

**MERIWETHER COUNTY, GEORGIA**  
**ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED**  
**SEPTEMBER 30, 2020**

**Prepared By:**  
**The Meriwether County Finance Department**

## **INTRODUCTORY SECTION**

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**MERIWETHER COUNTY, GEORGIA**  
**ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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## **FINANCIAL SECTION**

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## INDEPENDENT AUDITORS' REPORT

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To the Board of Commissioners  
of Meriwether County, Georgia

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of **Meriwether County, Georgia** (the "County"), as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

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

### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statement of the Meriwether County Department of Public Health, which represents 9 percent, 6 percent, and 49 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it related to the amounts included for the Meriwether County Department of Public Health, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

***Opinions***

In our opinion, based on our report and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Meriwether County, Georgia, as of September 30, 2020, and the respective changes in financial position, and, where applicable, cash flows thereof and the budgetary comparison information for the General Fund and the Fire District O&M Fund for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matters***

*Required Supplementary Information*

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of American require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who consider it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Meriwether County, Georgia's basic financial statements. The combining and individual fund financial statements and schedules, the schedule of expenditures of special purpose local option sales tax proceeds, as required by the Official Code of Georgia 48-8-121, and the schedule of expenditures of transportation special purpose local option sales tax proceeds, as required by the Official Code of Georgia 48-8-249, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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The combining and individual fund statements and schedules, the schedule of expenditures of special purpose local option sales tax proceeds, and the schedule of expenditures of transportation special purpose local option sales tax proceeds (collectively “the supplementary information”) are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated August 18, 2021, on our consideration of Meriwether 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County’s internal control over financial reporting and compliance.

*Mauldin & Jenkins, LLC*

Atlanta, Georgia  
August 18, 2021

# MERIWETHER COUNTY, GEORGIA

## STATEMENT OF NET POSITION SEPTEMBER 30, 2020

	Primary Government	Component Units		
	Governmental Activities	Department of Public Health	Meriwether Water and Sewerage Authority	Total
<b>ASSETS</b>				
Cash and cash equivalents	\$ 6,386,583	\$ 659,820	\$ 289,204	\$ 949,024
Receivables, net of allowances	1,651,063	-	11,364	11,364
Due from primary government	-	-	375,656	375,656
Due from other governments	310,748	238	-	238
Inventory	41,694	-	-	-
Prepaid bond insurance	22,087	-	109,054	109,054
Prepaid items	502,339	-	5,891	5,891
Net OPEB asset	-	76,833	-	76,833
Land held for development	6,426,634	-	-	-
Capital assets				
Nondepreciable	594,598	-	136,939	136,939
Depreciable, net of accumulated depreciation	15,205,981	25,199	6,664,742	6,689,941
Total assets	<u>31,141,727</u>	<u>762,090</u>	<u>7,592,850</u>	<u>8,354,940</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred charges on refunding	-	-	673,075	673,075
Pension items	-	109,130	-	109,130
OPEB items	-	28,646	-	28,646
Total deferred outflows of resources	<u>-</u>	<u>137,776</u>	<u>673,075</u>	<u>810,851</u>
<b>LIABILITIES</b>				
Accounts payable	840,428	-	14,543	14,543
Retainage payable	12,461	-	13,694	13,694
Accrued liabilities	384,063	-	88,593	88,593
Unearned revenue	292,392	-	-	-
Due to component unit	375,656	-	-	-
Financed purchases due within one year	50,213	-	-	-
Financed purchases due in more than one year	192,247	-	-	-
Note payable due within one year	129,943	-	-	-
Note payable due in more than one year	334,720	-	-	-
Landfill postclosure care costs due within one year	30,000	-	-	-
Landfill postclosure care costs due in more than one year	240,000	-	-	-
Bonds payable due within one year	380,000	-	335,000	335,000
Bonds payable due in more than one year	3,490,027	-	9,686,973	9,686,973
Compensated absences due within one year	157,575	11,049	-	11,049
Compensated absences due in more than one year	105,050	25,782	-	25,782
Net pension liability	-	567,357	-	567,357
Net OPEB liability	-	148,064	-	148,064
Total liabilities	<u>7,014,775</u>	<u>752,252</u>	<u>10,138,803</u>	<u>10,891,055</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pension items	-	25,620	-	25,620
OPEB items	-	237,976	-	237,976
Total deferred inflows of resources	<u>-</u>	<u>263,596</u>	<u>-</u>	<u>263,596</u>
<b>NET POSITION</b>				
Net investment in capital assets	11,210,968	25,199	(2,388,106)	(2,362,907)
Restricted for:				
Judicial	11,931	-	-	-
Public safety	270,239	-	-	-
Tourism	103	-	-	-
Capital projects	3,129,952	-	-	-
Prior year program income	-	314,342	-	314,342
Health and welfare	-	23,755	-	23,755
Unrestricted	9,503,759	(479,278)	515,228	35,950
Total net position	<u>\$ 24,126,952</u>	<u>\$ (115,982)</u>	<u>\$ (1,872,878)</u>	<u>\$ (1,988,860)</u>

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

**MERIWETHER COUNTY, GEORGIA**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Total Component Units
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Governmental Activities	Department of Public Health	Meriwether Water & Sewerage Authority	
<b>Primary government:</b>								
Governmental activities:								
General government	\$ 4,545,372	\$ 128,754	\$ 1,167,485	\$ -	\$ (3,249,133)	\$ -	\$ -	
Judicial	1,236,840	572,409	-	-	(664,431)	-	-	
Public safety	7,925,102	1,437,875	613,412	639,080	(5,234,735)	-	-	
Public works	3,695,966	1,672,509	47,075	32,243	(1,944,139)	-	-	
Health and welfare	369,871	-	-	-	(369,871)	-	-	
Culture and recreation	308,860	21,532	-	-	(287,328)	-	-	
Housing and development	420,921	51,346	-	475,241	105,666	-	-	
Economic development	376,326	-	6,500	-	(369,826)	-	-	
Interest on long-term debt	177,340	-	-	-	(177,340)	-	-	
Total governmental activities	<u>19,056,598</u>	<u>3,884,425</u>	<u>1,834,472</u>	<u>1,146,564</u>	<u>(12,191,137)</u>	<u>-</u>	<u>-</u>	
Total primary government	<u>\$ 19,056,598</u>	<u>\$ 3,884,425</u>	<u>\$ 1,834,472</u>	<u>\$ 1,146,564</u>	<u>(12,191,137)</u>	<u>-</u>	<u>-</u>	
<b>Component units:</b>								
Department of Public Health	\$ 732,064	\$ 436,881	\$ 487,469	\$ -	-	192,286	-	\$ 192,286
Meriwether County Water and Sewerage Authority	813,212	951,984	-	-	-	-	138,772	138,772
Total component units	<u>\$ 1,545,276</u>	<u>\$ 1,388,865</u>	<u>\$ 487,469</u>	<u>\$ -</u>	<u>-</u>	<u>192,286</u>	<u>138,772</u>	<u>331,058</u>
General revenues:								
Property taxes					9,467,173	-	-	-
Sales taxes					5,868,278	-	-	-
Insurance premium taxes					997,980	-	-	-
Hotel motel taxes					4,038	-	-	-
Alcoholic beverage taxes					14,448	-	-	-
Other taxes					269,431	-	-	-
Unrestricted investment earnings					16,940	1,255	1,023	2,278
Gain on sale of assets					80,196	-	-	-
Total general revenues					<u>16,718,484</u>	<u>1,255</u>	<u>1,023</u>	<u>2,278</u>
Change in net position					4,527,347	193,541	139,795	333,336
Net position, beginning of year, as restated					19,599,605	(309,523)	(2,012,673)	(2,322,196)
Net position, end of year					<u>\$ 24,126,952</u>	<u>\$ (115,982)</u>	<u>\$ (1,872,878)</u>	<u>\$ (1,988,860)</u>

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

# MERIWETHER COUNTY, GEORGIA

## BALANCE SHEET GOVERNMENTAL FUNDS SEPTEMBER 30, 2020

	General	Fire District O&M	SPLOST	TSPLOST	Industrial Development Authority	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>							
Cash and cash equivalents	\$ 2,825,575	\$ 881,977	\$ 596,673	\$ 1,268,371	\$ 287,753	\$ 526,234	\$ 6,386,583
Taxes receivable	363,499	36,847	171,540	149,665	-	-	721,551
Accounts receivable	862,521	-	-	-	-	66,991	929,512
Due from other governments	52,768	257,980	-	-	-	-	310,748
Due from other funds	618,572	385,702	-	-	-	9,888	1,014,162
Prepaid items	300,803	-	-	-	201,536	-	502,339
Land held for development	-	-	-	-	6,426,634	-	6,426,634
Inventory	41,694	-	-	-	-	-	41,694
Total assets	<u>\$ 5,065,432</u>	<u>\$ 1,562,506</u>	<u>\$ 768,213</u>	<u>\$ 1,418,036</u>	<u>\$ 6,915,923</u>	<u>\$ 603,113</u>	<u>\$ 16,333,223</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>							
<b>LIABILITIES</b>							
Accounts payable	\$ 585,952	\$ 17,223	\$ 60,022	\$ 164,517	2,425	\$ 10,289	\$ 840,428
Retainage payable	-	-	-	12,461	-	-	12,461
Accrued liabilities	322,290	49,593	-	-	2,198	-	374,081
Due to other funds	388,624	611,750	-	-	-	13,788	1,014,162
Due to component unit	375,656	-	-	-	-	-	375,656
Unearned revenue	292,392	-	-	-	-	-	292,392
Total liabilities	<u>1,964,914</u>	<u>678,566</u>	<u>60,022</u>	<u>176,978</u>	<u>4,623</u>	<u>24,077</u>	<u>2,909,180</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Unavailable revenue - taxes	332,780	33,064	-	-	-	-	365,844
Unavailable revenue - intergovernmental	36,000	257,980	-	-	-	-	293,980
Total deferred inflows of resources	<u>368,780</u>	<u>291,044</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>659,824</u>
<b>FUND BALANCES</b>							
Fund balances:							
Nonspendable:							
Prepaid items	300,803	-	-	-	201,536	-	502,339
Land held for development	-	-	-	-	6,426,634	-	6,426,634
Inventory	41,694	-	-	-	-	-	41,694
Restricted for:							
Judicial	-	-	-	-	-	11,931	11,931
Public safety	-	-	-	-	-	270,239	270,239
Tourism	-	-	-	-	-	103	103
Capital projects	-	592,896	708,191	1,241,058	-	296,763	2,838,908
Committed for economic development	-	-	-	-	283,130	-	283,130
Unassigned	2,389,241	-	-	-	-	-	2,389,241
Total fund balances	<u>2,731,738</u>	<u>592,896</u>	<u>708,191</u>	<u>1,241,058</u>	<u>6,911,300</u>	<u>579,036</u>	<u>12,764,219</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 5,065,432</u>	<u>\$ 1,562,506</u>	<u>\$ 768,213</u>	<u>\$ 1,418,036</u>	<u>\$ 6,915,923</u>	<u>\$ 603,113</u>	<u>\$ 16,333,223</u>

