the water department. Various accounts in the general ledgers are not being reconciled and balanced to support documents to ensure the account is properly reflected. This includes account reconciliations, monitoring of adjustments, customer account balances, and revenues.

Cause: An employee needed in the accounting function is not in place nor are there policies and procedures in place to approve, review and monitor accounting data. Reconciliations are not being balanced to the accounting records and customer adjustments are not being approved.

Effect: Without the implementation of the above internal control functions, there is an increased risk of material misstatement to the financial statements. There were no procedures in place for routine reviews or monitoring of the accounting records on a daily, monthly, or annual basis. Timely reconciliations are not being made; therefore, the ledger is not correct. The entire year's monthly billing was not uploaded into the accounting software, and it was not detected by management. Therefore, in combination, the financial records were not correct and went undetected and required adjustments.

Recommendation: We recommend procedures be implemented which would provide for improved internal controls in the above areas. We recommend training be provided for current employees. We also recommend procedures be implemented to require reviews and monitoring be done at least monthly. Also, timely reconciliations need to be made for all accounts on at least a monthly basis and procedures implemented to ensure the accounting records reflect these balances.

Response: We agree with the finding. We have implemented procedures to improve our accounting system. We have implemented a system to properly reconcile, approve, review, and monitor our procedures. We will ensure that procedures are clearly conveyed to all employees. We are currently working to remedy this issue.

CHATTOOGA COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND RESPONSES
Year Ended December 31, 2023

Financial Statement Findings – Continued

FS23-04 **Criteria:** Controls should be in place to provide reasonable assurance that errors are discovered by management in a timely manner. Management should closely monitor all interfund activities and ensure that all respective accounts are properly recorded and that those balances should agree between funds.

Condition: Internal controls did not detect misstatements in transfers between funds which led to these funds not being in balance.

Cause: Accounting personnel did not properly record the internal transactions between funds, therefore they did not reconcile and balance between the funds. No procedures were followed that would allow the errors to be detected. Proper training was not established for new accounting personnel.

Effect: The funds affected were not in balance as a whole and did not reflect the proper individual equity fund balances. Several funds were affected by this condition.

Recommendation: Proper training and reviews should be established with accounting personnel and management.

Response: We agree with this finding. New personnel were not properly trained. Due to the absence of our long term clerk we were not able to provide the appropriate training and transfer of responsibilities until late in the year. We are currently working to remedy this.

CHATTOOGA COUNTY, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED WITH
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
December 31, 2023

| Contracts 2020 - 2025 | Original Estimated Cost | Prior Years | Current Year | Total | Current Non-SPLOST Expenditures on SPLOST Projects |
|-----------------------------------|--|----------------------------|----------------------------|-----------------------------|---|
| Roads and Bridges Projects | | | | | |
| County | \$ 4,708,800 | \$ 5,030,847 | \$ 1,377,805 | \$ 6,408,652 | \$ 625,671 |
| Buildings | | | | | |
| County | 1,569,600 | 114,479 | 99,912 | 214,391 | - |
| Water System Improvements | | | | | |
| County | 1,569,600 | 291,607 | 13,375 | 304,982 | - |
| Summerville | 3,960,000 | 2,599,004 | 929,342 | 3,528,346 | - |
| Trion | 1,512,000 | 992,347 | 354,840 | 1,347,187 | - |
| Lyerly | 540,000 | 354,560 | 126,728 | 481,288 | - |
| Menlo | 540,000 | 351,266 | 126,728 | 477,994 | - |
| Total | <u>\$ 14,400,000</u> | <u>\$ 9,734,110</u> | <u>\$ 3,028,730</u> | <u>\$ 12,762,840</u> | <u>\$ 625,671</u> |

Note: Chattooga County, Georgia imposed a special purpose 1% local option sales and use tax with the proceeds limited to funding expenditures for specified water system improvements, building improvements, and roads and bridges projects. This is effective for a six year period from January 1, 2020 through December 31, 2025.