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.	15,800,579
Other long-term assets are not available to pay for current-period expenditures and, therefore, are not reported in the governmental funds.	22,087
Unavailable revenues are not available to pay for current-period expenditures and, therefore, are deferred in the governmental funds.	659,824
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in governmental funds.	(5,119,757)
Net position of governmental activities	<u>\$ 24,126,952</u>

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

**MERIWETHER COUNTY, GEORGIA**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	General	Fire District O&M	SPLOST	TSPLOST	Industrial Development Authority	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues</b>							
Taxes	\$ 11,387,835	\$ 1,628,522	\$ 2,082,377	\$ 908,414	\$ -	\$ 4,038	\$ 16,011,186
Licenses and permits	110,321	-	-	-	-	-	110,321
Intergovernmental	2,110,386	537,467	-	-	6,500	460	2,654,813
Charges for services	2,645,940	-	-	-	-	405,022	3,050,962
Fines and forfeitures	554,696	-	-	-	-	84,836	639,532
Interest income	10,998	1,344	14,589	7,654	1,066	3,532	39,183
Other revenues	83,610	-	-	-	-	-	83,610
Total revenues	<u>16,903,786</u>	<u>2,167,333</u>	<u>2,096,966</u>	<u>916,068</u>	<u>7,566</u>	<u>497,888</u>	<u>22,589,607</u>
<b>Expenditures</b>							
Current:							
General government	4,343,723	-	-	-	-	-	4,343,723
Judicial	1,226,248	-	-	-	-	2,966	1,229,214
Public safety	4,767,220	1,504,676	-	-	-	1,286,402	7,558,298
Public works	2,613,488	-	-	-	-	-	2,613,488
Health and welfare	246,604	-	-	-	-	-	246,604
Culture and recreation	297,617	-	-	-	-	-	297,617
Housing and development	414,921	-	-	-	-	6,000	420,921
Economic development	-	-	-	-	313,508	-	313,508
Intergovernmental	-	-	589,805	317,854	-	-	907,659
Capital outlay	487,166	1,035,383	593,598	124,610	-	-	2,240,757
Debt service:	-	-	-	-	-	-	-
Principal	181,203	190,000	1,600,000	-	175,000	-	2,146,203
Interest and fiscal charges	34,522	171,225	40,000	-	36,782	-	282,529
Total expenditures	<u>14,612,712</u>	<u>2,901,284</u>	<u>2,823,403</u>	<u>442,464</u>	<u>525,290</u>	<u>1,295,368</u>	<u>22,600,521</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,291,074</u>	<u>(733,951)</u>	<u>(726,437)</u>	<u>473,604</u>	<u>(517,724)</u>	<u>(797,480)</u>	<u>(10,914)</u>
<b>Other financing sources (uses):</b>							
Proceeds from sale of capital assets	114,377	-	-	-	37,611	-	151,988
Financed purchases	278,614	-	-	-	-	-	278,614
Transfers in	400,000	-	-	-	512,072	920,265	1,832,337
Transfers out	(1,432,337)	-	-	-	-	(400,000)	(1,832,337)
Total other financing sources (uses)	<u>(639,346)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>549,683</u>	<u>520,265</u>	<u>430,602</u>
Net change in fund balances	1,651,728	(733,951)	(726,437)	473,604	31,959	(277,215)	419,688
<b>Fund balances, beginning of year, as restated</b>	<u>1,080,010</u>	<u>1,326,847</u>	<u>1,434,628</u>	<u>767,454</u>	<u>6,879,341</u>	<u>856,251</u>	<u>12,344,531</u>
<b>Fund balances, end of year</b>	<u>\$ 2,731,738</u>	<u>\$ 592,896</u>	<u>\$ 708,191</u>	<u>\$ 1,241,058</u>	<u>\$ 6,911,300</u>	<u>\$ 579,036</u>	<u>\$ 12,764,219</u>

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

**MERIWETHER COUNTY, GEORGIA  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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

Net change in fund balances - total governmental funds.	\$	419,688
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		1,235,887
The net effect of various miscellaneous transactions involving capital assets (i.e. sales and donations) is to decrease net position.		(61,792)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.		904,142
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.		1,897,589
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		131,833
		<hr/>
Change in net position of governmental activities	\$	<u>4,527,347</u>

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

**MERIWETHER COUNTY, GEORGIA  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Property taxes	\$ 8,942,533	\$ 8,942,533	\$ 8,857,011	\$ (85,522)
Sales taxes	1,200,000	1,200,000	1,248,965	48,965
Insurance premium taxes	931,775	931,775	997,980	66,205
Alcoholic beverage taxes	20,000	20,000	14,448	(5,552)
Other taxes	302,500	302,500	269,431	(33,069)
Licenses and permits	132,500	132,500	110,321	(22,179)
Intergovernmental	916,822	1,994,396	2,110,386	115,990
Charges for services	1,579,500	1,579,500	2,645,940	1,066,440
Fines and forfeitures	588,500	591,000	554,696	(36,304)
Interest	10,000	10,000	10,998	998
Other revenues	123,000	123,000	83,610	(39,390)
Total revenues	<u>14,747,130</u>	<u>15,827,204</u>	<u>16,903,786</u>	<u>1,076,582</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>General government:</b>				
General government	1,813,078	2,457,961	2,472,593	(14,632)
County commissioners	416,883	453,114	446,504	6,610
Tax commissioner	386,801	391,818	367,185	24,633
Tax assessor	358,828	364,074	327,496	36,578
Elections	147,061	187,960	169,287	18,673
Courthouse	106,536	106,536	64,889	41,647
Finance	247,723	251,251	231,576	19,675
Information Technology	252,906	262,083	264,193	(2,110)
Total general government	<u>3,729,816</u>	<u>4,474,797</u>	<u>4,343,723</u>	<u>131,074</u>
<b>Judicial:</b>				
Clerk of superior court	422,939	441,405	408,685	32,720
District attorney	198,273	198,273	212,025	(13,752)
Magistrate court	146,180	148,448	145,688	2,760
Juvenile court	98,166	98,227	88,455	9,772
Probate court	216,242	219,585	213,717	5,868
Public defender	170,142	170,142	155,729	14,413
Board of equalization	4,950	4,950	1,949	3,001
Total judicial	<u>1,256,892</u>	<u>1,281,030</u>	<u>1,226,248</u>	<u>54,782</u>
<b>Public safety:</b>				
Sheriff's office	2,507,159	2,614,993	2,642,925	(27,932)
Jail operations	375,600	375,600	360,447	15,153
Fire	1,216,963	1,236,494	1,145,835	90,659
Ambulance	254,750	284,921	291,264	(6,343)
Coroner/medical examiner	52,222	59,835	62,064	(2,229)
Emergency management	7,300	55,811	47,330	8,481
Animal control	207,056	241,007	217,355	23,652
Other public safety	936,646	950,027	-	950,027
Total public safety	<u>5,557,696</u>	<u>5,818,688</u>	<u>4,767,220</u>	<u>1,051,468</u>

(Continued)

**MERIWETHER COUNTY, GEORGIA  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Expenditures (Continued):</b>				
<b>Current (Continued):</b>				
<b>Public works:</b>				
Highway and streets administration	\$ 2,601,197	\$ 2,637,111	\$ 2,613,488	\$ 23,623
Total public works	<u>2,601,197</u>	<u>2,637,111</u>	<u>2,613,488</u>	<u>23,623</u>
<b>Health and welfare:</b>				
Health care facility	187,500	187,500	199,917	(12,417)
Senior center	22,500	22,500	22,500	-
Forestry	24,372	24,372	24,187	185
Total health and welfare	<u>234,372</u>	<u>234,372</u>	<u>246,604</u>	<u>(12,232)</u>
<b>Culture and Recreation:</b>				
Parks and recreation	237,933	237,933	194,617	43,316
Library	103,000	103,000	103,000	-
Total culture and recreation	<u>340,933</u>	<u>340,933</u>	<u>297,617</u>	<u>43,316</u>
<b>Housing and development:</b>				
Planning and zoning	330,631	344,678	356,558	(11,880)
Economic development	350,674	350,674	37,363	313,311
Welcome center	20,000	20,000	21,000	(1,000)
Total housing and development	<u>701,305</u>	<u>715,352</u>	<u>414,921</u>	<u>300,431</u>
<b>Capital outlay</b>	<u>250,000</u>	<u>349,508</u>	<u>487,166</u>	<u>(137,658)</u>
<b>Debt service:</b>				
Principal	374,919	374,920	181,203	193,717
Interest	-	-	34,522	(34,522)
Total debt service	<u>374,919</u>	<u>374,920</u>	<u>215,725</u>	<u>159,195</u>
<b>Total expenditures</b>	<u>15,047,130</u>	<u>16,226,711</u>	<u>14,612,712</u>	<u>1,613,999</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(300,000)</u>	<u>(399,507)</u>	<u>2,291,074</u>	<u>2,690,581</u>
<b>Other financing sources (uses):</b>				
Proceeds from sale of capital assets	-	99,507	114,377	14,870
Issuance of financed purchase	-	-	278,614	278,614
Transfers in	-	-	400,000	400,000
Transfers out	-	-	(1,432,337)	(1,432,337)
Total other financing sources (uses)	<u>-</u>	<u>99,507</u>	<u>(639,346)</u>	<u>(738,853)</u>
<b>Net change in fund balances</b>	<u>(300,000)</u>	<u>(300,000)</u>	<u>1,651,728</u>	<u>1,951,728</u>
<b>Fund balances, beginning of year, as restated</b>	<u>1,080,010</u>	<u>1,080,010</u>	<u>1,080,010</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 780,010</u>	<u>\$ 780,010</u>	<u>\$ 2,731,738</u>	<u>\$ 1,951,728</u>

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

**MERIWETHER COUNTY, GEORGIA  
FIRE DISTRICT O&M FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Property taxes	\$ 1,540,939	\$ 1,540,939	\$ 1,628,522	\$ 87,583
Intergovernmental	-	-	537,467	537,467
Interest income	-	-	1,344	1,344
Total revenues	<u>1,540,939</u>	<u>1,540,939</u>	<u>2,167,333</u>	<u>626,394</u>
<b>Expenditures:</b>				
Current:				
Public safety	1,237,739	1,237,739	1,504,676	(266,937)
Capital outlay	-	-	1,035,383	(1,035,383)
Total current expenditures	<u>1,237,739</u>	<u>1,237,739</u>	<u>2,540,059</u>	<u>(1,302,320)</u>
Debt service:				
Principal	303,200	303,200	190,000	113,200
Interest	-	-	171,225	(171,225)
Total debt service	<u>303,200</u>	<u>303,200</u>	<u>361,225</u>	<u>(58,025)</u>
Total expenditures	<u>1,540,939</u>	<u>1,540,939</u>	<u>2,901,284</u>	<u>(1,360,345)</u>
Net change in fund balance	-	-	(733,951)	(733,951)
<b>Fund balance, beginning of year</b>	<u>1,326,847</u>	<u>1,326,847</u>	<u>1,326,847</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 1,326,847</u>	<u>\$ 1,326,847</u>	<u>\$ 592,896</u>	<u>\$ (733,951)</u>

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

**MERIWETHER COUNTY, GEORGIA  
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
FIDUCIARY FUNDS  
SEPTEMBER 30, 2020**

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	<u>Agency Funds</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 612,560
Taxes receivable	<u>22,945</u>
Total assets	<u>\$ 635,505</u>
<b>LIABILITIES</b>	
Due to others	\$ 612,560
Uncollected taxes	<u>22,945</u>
Total liabilities	<u>\$ 635,505</u>

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

**MERIWETHER COUNTY, GEORGIA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**A. Reporting Entity**

Meriwether County, Georgia operates under a Board of Commissioners and provides the following services: public safety, roads, public improvements, planning and zoning, courts, tax assessment and collection, health and social services, culture and recreation, and general administrative services.

As required by accounting principles generally accepted in the United States of America, the financial statements of the reporting entity include those of the County and its component units. The component units discussed below are included in the County's reporting entity because of the significance of their operational or financial relationship with the County.

**Discretely Presented Component Units**

Meriwether County Department of Public Health issues separately audited financial statements. The Board of Health provides medical services and health education to the citizens of Meriwether County. The County Board of Commissioners has the authority to modify and approve the Department of Public Health budget and have committed to provide significant financial support. The Department of Public Health has a June 30<sup>th</sup> year end. The Board of Health's financial statements can be obtained by writing to the Meriwether County Board of Health, 51 Gay Connector Road, Greenville, GA 30222.

The Meriwether County Water and Sewerage Authority was formed to provide water and sewerage services to the citizens of Meriwether County. It is currently providing services to the businesses in the Meriwether Industrial Park. The Authority is fiscally dependent upon the County. Separate financial statements are not prepared for the Authority. The Authority has a September 30<sup>th</sup> year end.

## NOTES TO FINANCIAL STATEMENTS

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

#### A. Reporting Entity (Continued)

##### Blended Component Unit

The Meriwether County Industrial Development Authority (the "Authority") seeks new industry and promotes existing industry in Meriwether County. The Authority is fiscally dependent upon the County and the County is responsible for the repayment of the Authority's outstanding long-term debt. It is reported as a governmental fund with a September 30<sup>th</sup> year end. Separate financial statements are prepared for the Industrial Development Authority and can be obtained from the County Commissioner's office. The Authority has a fiscal year end of September 30<sup>th</sup>.

##### Related Organizations

Based on GASB criteria, the following related organizations are not under the oversight responsibilities of the Board of Commissioners and their operations are not included in the financial statements. This includes the Meriwether County Board of Education, Meriwether County Department of Family and Child Services, Meriwether County Public Library, and the Meriwether County Senior Center. Disbursements to these units based on contractual agreements have been budgeted and expended as a part of the regular operations of the County.

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

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all activities of the primary government and its component units. *Governmental activities* are supported by taxes and intergovernmental revenues. Likewise, the *primary government* is reported separately from certain legally separate component units for which the primary government is financially accountable. The statement of net position will include non-current assets and non-current liabilities. In addition, the government-wide statement of activities reflects depreciation expense on the County's capital assets.

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

Major individual governmental funds are reported as separate columns in the fund financial statements.

## NOTES TO FINANCIAL STATEMENTS

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

#### C. Measurement Focus, Basis of Accounting, and Basis of Presentation

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

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

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

The County reports the following major governmental funds:

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

The **SPLOST Fund** is a capital projects fund established to account for major capital expenditures financed by special purpose local option sales tax receipts.

The **TSPLOST Fund** is a capital projects fund established to account for major capital expenditures financed by transportation special purpose local option sales tax receipts.

The **Fire District O&M Fund** is used to account for expenditures and revenues of the fire district activity.

The **Industrial Development Authority** is a blended component unit that works to encourage new industry and promote existing industry.

## NOTES TO FINANCIAL STATEMENTS

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

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

Additionally, the County reports the following fund types:

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

The **Capital Project Funds** account for and report financial resources that are restricted to expenditures for capital outlays, including the acquisition or construction of facilities and other capital assets.

The **Agency funds** account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. However, interfund services provided and used have not been eliminated in this process.

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

The County's net position is reported in three parts - 1) net investment in capital assets 2) restricted net position; and 3) unrestricted net position. When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed

## NOTES TO FINANCIAL STATEMENTS

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

#### D. Budget

The County prepares and adopts its general fund budget and special revenue funds budgets, which complies with the auditing requirements for local governments so as to provide local taxpayers with an opportunity to gain information concerning the purposes for which local revenues are proposed to be spent and are actually spent and to assist local governments in generally improving local financial management practices while maintaining, preserving, and encouraging the principle of home rule over local matters. Encumbrance accounting is not used by Meriwether County, Georgia.

#### E. Deposits and Investments

The County's cash includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the County, and nonnegotiable certificates of deposits regardless of date of maturity.

Statutes authorize the County to invest in obligations of the United States and of its agencies and certificates of deposit of banks insured by the FDIC provided, however, that the portion of such certificates of deposit in excess of the amount insured by the FDIC is adequately collateralized. Investments are stated at fair value based upon quoted market prices.

Increases or decrease in fair value during the fiscal period are recognized as a component of interest income.

#### F. Receivables and Payables

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

All trade and property tax receivables are shown net of an allowance for uncollectible amounts. The allowances for uncollectible amounts on receivable balances represent estimates based on historical collection rates.

## NOTES TO FINANCIAL STATEMENTS

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

#### G. Inventories and Prepaid Items

All inventories are valued at the lower of cost or market using the first-in/first-out (FIFO) method. Inventories consist of expendable supplies held for consumption. The cost is recorded as an asset at the time the individual item is purchased. The cost is recorded as an expenditure in the governmental funds when consumed. Inventories reported in the governmental funds are equally offset by fund balance, which indicates that they do not constitute "available, spendable resources" even though they are a component of net current assets.

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

#### H. Capital Assets

Capital assets, which include property, plant, equipment, intangible assets, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of \$1,000 and an estimated useful life in excess of one fiscal period. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend useful lives are expensed as incurred.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Capital assets of the primary government are depreciated or amortized using the straight line method over the following useful lives:

<u>Asset Category</u>	<u>Years</u>
Buildings and improvements	20-40
Machinery and equipment	5-15
Vehicles	3-5
Infrastructure	40

## NOTES TO FINANCIAL STATEMENTS

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

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

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

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

In the statement of net position for the Water and Sewerage Authority (discretely presented component unit), there is one item that qualifies for reporting as a deferred outflow of resources - the deferred charge on refunding. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded debt or the refunding debt.

The statement of net position for the Department of Public Health (discretely presented component unit) has deferred inflows and outflows related to the recording of changes in net pension liability and net OPEB liability. Certain changes in the net pension liability and net OPEB liability are recognized as pension expense over time instead of all being recognized in the year of occurrence. Experience gains or losses result from periodic studies by the actuary which adjust the net pension liability and net OPEB liability for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement of plan members. These experience gains or losses are recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of plan members. Changes in actuarial assumptions, which adjust the net pension liability and net OPEB liability are also recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of plan members. The difference between projected investment return on pension and OPEB investments and actual return on those investments is also deferred and amortized against pension and OPEB expense over a five year period. Additionally, any contributions made to the plans before year end but subsequent to the measurement date of the net pension liability and net OPEB liability are reported as deferred outflows of resources.

## NOTES TO FINANCIAL STATEMENTS

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

#### J. Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation benefits. All vacation is accrued when incurred in the government-wide financial statements as these amounts will be paid to employees upon termination or retirement. Employees can accrue a maximum of 240 hours of vacation pay. Sick leave benefits do not vest, therefore, unused sick leave is not recorded in the financial statements. A liability for these amounts is reported in governmental funds if they have matured, for example, as a result of employee resignations or retirements.

#### K. Long-Term Obligations

In the government-wide financial statements and in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts are accrued and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable discount or premium. Bond issuance costs are expensed in the fiscal period of issuance.

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

#### L. Fund Equity

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

**Fund Balance** – Generally, fund balance represents the difference between the assets and liabilities and deferred inflows of resources under the current financial resources management focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purpose for which amounts in those funds can be spent.

## NOTES TO FINANCIAL STATEMENTS

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

#### L. Fund Equity (Continued)

Fund balances are classified as follows:

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

*Restricted* – Fund balances are reported as restricted when they include amounts that can be spent only for the specific purposes stipulated by the constitution, external resource providers, or through enabling legislation.

*Committed* – Fund balances are reported as committed when they include amounts that can be used only for the specific purposes determined by a formal action (i.e. resolution) of the County government. Further the limitation that has been placed on the resources can only be removed by the highest level of decision making authority.

*Assigned* – Fund balances are reported as assigned when they include amounts intended to be used by the County 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 balances are reported as unassigned as the residual classification for the County's general fund and includes all spendable amounts not contained in the other classifications. The County reports positive unassigned fund balance only in the general fund. Negative unassigned fund balances may be reported in all funds.

The Board of Commissioners establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance or resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund (such as for special incentives).

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

## NOTES TO FINANCIAL STATEMENTS

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

#### L. Fund Equity (Continued)

**Net Position** – Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources, in reporting which utilizes the economic resources measurement focus. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e., the amount that the County has spent) for the acquisition, construction or improvement of those assets. Net position is reported as restricted using the same definition as used or restricted fund balance as described in the section above. All other net position is reported as unrestricted. The County applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

#### M. Management Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, deferred inflows of resources, and liabilities, and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from these estimates.

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## NOTES TO FINANCIAL STATEMENTS

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

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

The governmental fund balance sheet includes reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that “long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.” The details of this \$5,119,757 difference are as follows:

General obligation bonds payable	\$ (2,940,000)
Unamortized premium	(150,027)
Financed purchases	(242,460)
Revenue bonds payable	(780,000)
Note payable	(464,663)
Landfill liability	(270,000)
Accrued interest	(9,982)
Compensated absences	<u>(262,625)</u>
Net adjustment to reduce <i>fund balance – total governmental funds</i> to arrive at <i>net position – governmental activities</i>	<u>\$ (5,119,757)</u>

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

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this \$1,235,887 difference are as follows:

Capital outlay	\$ 2,372,451
Depreciation expense	<u>(1,136,564)</u>
Net adjustment to increase <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net position – governmental activities</i>	<u>\$ 1,235,887</u>

Another element of the reconciliation states that “The net effect of various miscellaneous transactions involving capital assets (i.e. sales and donations) is to decrease net position.” The details of this \$61,792 difference are as follows:

## NOTES TO FINANCIAL STATEMENTS

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

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

In the statement of activities, only the *loss* on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the capital assets sold. \$ (71,792)

Donations of capital assets increase net position in the statement of activities, but do not appear in the governmental funds because they are not financial resources. 10,000

Net adjustment to decrease *net changes in fund balances - total governmental funds* to arrive at *changes in net position - governmental activities* \$ (61,792)

Another element of that reconciliation states that “The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.” The details of this \$1,897,589 difference are as follows:

Issuance of financed purchases	\$ (278,614)
Principal payments of financed purchases	36,154
Principal payments of bonds payable	1,790,000
Principal payments on intergovernmental payable	175,000
Principal payments of notes payable	145,049
Change in landfill postclosure liability	<u>30,000</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position - governmental activities</i>	<u><u>\$ 1,897,589</u></u>

Another element of that reconciliation states that “Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.” The details of this \$131,833 difference are as follows:

Compensated absences	\$ 31,670
Change in accrued interest	71,047
Amortization of prepaid bond insurance	(5,026)
Amortization of bond premium	<u>34,142</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position - governmental activities</i>	<u><u>\$ 131,833</u></u>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 3. LEGAL COMPLIANCE – BUDGETS

#### A. Budgets and Budgetary Accounting

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

1. The Budget Officer submits to the Board of Commissioners a proposed operating budget for the following fiscal year. The operating budget includes the proposed expenditures and the means of financing those expenditures.
2. Public hearings are conducted to obtain taxpayer comments.
3. The budget is then legally enacted through passage of an ordinance. All appropriations lapse at year end. The legal level of control is exercised by the Board of Commissioners on a departmental basis.
4. The budgets are adopted on a basis consistent with generally accepted accounting principles.
5. The budget amounts shown in the financial statements are the final authorized amounts as revised during the year by approval of the Board of Commissioners.

Budgeted amounts are as originally adopted, or as amended by the Board of Commissioners. The supplementary budgetary appropriations made are reflected in the final budget amounts.

#### B. Excess Expenditures Over Appropriations

For the year ended September 30, 2020 expenditures exceeded the budget as follows:

Fund/Department	Excess
General Fund:	
General government	\$ 14,632
Information technology	2,110
District attorney	13,752
Sheriff's office	27,932
Ambulance	6,343
Coroner/medical examiner	2,229
Health care facility	12,417
Planning and zoning	11,880
Welcome center	1,000
Debt service - interest	34,522
Transfers out	1,432,337
Fire District O&M Fund	
Public safety	266,937
Capital outlay	1,035,383
Debt service - interest	171,225
Emergency 911 Fund:	
Public safety	920,265
Transfers out	100,000
Hotel/Motel Tax Fund:	
Culture and recreation	1,000

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 3. LEGAL COMPLIANCE – BUDGETS (CONTINUED)

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

The excess of expenditures over budget that are noted above were primarily funded by budgetary savings in other departments, transfers in from other funds, and revenues in excess of appropriations.

### NOTE 4. DEPOSITS AND INVESTMENTS

**Custodial credit risk.** Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes and County policy require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. Government, or bonds of public authorities, counties, or municipalities of the State of Georgia. Amounts that exceed standard depository insurance limits are required to be collateralized either (1) individually by the financial institutions through pledged obligations of the U.S. Government, obligations backed by the full faith and credit of the U.S. Government, obligations of the State of Georgia or other states, or obligations of counties, municipalities, or public authorities of the State of Georgia, or (2) participation in the State of Georgia Secure Deposit Program. As of September 30, 2020, the County's deposits were insured and/or collateralized as defined by state statutes and GASB pronouncements. Additionally, as of September 30, 2020, the County had deposits with two (2) financial institutions collateralized by the State of Georgia Secure Deposit Program, which is administered by the Office of the State Treasurer, and requires participating banks holding deposits of public funds to pledge collateral at varying rates depending on the tier assigned by the State. As of September 30, 2020, the County had deposits held at a local financial institution that were under-collateralized by \$528,609 as defined by state statutes.

**Credit risk.** State statutes authorize the Authority to invest in U.S. Government obligations; U.S. Government agency obligations; obligations of the State of Georgia; obligations of other counties; municipal corporations and political subdivisions of the State of Georgia which are rated "AA" or better by Moody's Investors Service, Inc.; negotiable certificates of deposit issued by any bank or trust company organized under the laws of any state of the United States of America or any national banking association; repurchase agreements when collateralized by the U.S. Government or agency obligations; and pooled investment programs sponsored by the State of Georgia for the investment of local government funds. Investments are stated at fair value, based on quoted market prices.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

**Categorization of Cash Equivalents.** The County reported cash equivalents of \$774,903 in Georgia Fund 1, a local government investment pool, created by OCGA 36-83-8, is a stable asset value investment pool, which follows Standard and Poor's criteria for AAAf rated money market funds and is regulated by the Georgia Office of the State Treasurer. The pool is not registered with the SEC as an investment company. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal (\$1 per share). The asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participants' shares sold and redeemed based on \$1 per share. The pool also adjusts the value of its investments to fair value as of year-end and the County's investment in the Georgia Fund 1 is reported at fair value. The County considers amounts held in Georgia Fund 1 as cash equivalents for financial statement presentation. As of September 30, 2020, the weighted-average maturity of the pool was 46 days.

### NOTE 5. RECEIVABLES

Receivables at September 30, 2020, for the County's individual major funds and nonmajor funds in the aggregate are as follows:

	<b>General Fund</b>	<b>SPLOST</b>	<b>TSPLOST</b>
Receivables:			
Taxes	\$ 363,499	\$ 171,540	\$ 149,665
Other governments	52,768	-	-
Accounts	1,640,111	-	-
Gross receivables	2,056,378	171,540	149,665
Less allowances	(777,590)	-	-
Net receivables	\$ 1,278,788	\$ 171,540	\$ 149,665
	<b>Fire District O&amp;M</b>	<b>Nonmajor Governmental</b>	
Receivables:			
Taxes	\$ 36,847	\$ -	
Other governments	257,980	-	
Accounts	-	66,991	
Gross receivables	294,827	66,991	
Less allowances	-	-	
Net receivables	\$ 294,827	\$ 66,991	

Property taxes for the 2020 fiscal year were levied on August 9. Bills are payable on or before December 20 after which the applicable property is subject to lien and penalties and interest are assessed by the County.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 6. CAPITAL ASSETS

#### A. Primary Government

Capital asset activity for the year ended September 30, 2020 was as follows:

	<u>Restated Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
<b>Governmental Activities:</b>					
Capital assets, not being depreciated:					
Land and improvements	\$ 430,961	\$ -	\$ (71,792)	\$ -	\$ 359,169
Construction in progress	108,154	1,339,450	-	(1,212,175)	235,429
Total capital assets, not being depreciated	<u>539,115</u>	<u>1,339,450</u>	<u>(71,792)</u>	<u>(1,212,175)</u>	<u>594,598</u>
Capital assets, being depreciated:					
Buildings and improvements	14,042,541	22,785	-	1,212,175	15,277,501
Machinery and equipment	12,305,355	1,020,216	(182,303)	-	13,143,268
Infrastructure	6,504,711	-	-	-	6,504,711
Total capital assets, being depreciated	<u>32,852,607</u>	<u>1,043,001</u>	<u>(182,303)</u>	<u>1,212,175</u>	<u>34,925,480</u>
Less accumulated depreciation for:					
Buildings and improvements	(7,697,183)	(318,502)	-	-	(8,015,685)
Machinery and equipment	(9,661,499)	(655,443)	182,303	-	(10,134,639)
Infrastructure	(1,406,556)	(162,619)	-	-	(1,569,175)
Total accumulated depreciation	<u>(18,765,238)</u>	<u>(1,136,564)</u>	<u>182,303</u>	<u>-</u>	<u>(19,719,499)</u>
Total capital assets, being depreciated, net	<u>14,087,369</u>	<u>(93,563)</u>	<u>-</u>	<u>1,212,175</u>	<u>15,205,981</u>
Governmental activities capital assets, net	<u>\$ 14,626,484</u>	<u>\$ 1,245,887</u>	<u>\$ (71,792)</u>	<u>\$ -</u>	<u>\$ 15,800,579</u>

Land reported by the Industrial Development Authority as a capital asset, not being depreciated in the prior year has been reclassified as of October 1, 2019 to be reported in the statement of net position as land held for development based on the nature and purpose of the asset.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 6. CAPITAL ASSETS (CONTINUED)

#### A. Primary Government (Continued)

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

Governmental activities:	
General government	\$ 208,680
Judicial	9,941
Public safety	490,570
Public works	233,442
Health and welfare	123,765
Culture and recreation	11,243
Economic development	58,923
Total depreciation expense - governmental activities	\$ 1,136,564

#### B. Discretely Presented Component Unit – Meriwether County Water and Sewerage Authority

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Construction in progress	\$ -	\$ 136,939	\$ -	\$ 136,939
Capital assets, being depreciated:				
Water system	6,401,449	-	-	6,401,449
Sewer system	1,668,576	-	-	1,668,576
Furniture and equipment	111,527	-	-	111,527
Total capital assets, being depreciated	8,181,552	-	-	8,181,552
Less accumulated depreciation for:				
Water system	(912,301)	(160,036)	-	(1,072,337)
Sewer system	(333,712)	(41,714)	-	(375,426)
Furniture and equipment	(55,691)	(13,356)	-	(69,047)
Total accumulated depreciation	(1,301,704)	(215,106)	-	(1,516,810)
Total capital assets, being depreciated, net	6,879,848	(215,106)	-	6,664,742
Total capital assets, net	\$ 6,879,848	\$ (78,167)	\$ -	\$ 6,801,681

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 6. CAPITAL ASSETS (CONTINUED)**

**C. Discretely Presented Component Unit – Meriwether County Board of Health**

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets, being depreciated:				
Machinery and equipment	\$ 104,532	\$ -	\$ (4,100)	\$ 100,432
Vehicles	23,027	-	-	23,027
Total capital assets, being depreciated	<u>127,559</u>	<u>-</u>	<u>(4,100)</u>	<u>123,459</u>
Less accumulated depreciation for:				
Machinery and equipment	(81,104)	(13,029)	4,100	(90,033)
Vehicles	(3,622)	(4,605)	-	(8,227)
Total accumulated depreciation	<u>(84,726)</u>	<u>(17,634)</u>	<u>4,100</u>	<u>(98,260)</u>
Total capital assets, being depreciated, net	<u>\$ 42,833</u>	<u>\$ (17,634)</u>	<u>\$ -</u>	<u>\$ 25,199</u>

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## NOTES TO FINANCIAL STATEMENTS

### NOTE 7. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of September 30, 2020, is as follows:

Due to/from other funds:

Receivable fund	Payable fund	Amount
General Fund	Fire District O&M	\$ 609,050
General Fund	Nonmajor Governmental Funds	9,522
Fire District O&M	General Fund	382,891
Fire District O&M	Nonmajor Governmental Funds	2,811
Nonmajor Governmental Funds	General Fund	5,733
Nonmajor Governmental Funds	Fire District O&M	2,700
Nonmajor Governmental Funds	Nonmajor Governmental Funds	1,455
		\$ 1,014,162

This balance resulted from (1) the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur. All due to/from balances are expected to be repaid within one year.

Interfund transfers for the year ended September 30, 2020 were as follows:

Transfers In	Transfers Out	Amount
General Fund	Nonmajor Governmental Funds	\$ 400,000
Industrial Development Authority	General Fund	512,072
Nonmajor Governmental Funds	General Fund	920,265
		\$ 1,832,337

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that the statute or budget requires to expend them. Transfers from the General Fund to the Industrial Development Authority are used for monthly appropriations to cover operating costs and for payments to cover debt service on the 2008 revenue bonds.

Due from/to primary government and component units:

Receivable entity	Payable entity	Amount
Water & Sewerage Authority	Meriwether County General Fund	\$ 375,656

## NOTES TO FINANCIAL STATEMENTS

### NOTE 8. LONG-TERM DEBT

#### A. Primary Government

The following is a summary of long-term debt activity for the year ended September 30, 2020:

	Restated Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>					
Direct placement -					
Revenue bonds payable - IDA	\$ 955,000	\$ -	\$ (175,000)	\$ 780,000	\$ 185,000
General obligation bonds payable	4,730,000	-	(1,790,000)	2,940,000	195,000
Plus: Premiums	184,169	-	(34,142)	150,027	-
Total bonds payable	<u>5,869,169</u>	<u>-</u>	<u>(1,999,142)</u>	<u>3,870,027</u>	<u>380,000</u>
Financed purchases - direct borrowing	-	278,614	(36,154)	242,460	50,213
Note payable - direct borrowing	609,712	-	(145,049)	464,663	129,943
Compensated absences	294,295	91,713	(123,383)	262,625	157,575
Landfill postclosure care liability	<u>300,000</u>	<u>-</u>	<u>(30,000)</u>	<u>270,000</u>	<u>30,000</u>
Governmental activities long-term liabilities	<u>\$ 7,073,176</u>	<u>\$ 370,327</u>	<u>\$ (2,333,728)</u>	<u>\$ 5,109,775</u>	<u>\$ 747,731</u>

The beginning balance of compensated absences has been adjusted to properly include the compensated absences of the Industrial Development Authority, a blended component unit of the County. Additionally, the intergovernmental payable from the prior year is now properly classified as direct placement – revenue bonds payable – IDA. The beginning balance of these revenue bonds has been corrected to reflect only amounts paid to bond holders from escrow as of September 30, 2020. The beginning balance of the landfill postclosure care liability has been corrected to properly reflect the liability at September 30, 2019. See Note 15 for further discussion of these changes.

Compensated absences are liquidated in the funds from which the employees' salaries are paid, which include the General Fund and Fire District O&M Fund, as well as the Industrial Development Authority.

#### **Direct Placement Revenue Bonds Payable – Industrial Development Authority**

In April 2008, the Meriwether County Industrial Development Authority issued revenue bonds for road improvements and installation of gas lines at North Meriwether Industrial Park. The County entered into an intergovernmental agreement with the Meriwether County Industrial Development Authority to service the principal and interest on these Series 2008 Taxable Revenue Bonds. The bonds are secured through a levy of an ad valorem tax of one mill. Payment is due semiannually and began in April 2009, and concludes in October 2023 at an interest rate of 4.24%.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 8. LONG-TERM DEBT (CONTINUED)

#### A. Primary Government (Continued)

Future debt service payments for the direct placement revenue bonds payable at September 30, 2020 are as follows:

Year ended September 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 185,000	\$ 29,150	\$ 214,150
2022	190,000	21,200	211,200
2023	200,000	12,932	212,932
2024	205,000	4,346	209,346
Total	<u>\$ 780,000</u>	<u>\$ 67,628</u>	<u>\$ 847,628</u>

#### Direct Placement General Obligation Bonds Payable

In March 2017, the County issued \$3,500,000 of direct placement general obligation bonds for the purpose of financing the construction, and/or renovation of County fire stations and acquisition of fire trucks and equipment for use within the County's fire district. The County has levied an ad valorem tax within the County's Fire District sufficient to meet the debt service requirements of the bonds. Principal payments on the bonds are due annually commencing on March 1, 2018 until maturity March 1, 2032. Interest payments on the bonds are due semiannually commencing on March 1, 2018 until maturity at an interest rate ranging from 2.00% - 4.00%. The County's debt service requirements to maturity on its notes payable from direct borrowings are as follows:

Year ended September 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 195,000	\$ 107,425	\$ 302,425
2022	205,000	101,425	306,425
2023	210,000	95,200	305,200
2024	220,000	87,650	307,650
2025	230,000	79,225	309,225
2026-2030	1,290,000	250,800	1,540,800
2031-2032	590,000	23,800	613,800
Total	<u>\$ 2,940,000</u>	<u>\$ 745,525</u>	<u>\$ 3,685,525</u>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 8. LONG-TERM DEBT (CONTINUED)

#### A. Primary Government (Continued)

##### Financed Purchases from Direct Borrowing

The County has entered into purchase agreements to finance the acquisition of eleven public works vehicles with two financial institutions. The financed purchases are for periods of eight and three years, respectively, at interest rates ranging from 3.25% - 3.28% annually. As of September 30, 2020, the City had \$278,614 of vehicles, with associated accumulated depreciation of \$55,027 financed under the purchase agreement. As of September 30, 2020, the future payments for the financed purchases from direct borrowings are as follows:

Year ended	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
September 30,			
2021	\$ 50,213	\$ 7,549	\$ 57,762
2022	51,874	5,898	57,772
2023	27,810	9,506	37,316
2024	19,992	3,416	23,408
2025	20,650	2,759	23,409
2026-2030	71,921	4,157	76,078
Total	<u>\$ 242,460</u>	<u>\$ 33,285</u>	<u>\$ 275,745</u>

##### Note Payable from Direct Borrowing

The County has entered into a note payable to finance various HVAC renovations and upgrades, and energy-equipment installation for various County offices, tax office, and courthouse (collectively referred to as the LINC project) for \$1,392,458. Terms of the note consist of monthly principal and interest payments that began in December 2011 and conclude in November 2023 at an interest rate of 4.66%. As of September 30, 2020, the future payments for the note payable from direct borrowing are as follows:

Year ended	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
September 30,			
2021	\$ 129,943	\$ 17,348	\$ 147,291
2022	149,530	12,436	161,966
2023	158,080	5,286	163,366
2024	27,110	157	27,267
Total	<u>\$ 464,663</u>	<u>\$ 35,227</u>	<u>\$ 499,890</u>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 8. LONG-TERM DEBT (CONTINUED)

#### A. Primary Government (Continued)

##### Landfill Closure and Postclosure Care Cost

State and federal laws and regulations require the County to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. A liability has been recognized based on the expected future postclosure care costs that will be incurred. The recognition of these landfill postclosure care costs has been accrued in full because the landfill is no longer accepting waste. The estimated liability for landfill postclosure care costs is \$270,000 as of September 30, 2020, which is based on 100% usage (filled) of the landfill. This liability is reported in the government wide financial statements.

The estimated total current cost of the landfill postclosure care of \$270,000 is based on what it would cost to perform all postclosure care in fiscal year 2020. Actual costs may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

#### B. Discretely Presented Component Unit – Meriwether County Water and Sewerage Authority

The following is a summary of long-term debt activity for the year ended September 30, 2020:

	<u>Restated Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Direct placement -					
Revenue bonds payable, Series 2016A and 2016B	\$ 9,860,000	\$ -	\$ (330,000)	\$ 9,530,000	\$ 335,000
Plus: premium	533,866	-	(41,893)	491,973	-
Total bonds payable	<u>\$ 10,393,866</u>	<u>\$ -</u>	<u>\$ (371,893)</u>	<u>\$ 10,021,973</u>	<u>\$ 335,000</u>

The beginning balance of the premium has been restated to reflect a change in accounting principle from the use of the straight-line method to the effective interest method for amortizing the premium.

**Revenue Bonds from Direct Placement.** In July 2016, the Meriwether County Water and Sewerage Authority issued the direct placement Series 2016 A and B refunding revenue bonds. The bonds were issued for the purpose of refunding and paying off the outstanding principal and accrued interest on the Authority's previously issued bonds. As a result of this transaction, the Water and Sewerage Authority reports a deferred charge on refunding, which is reported as a deferred outflow of resources. This item is being recognized as an expense (amortized) over the life of the bonds using the effective interest method.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 8. LONG-TERM DEBT (CONTINUED)

#### B. Discretely Presented Component Unit – Meriwether County Water and Sewerage Authority (Continued)

The Series 2016 A and B Revenue Refunding Bonds contain a provision that in any event of default, the principal amount of all bonds then outstanding shall become due and payable immediately, together with the interest accrued to the date of such acceleration, and interest on the bonds shall cease to accrue after the date of such acceleration. An event of default is defined in the bond resolution as an event in which payment of the principal or interest of any of the bonds shall not be made when it becomes due and payable, either at maturity or by proceedings optional or scheduled mandatory redemption. Payments are due semiannually and began in July 2016, and conclude in July 2040 at interest rates ranging from 2.00% - 4.00%. As of September 30, 2020, the future payments for the bonds payable from direct placement are as follows:

Year ended	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
September 30,			
2021	\$ 335,000	\$ 354,375	\$ 689,375
2022	345,000	344,125	689,125
2023	350,000	337,225	687,225
2024	365,000	326,725	691,725
2025	375,000	315,775	690,775
2026-2030	2,105,000	1,341,875	3,446,875
2031-2035	2,555,000	886,875	3,441,875
2036-2040	3,100,000	341,900	3,441,900
Total	<u>\$ 9,530,000</u>	<u>\$ 4,248,875</u>	<u>\$ 13,778,875</u>

## NOTES TO FINANCIAL STATEMENTS

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### **NOTE 9. DEFINED CONTRIBUTION PLAN**

County employees are covered by the Meriwether County Employee's Retirement Plan 401(a), a defined contribution and profit-sharing plan for full-time County employees that have completed 90 days of service and worked at least 1,000 hours a year. Under the plan, the County contributes nonelective contributions of 4% of employee compensation. For the year ended September 30, 2020, the County contributed 4% of employee's gross pay to the 401(a) fund for all eligible employees. For Elected Officials and Department Heads, the vested interest in these nonelective contributions in the employee account is 100%. For all other employees, the vested interest is 0% until the employee has completed five years of service, at which time the account becomes 100% vested. In addition to the nonelective contributions made by the County, the employee can elect to contribute from 0% to 100% of their compensation to the plan as an after-tax contribution. Mass Mutual has been selected to administer the plan and act as trustee. Plan provisions and contribution requirements are established or amended by a resolution of the County Commissioners. As of September 30, 2020, 204 employees were participants in the plan, total employer contributions to the plan were \$327,636 and total employee contributions were \$7,055.

Meriwether County employees may elect to participate in a deferred compensation plan 457(b) through Mass Mutual, the administrator. Participating employees may elect to defer up to \$19,000 of their includible compensation as provided in IRC Section 457. Meriwether County is not required to contribute to the plan and made no contributions for the current year or prior years. Employees contributed approximately \$275,860 for the year ended September 30, 2020. As of September 30, 2020, 145 employees were participants in the plan.

### **NOTE 10. RISK MANAGEMENT**

The County is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has joined together with other municipalities in the state as part of the Georgia Interlocal Risk Management Agency Property and Liability Insurance Fund and the Georgia Municipal Association Group Self-Insurance Workers' Compensation Fund, public entity risk pools currently operating as common risk management and insurance programs for member local governments.

As part of these risk pools, the County is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pool's 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 pool's agents and attorneys to represent the County in investigation, settlement discussions and all levels of litigation arising out of any claim made against the County within the scope of loss protection furnished by the funds.

## NOTES TO FINANCIAL STATEMENTS

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### **NOTE 10. RISK MANAGEMENT (CONTINUED)**

The funds are to defend and protect the members of the funds against liability or loss as prescribed in the member government contract and in accordance with the workers' compensation law of Georgia. The funds are to pay all 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.

There were no significant reductions of insurance coverage from coverage in the prior year. Management believes that the coverage is adequate to preclude any significant uninsured risk exposure to the County. Settled claims have not exceeded the coverage in the past three fiscal periods.

### **NOTE 11. COMMITMENTS AND CONTINGENCIES**

#### **Litigation**

The County is subject to risk of certain legal actions for events arising in the course of County operations. Liability, if any, which might result from these proceedings, would not, in the opinion of management and legal counsel, have a material adverse effect on the financial position of the County.

#### **Grant Contingencies**

The activities of the General Fund include revenues received from Federal and State governments and expenditures related to Federal and State funded grant programs. These programs are subject to program compliance audits by the grantors or their representatives. Based upon prior experience, County management believes such disallowances, if any, will not be significant.

#### **Construction Commitments**

As of September 30, 2020, construction commitments on uncompleted contracts were \$231,048.

## NOTES TO FINANCIAL STATEMENTS

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### **NOTE 12. JOINT VENTURES**

Under Georgia law, the County, in conjunction with other cities and counties in the Central Georgia area, is a member of the Three Rivers Regional Commission (TRRC), and is required to pay annual dues thereto. Membership in the TRRC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the TRRC in Georgia. The TRRC Board membership includes the chief elected official of each county and various municipalities of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of the TRRC. The County paid \$13,942 in membership dues during the year ended September 30, 2020. Separate financial statements may be obtained from the following:

Three Rivers Regional Commission  
Highway 34  
Franklin, Georgia 30217

### **NOTE 13. HOTEL/MOTEL TAX**

The County has levied a 5% lodging tax. During the year ended September 30, 2020, the County collected \$4,038 in hotel/motel taxes and the Hotel/Motel Tax fund reported expenditures of \$6,000 for the promotion of tourism in accordance with the provisions of O.C.G.A. 48-13-51.

### **NOTE 14. TAX ABATEMENTS**

#### **Discretely Presented Component Units**

The Meriwether County Industrial Development Authority is authorized under Title 36 Chapter 62 of the Official Code of Georgia to issue its revenue bonds to finance projects in order to promote and expand industry and trade within the County to reduce unemployment to the greatest extent possible. To encourage industries to locate their projects within the County, the Authority allows for ad valorem tax abatement through a sale-leaseback arrangement. Under this arrangement, the Authority has transferred ownership of the project being financed by the revenue bonds, and the bonds are then amortized by the lease payments. Once the bonds have been repaid, ownership is transferred back to the company and the ad valorem taxes are no longer abated.

For the duration of time the taxes are being abated, the company financing their project is required to meet certain goals in order to remain eligible to receive the abatement. The goals the Authority requires the companies to meet are the community jobs goal, and the community investment goal. The number of jobs and amount of investment required by these goals vary between agreements. If these goals are not met, a provision for the recapture of a portion of the value of the incentive being provided to the company is available. The Authority has the right to terminate this agreement without any further liability effective immediately upon giving written notice to the other parties involved.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 14. TAX ABATEMENTS (CONTINUED)

For the year ended September 30, 2020, the Authority abated ad valorem taxes totaling \$2,140,924 under the program previously described. Included in that amount, the following tax abatement agreements that each exceeded 10 percent of the total amount abated were:

<b>Tax Abatement Project</b>	<b>Percentage Abated</b>	<b>Amount of Taxes Abated</b>
Mando America Corporation Project	93.83%	\$ 1,899,891
Donwagon Autopart Technology Georgia, LLC Project	53.33%	218,768
		\$ 2,118,659

### NOTE 15. RESTATEMENT OF OPENING BALANCES

Management of the County has determined that various restatements are necessary to correct the beginning balances of fund balance/net position as follows:

In prior years, the County accrued for two months of Local Option Sales Tax (LOST) and Special Purpose Local Option Sales Tax (SPLOST) due from the State Department of Revenue. However, the State is only one month in arrears with these payments. This resulted in an overstatement of fund balance in the General Fund and SPLOST Fund, and an overstatement of net position of governmental activities at September 30, 2019.

Beginning fund balance, General Fund, as previously reported	\$ 1,184,670
To adjust over accrual of LOST receivable	(104,660)
Beginning fund balance, General Fund, as restated	\$ 1,080,010

Beginning fund balance, SPLOST Fund, as previously reported	\$ 1,608,926
To adjust over accrual of SPLOST receivable	(174,298)
Beginning fund balance, SPLOST Fund, as restated	\$ 1,434,628

In prior years, the County recorded prepaid bond insurance on the Series 2017 general obligation bonds in a governmental fund rather than at the government-wide level, resulting in the overstatement of fund balance in the Fire District Bond fund.

Beginning fund balance, Fire District Bond Fund, as previously reported	\$ 612,822
To remove prepaid bond insurance long-term asset	(27,113)
Beginning fund balance, Fire District Bond Fund, as restated	\$ 585,709

## NOTES TO FINANCIAL STATEMENTS

### NOTE 15. RESTATEMENT OF OPENING BALANCES (CONTINUED)

The County has determined that the Industrial Development Authority should be reported as a blended component unit, rather than as a discretely presented component unit, in accordance with GASB Statement 61. The County is responsible for the repayment of the Authority's outstanding revenue bonds and, therefore, the Authority should be reported as a blended component unit (major governmental fund) of the County, rather than as a discretely presented component unit.

Management of the Industrial Development Authority has determined that restatements to beginning fund balance are necessary to correct an error in the reporting of debt service payments. The debt service payment due October 1<sup>st</sup> of each year for the Industrial Development Authority's Revenue Bonds, Series 2008 is usually paid prior to October 1<sup>st</sup> of each year. Payments made in advance of October 1<sup>st</sup> are held in escrow by the bond agent until October 1<sup>st</sup>. Therefore, the October 1<sup>st</sup> payment that is paid on or before September 30<sup>th</sup> of each year should be reflected as a prepaid item on the balance sheet of the Industrial Development Authority. The October 1, 2019 payment was made on September 26, 2019 and reflected as a debt service expenditure and reduction of bonds payable. A prior period adjustment is required to properly reflect the October 1, 2019 debt service payment made on September 26, 2019 as a prepaid item.

Additionally, management of the Industrial Development Authority has determined that its land should not be included as part of capital assets, but instead reported as land held for development on the balance sheet.

Beginning fund balance, Industrial Dev. Authority (IDA)	
as previously reported, blended component unit	\$ -
To adjust for addition of IDA beginning equity	270,178
To adjust for prepaid debt service	195,246
To adjust for land held for development	6,413,917
Beginning fund balance, Industrial Dev. Authority (IDA)	
as restated, blended component unit	\$ 6,879,341

The reporting of the IDA as a blended component unit, rather than discretely presented also had an effect on beginning net position of governmental activities. Capital assets and compensated absences of the IDA will be reported at the government-wide level and therefore the beginning net position will need to be adjusted by the beginning balances of the IDA capital assets (\$1,633,153) and compensated absences (\$9,569).

## NOTES TO FINANCIAL STATEMENTS

### NOTE 15. RESTATEMENT OF OPENING BALANCES (CONTINUED)

The adjustment discussed above related to prepaid debt service of the IDA also results in an adjustment to the beginning balance of bonds payable of governmental activities. Because the \$175,000 principal portion of the bond payment is included as prepaid debt service, the beginning balance of bonds payable will be increased by this amount, resulting in a decrease to the beginning balance of net position of governmental activities in the same amount.

Additionally, management of the County determined during the current year that the liability for landfill postclosure care costs was overstated at September 30, 2019, resulting in an understatement of net position of governmental activities of \$1,772,695 at September 30, 2019.

The net effect on net position of government activities from the restatements to beginning fund balance of the General Fund and SPLOST Fund, the reporting of the Industrial Development Authority as a blended component unit (major governmental fund), and the restatement of the beginning balance of the landfill postclosure care cost liability are shown below:

Beginning net position, governmental activities, previously reported	\$	9,777,943
To adjust for the over accrual of LOST and SPLOST receivables (from above)		(278,958)
To adjust for the over accrual of the landfill postclosure liability		1,772,695
To adjust for change in reporting entity - IDA (from above) less principal portion of prepaid debt service of \$175,000		6,704,341
To adjust for IDA beginning capital assets		1,633,153
To adjust for IDA beginning compensated absences		(9,569)
Beginning net position, governmental activities, as restated	<u>\$</u>	<u>19,599,605</u>

Management of the Meriwether County Water & Sewerage Authority has determined that a change in accounting principle is necessary to properly report the unamortized balance of the bond premium for the Authority's Series 2016A and 2016B revenue bonds. The bond premium was previously amortized over the straight-line method and is now amortized using the effective interest method. The difference between the two methods was material to the Water & Sewerage Authority.

Beginning net position, Meriwether Water and Sewerage, Authority as previously reported	\$	(2,055,114)
To restate bond premium for change in accounting principle		42,441
Beginning net position, Meriwether Water and Sewerage, Authority as restated	<u>\$</u>	<u>(2,012,673)</u>

## **SUPPLEMENTARY INFORMATION**

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# NONMAJOR GOVERNMENTAL FUNDS

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## Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted or committed to expenditures for particular purposes.

**Jail Fund** – to account for funds collected to be used for law enforcement activities; these funds are restricted by the Official Code of Georgia Annotated (OCGA) 15-11-71.

**Law Library Fund** – to account for the revenues and related expenditures of operating the County's Law Library; these funds are restricted by OCGA 36-15.

**Emergency 911 Fund** – to account for the monthly 911 charge to help fund the cost of providing emergency 911 services; these funds are restricted by OCGA 46-5-134.

**Drug Fund** – to account for funds collected from fines and forfeitures to be used to create and maintain a Drug Abuse Treatment and Education Fund; these funds are restricted by OCGA 15-21-100.

**Hotel/Motel Tax Fund** – to account for the collection of hotel/motel taxes within the County that are restricted for the promotion of tourism.

**Sheriff Drug Forfeiture Fund** – to account for the use of confiscated assets by the Sheriff's Department; these funds are restricted by the applicable State of Georgia confiscation and seizure laws.

## Capital Project Funds

Capital project funds are used to account for financial resources for the acquisition, construction, and improvements of the City's capital assets other than those financed by enterprise funds.

**Fire District Bond Fund** – to account for capital expenditures for the Fire District financed by bond proceeds.

**MERIWETHER COUNTY, GEORGIA**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**SEPTEMBER 30, 2020**

	<b>Special Revenue Funds</b>			
<b>ASSETS</b>	<b>Jail Fund</b>	<b>Law Library</b>	<b>Emergency 911</b>	<b>Drug Fund</b>
Cash and cash equivalents	\$ 71,179	\$ 11,931	\$ 1,517	\$ 36,094
Accounts receivable	-	-	66,991	-
Due from other funds	-	-	1,369	819
Total assets	\$ 71,179	\$ 11,931	\$ 69,877	\$ 36,913
<b>LIABILITIES, AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 9,876	\$ -	\$ -	\$ 413
Due to other funds	7,109	-	-	509
Total liabilities	16,985	-	-	922
<b>FUND BALANCES</b>				
Restricted for:				
Law library operations	-	11,931	-	-
Public safety	54,194	-	69,877	35,991
Tourism	-	-	-	-
Capital Projects	-	-	-	-
Total fund balances	54,194	11,931	69,877	35,991
Total liabilities and fund balances	\$ 71,179	\$ 11,931	\$ 69,877	\$ 36,913

				Capital Projects Fund	Total Nonmajor Governmental Funds
Hotel/Motel Tax	Sheriff Drug Forfeiture	Fire District Bond			
\$ 103	\$ 110,177	\$ 295,233	\$ 526,234		
-	-	-	66,991		
-	-	7,700	9,888		
<u>\$ 103</u>	<u>\$ 110,177</u>	<u>\$ 302,933</u>	<u>\$ 603,113</u>		
\$ -	\$ -	\$ -	\$ 10,289		
-	-	6,170	13,788		
-	-	6,170	24,077		
-	-	-	11,931		
-	110,177	-	270,239		
103	-	-	103		
-	-	296,763	296,763		
<u>103</u>	<u>110,177</u>	<u>296,763</u>	<u>579,036</u>		
<u>\$ 103</u>	<u>\$ 110,177</u>	<u>\$ 302,933</u>	<u>\$ 603,113</u>		

**MERIWETHER COUNTY, GEORGIA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	Special Revenue Funds			
	Jail Fund	Law Library	Emergency 911	Drug Fund
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	41,783	-	-	17,942
Charges for services	-	3,882	401,140	-
Intergovernmental	-	-	-	460
Interest income	332	-	945	168
Total revenues	<u>42,115</u>	<u>3,882</u>	<u>402,085</u>	<u>18,570</u>
<b>Expenditures:</b>				
Current				
Judicial	-	2,966	-	-
Public safety	37,404	-	920,265	15,561
Housing and development	-	-	-	-
Total expenditures	<u>37,404</u>	<u>2,966</u>	<u>920,265</u>	<u>15,561</u>
Excess (deficiency) of revenues over (under) expenditures	<u>4,711</u>	<u>916</u>	<u>(518,180)</u>	<u>3,009</u>
<b>Other financing sources (uses):</b>				
Transfers in	-	-	920,265	-
Transfers out	-	-	(400,000)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>520,265</u>	<u>-</u>
Net change in fund balances	4,711	916	2,085	3,009
<b>Fund balances, beginning of year, as restated</b>	<u>49,483</u>	<u>11,015</u>	<u>67,792</u>	<u>32,982</u>
<b>Fund balances, end of year</b>	<u>\$ 54,194</u>	<u>\$ 11,931</u>	<u>\$ 69,877</u>	<u>\$ 35,991</u>

<u>Hotel/Motel Tax</u>	<u>Sheriff Drug Forfeiture</u>	<u>Capital Projects Fund Fire District Bond</u>	<u>Total Nonmajor Governmental Funds</u>
\$ 4,038	\$ -	\$ -	\$ 4,038
-	25,111	-	84,836
-	-	-	405,022
-	-	-	460
-	122	1,965	3,532
<u>4,038</u>	<u>25,233</u>	<u>1,965</u>	<u>497,888</u>
-	-	-	2,966
-	22,261	290,911	1,286,402
<u>6,000</u>	<u>-</u>	<u>-</u>	<u>6,000</u>
<u>6,000</u>	<u>22,261</u>	<u>290,911</u>	<u>1,295,368</u>
<u>(1,962)</u>	<u>2,972</u>	<u>(288,946)</u>	<u>(797,480)</u>
-	-	-	920,265
-	-	-	(400,000)
-	-	-	520,265
(1,962)	2,972	(288,946)	(277,215)
<u>2,065</u>	<u>107,205</u>	<u>585,709</u>	<u>856,251</u>
<u>\$ 103</u>	<u>\$ 110,177</u>	<u>\$ 296,763</u>	<u>\$ 579,036</u>

**MERIWETHER COUNTY, GEORGIA**  
**JAIL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>Budget</u> <u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance with</u> <u>Final Budget</u>
<b>Revenues:</b>				
Fines and forfeitures	\$ 50,000	\$ 50,000	\$ 41,783	\$ (8,217)
Interest income	-	-	332	332
Total revenues	<u>50,000</u>	<u>50,000</u>	<u>42,115</u>	<u>(7,885)</u>
<b>Expenditures:</b>				
Current				
Public safety	50,000	50,000	37,404	12,596
Total expenditures	<u>50,000</u>	<u>50,000</u>	<u>37,404</u>	<u>12,596</u>
Net change in fund balance	-	-	4,711	4,711
<b>Fund balance, beginning of year</b>	<u>49,483</u>	<u>49,483</u>	<u>49,483</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 49,483</u>	<u>\$ 49,483</u>	<u>\$ 54,194</u>	<u>\$ 4,711</u>

**MERIWETHER COUNTY, GEORGIA**  
**LAW LIBRARY FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 4,000	\$ 4,000	\$ 3,882	\$ (118)
Total revenues	<u>4,000</u>	<u>4,000</u>	<u>3,882</u>	<u>(118)</u>
<b>Expenditures:</b>				
Current				
Judicial	4,000	4,000	2,966	1,034
Total expenditures	<u>4,000</u>	<u>4,000</u>	<u>2,966</u>	<u>1,034</u>
Net change in fund balance	(4,000)	(4,000)	(2,966)	1,034
<b>Fund balance, beginning of year</b>	<u>11,015</u>	<u>11,015</u>	<u>11,015</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 7,015</u>	<u>\$ 7,015</u>	<u>\$ 8,049</u>	<u>\$ 1,034</u>

**MERIWETHER COUNTY, GEORGIA  
EMERGENCY 911 FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 300,000	\$ 300,000	\$ 401,140	\$ 101,140
Interest income	-	-	945	945
<b>Total revenues</b>	<u>300,000</u>	<u>300,000</u>	<u>402,085</u>	<u>102,085</u>
<b>Expenditures:</b>				
Current				
Public safety	-	-	920,265	(920,265)
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>920,265</u>	<u>(920,265)</u>
Excess (deficiency) of revenues over (under) expenditures	300,000	300,000	(518,180)	(818,180)
<b>Other financing sources (uses)</b>				
Transfers in	-	-	920,265	920,265
Transfers out	(300,000)	(300,000)	(400,000)	(100,000)
<b>Total other financing sources (uses)</b>	<u>(300,000)</u>	<u>(300,000)</u>	<u>520,265</u>	<u>820,265</u>
Net change in fund balance	-	-	2,085	2,085
<b>Fund balance, beginning of year</b>	<u>67,792</u>	<u>67,792</u>	<u>67,792</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 67,792</u>	<u>\$ 67,792</u>	<u>\$ 69,877</u>	<u>\$ 2,085</u>

**MERIWETHER COUNTY, GEORGIA  
DRUG FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Fines and forfeitures	\$ 30,000	\$ 30,000	\$ 17,942	\$ (12,058)
Intergovernmental	-	-	460	460
Interest income	-	-	168	168
Total revenues	<u>30,000</u>	<u>30,000</u>	<u>18,570</u>	<u>(11,430)</u>
<b>Expenditures:</b>				
Current				
Public safety	30,000	30,000	15,561	14,439
Total expenditures	<u>30,000</u>	<u>30,000</u>	<u>15,561</u>	<u>14,439</u>
Net change in fund balance	-	-	3,009	3,009
<b>Fund balance, beginning of year</b>	<u>32,982</u>	<u>32,982</u>	<u>32,982</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 32,982</u>	<u>\$ 32,982</u>	<u>\$ 35,991</u>	<u>\$ 3,009</u>

**MERIWETHER COUNTY, GEORGIA  
HOTEL/MOTEL TAX FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 5,000	\$ 5,000	\$ 4,038	\$ (962)
Total revenues	<u>5,000</u>	<u>5,000</u>	<u>4,038</u>	<u>(962)</u>
<b>Expenditures:</b>				
Current				
Culture and recreation	5,000	5,000	6,000	(1,000)
Total expenditures	<u>5,000</u>	<u>5,000</u>	<u>6,000</u>	<u>(1,000)</u>
Net change in fund balance	-	-	(1,962)	(1,962)
<b>Fund balance, beginning of year</b>	<u>2,065</u>	<u>2,065</u>	<u>2,065</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 2,065</u>	<u>\$ 2,065</u>	<u>\$ 103</u>	<u>\$ (1,962)</u>

**MERIWETHER COUNTY, GEORGIA  
SHERIFF DRUG FORFEITURE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Fines and forfeitures	\$ 25,000	\$ 25,000	\$ 25,111	\$ 111
Interest income	-	-	122	122
Total revenues	<u>25,000</u>	<u>25,000</u>	<u>25,233</u>	<u>233</u>
<b>Expenditures:</b>				
Current				
Public safety	25,000	25,000	22,261	2,739
Total expenditures	<u>25,000</u>	<u>25,000</u>	<u>22,261</u>	<u>2,739</u>
Net change in fund balance	-	-	2,972	2,972
<b>Fund balance, beginning of year</b>	<u>107,205</u>	<u>107,205</u>	<u>107,205</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 107,205</u>	<u>\$ 107,205</u>	<u>\$ 107,205</u>	<u>\$ -</u>

**MERIWETHER COUNTY, GEORGIA**  
**SCHEDULE OF EXPENDITURES OF**  
**SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year	Total	Estimated Percentage of Completion
<b>SPLOST VI</b>						
Construction and maintenance of landfill	\$ 6,000,000	\$ 5,616,257	\$ 5,616,257	\$ -	\$ 5,616,257	100%
Airport project	215,000	215,000	186,525	-	186,525	87%
Total SPLOST VI	<u>\$ 6,215,000</u>	<u>\$ 5,831,257</u>	<u>\$ 5,802,782</u>	<u>\$ -</u>	<u>\$ 5,802,782</u>	
<b>SPLOST VII</b>						
Building renovation	\$ 462,774	\$ 693,782	\$ 693,782	\$ 10,450	\$ 704,232	102%
Construction of ambulance station	462,774	215,000	186,525	-	186,525	87%
Roads	3,321,630	3,321,630	2,711,224	63,938	2,775,162	84%
Public safety equipment	231,387	828,566	828,566	52,734	881,300	106%
Public works equipment	462,774	462,774	282,620	110,940	393,560	85%
Information technology and communications equipment	1,307,436	1,307,436	693,469	140,982		
GIS technology	231,387	231,387	170,793	-	170,793	74%
Recreation	149,838	149,838	12,831	-	12,831	9%
City of Greenville	414,222	414,222	358,171	26,284	384,455	93%
City of Gay	41,922	41,922	36,403	2,654	39,057	93%
City of Lone Oak	43,860	43,860	37,637	2,784	40,421	92%
City of Luthersville	413,202	413,202	357,245	26,220	383,465	93%
City of Manchester	2,000,730	2,000,730	1,729,152	126,955	1,856,107	93%
City of Warm Springs	201,044	201,044	173,686	12,754	186,440	93%
City of Woodbury	455,022	455,022	392,723	28,874	421,597	93%
Total SPLOST VII	<u>\$ 10,200,002</u>	<u>\$ 10,780,415</u>	<u>\$ 8,664,827</u>	<u>\$ 605,569</u>	<u>\$ 8,435,945</u>	
<b>SPLOST VIII</b>						
Roads and transportation	\$ 3,000,000	\$ 3,000,000	\$ -	\$ -	\$ -	0%
Public safety vehicles and equipment	996,489	996,489	-	-	-	0%
Sheriff's office vehicles and equipment	415,250	415,250	-	-	-	0%
Public works vehicles and equipment	452,544	452,544	-	254,554	254,554	56%
Recreation	100,000	100,000	-	-	-	0%
Water system expansion	100,000	100,000	-	-	-	0%
Information technology	492,176	492,176	-	-	-	0%
Building renovations	1,116,000	1,116,000	-	-	-	0%
Records management	25,000	25,000	-	-	-	0%
City of Greenville	209,541	209,541	-	42,153	42,153	20%
City of Gay	41,000	41,000	-	4,256	4,256	10%
City of Lone Oak	43,000	43,000	-	4,464	4,464	10%
City of Luthersville	405,000	405,000	-	42,049	42,049	10%
City of Manchester	1,961,000	1,961,000	-	203,598	203,598	10%
City of Warm Springs	197,000	197,000	-	20,453	20,453	10%
City of Woodbury	446,000	446,000	-	46,307	46,307	10%
Total SPLOST VIII	<u>\$ 10,000,000</u>	<u>\$ 10,000,000</u>	<u>\$ -</u>	<u>\$ 617,834</u>	<u>\$ 617,834</u>	
				Total SPLOST expenditures	\$ 1,223,403	
				Principal payments made on Series 2014 general obligation bonds	1,600,000	
				Total SPLOST Fund expenditures	<u>\$ 2,823,403</u>	

# MERIWETHER COUNTY, GEORGIA

## SCHEDULE OF EXPENDITURES OF TRANSPORTATION SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year	Total	Estimated Percentage of Completion
<b>2020 TSPLOST</b>						
Patching, leveling, milling and resurfacing	\$ 150,000	\$ 150,000	\$ -	\$ -	\$ -	0%
Grading, drainage and paving gravel roads	4,452,900	4,452,900	-	-	-	0%
Bridge and culvert repairs and/or replacement	472,950	472,950	-	124,610	124,610	26%
Storm water and drainage improvements associated with transportation projects	175,000	175,000	-	-	-	0%
Transportation signage and safety improvements	25,000	25,000	-	-	-	0%
Equipment dedicated to road and transportation maintenance and improvement	250,000	250,000	-	-	-	0%
City of Greenville	345,100	345,100	-	36,881	36,881	11%
City of Gay	34,850	34,850	-	3,725	3,725	11%
City of Lone Oak	36,550	36,550	-	3,906	3,906	11%
City of Luthersville	344,250	344,250	-	36,791	36,791	11%
City of Manchester	1,666,850	1,666,850	-	178,140	178,140	11%
City of Warm Springs	167,450	167,450	-	17,896	17,896	11%
City of Woodbury	379,100	379,100	-	40,515	40,515	11%
<b>Total 2020 TSPLOST</b>	<b>\$ 8,500,000</b>	<b>\$ 8,500,000</b>	<b>\$ -</b>	<b>\$ 442,464</b>	<b>\$ 442,464</b>	

**MERIWETHER COUNTY, GEORGIA**  
**COMBINING STATEMENT OF ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
**SEPTEMBER 30, 2020**

<b>ASSETS</b>	<b>Tax Commissioner</b>	<b>Clerk of Superior Court</b>	<b>Probate Court</b>	<b>Magistrate Court</b>	<b>Sheriff</b>	<b>Total</b>
Cash and cash equivalents	\$ 294,637	\$ 72,692	\$ 4,469	\$ 13,415	\$ 227,347	\$ 612,560
Taxes receivable	<u>22,945</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,945</u>
Total assets	<u>\$ 317,582</u>	<u>\$ 72,692</u>	<u>\$ 4,469</u>	<u>\$ 13,415</u>	<u>\$ 227,347</u>	<u>\$ 635,505</u>
<b>LIABILITIES</b>						
Due to others	\$ 294,637	\$ 72,692	\$ 4,469	\$ 13,415	\$ 227,347	\$ 612,560
Uncollected taxes	<u>22,945</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,945</u>
Total liabilities	<u>\$ 317,582</u>	<u>\$ 72,692</u>	<u>\$ 4,469</u>	<u>\$ 13,415</u>	<u>\$ 227,347</u>	<u>\$ 635,505</u>

**MERIWETHER COUNTY, GEORGIA**  
**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	Balance October 1, 2019	Increases	Decreases	Balance September 30, 2020
<b><u>Tax Commissioner</u></b>				
<b>ASSETS</b>				
Cash	\$ 444,693	\$ 24,343,402	\$ (24,493,458)	\$ 294,637
Taxes receivable	27,948	35,926	(40,929)	22,945
Total assets	<u>\$ 472,641</u>	<u>\$ 24,379,328</u>	<u>\$ (24,534,387)</u>	<u>\$ 317,582</u>
<b>LIABILITIES</b>				
Due to others	\$ 444,693	\$ 24,343,402	\$ (24,493,458)	\$ 294,637
Uncollected taxes	27,948	35,926	(40,929)	22,945
Total liabilities	<u>\$ 472,641</u>	<u>\$ 24,379,328</u>	<u>\$ (24,534,387)</u>	<u>\$ 317,582</u>
<b><u>Clerk of Superior Court</u></b>				
<b>ASSETS</b>				
Cash	\$ 55,774	\$ 653,546	\$ (636,628)	\$ 72,692
Total assets	<u>\$ 55,774</u>	<u>\$ 653,546</u>	<u>\$ (636,628)</u>	<u>\$ 72,692</u>
<b>LIABILITIES</b>				
Due to others	\$ 55,774	\$ 653,546	\$ (636,628)	\$ 72,692
Total liabilities	<u>\$ 55,774</u>	<u>\$ 653,546</u>	<u>\$ (636,628)</u>	<u>\$ 72,692</u>
<b><u>Probate Court</u></b>				
<b>ASSETS</b>				
Cash	\$ 314	\$ 454,694	\$ (450,539)	\$ 4,469
Total assets	<u>\$ 314</u>	<u>\$ 454,694</u>	<u>\$ (450,539)</u>	<u>\$ 4,469</u>
<b>LIABILITIES</b>				
Due to others	\$ 314	\$ 454,694	\$ (450,539)	\$ 4,469
Total liabilities	<u>\$ 314</u>	<u>\$ 454,694</u>	<u>\$ (450,539)</u>	<u>\$ 4,469</u>
(Continued)				

**MERIWETHER COUNTY, GEORGIA**  
**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	Balance October 1, 2019	Increases	Decreases	Balance September 30, 2020
<b><u>Magistrate Court</u></b>				
<b>ASSETS</b>				
Cash	\$ 12,085	\$ 154,525	\$ (153,195)	\$ 13,415
Total assets	<u>\$ 12,085</u>	<u>\$ 154,525</u>	<u>\$ (153,195)</u>	<u>\$ 13,415</u>
<b>LIABILITIES</b>				
Due to others	\$ 12,085	\$ 154,525	\$ (153,195)	\$ 13,415
Total liabilities	<u>\$ 12,085</u>	<u>\$ 154,525</u>	<u>\$ (153,195)</u>	<u>\$ 13,415</u>
<b><u>Sheriff</u></b>				
<b>ASSETS</b>				
Cash	\$ 148,545	\$ 373,204	\$ (294,402)	\$ 227,347
Total assets	<u>\$ 148,545</u>	<u>\$ 373,204</u>	<u>\$ (294,402)</u>	<u>\$ 227,347</u>
<b>LIABILITIES</b>				
Due to others	\$ 148,545	\$ 373,204	\$ (294,402)	\$ 227,347
Total liabilities	<u>\$ 148,545</u>	<u>\$ 373,204</u>	<u>\$ (294,402)</u>	<u>\$ 227,347</u>
<b><u>Total Agency Funds</u></b>				
<b>ASSETS</b>				
Cash	\$ 661,411	\$ 25,979,371	\$ (26,028,222)	\$ 612,560
Taxes receivable	27,948	35,926	(40,929)	22,945
Total assets	<u>\$ 689,359</u>	<u>\$ 26,015,297</u>	<u>\$ (26,069,151)</u>	<u>\$ 635,505</u>
<b>LIABILITIES</b>				
Due to others	\$ 661,411	\$ 25,979,371	\$ (26,028,222)	\$ 612,560
Uncollected taxes	27,948	35,926	(40,929)	22,945
Total liabilities	<u>\$ 689,359</u>	<u>\$ 26,015,297</u>	<u>\$ (26,069,151)</u>	<u>\$ 635,505</u>

**COMPONENT UNIT – WATER AND SEWERAGE AUTHORITY**

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**MERIWETHER COUNTY, GEORGIA**  
**STATEMENT OF CASH FLOWS**  
**COMPONENT UNIT - WATER AND SEWERAGE AUTHORITY**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Receipts from customers and users	\$ 1,120,853
Payments to suppliers	(297,421)
Net cash provided by operating activities	823,432

**CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES**

Purchases of capital assets	(136,939)
Principal repayments on bonds payable	(330,000)
Interest paid on long-term borrowings	(375,494)
Net cash used in capital and related financing activities	(842,433)

**CASH FLOWS FROM INVESTING ACTIVITIES**

Interest received	1,023
Net cash provided by investing activities	1,023

Net decrease in cash (17,978)

**Cash:**

Beginning of year	307,182
End of year	\$ 289,204

**RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES**

Operating income	\$ 561,847
Adjustments to reconcile operating income to net cash provided by operating activities	
Depreciation and amortization	186,907
Changes in assets and liabilities:	
Increase in accounts receivable	(4,555)
Decrease in due from primary government	159,730
Decrease in prepaid expenses	90
Increase in accounts payable and accrued expenses	13,639
Decrease in due to primary government	(94,226)
Net cash provided by operating activities	\$ 823,432

See Notes to Financial Statements.