

**CANDLER COUNTY, GEORGIA**  
ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED JUNE 30, 2023

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners  
Candler County, Georgia

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of Candler County, Georgia, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Candler County, Georgia's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the Candler County, Georgia, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund and American Rescue Plan Act Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Candler County Board of Health, a component unit, which represents 1.7% and 0.5%, respectively, of the assets and net position of Candler County, Georgia as of June 30, 2023. We did not audit the financial statements of the Candler County Hospital Authority, a component unit, which represents 58.7% and 43.8%, respectively, of the assets and net position of Candler County, Georgia as of June 30, 2023. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Candler County Board of Health and Candler County Hospital Authority, is based solely on the report of the other auditors.

#### *Basis for Opinions*

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

#### *Responsibilities of Management for the Financial Statements*

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

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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

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

### ***Required Supplementary Information***

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America 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 considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Candler County, Georgia's basic financial statements. The combining and individual nonmajor fund financial statements and schedules and schedule of projects paid with special sales tax proceeds are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules and schedule of projects paid with special sales tax proceeds are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated May 29, 2024 on our consideration of the Candler County, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Candler County, Georgia'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 Candler County, Georgia's internal control over financial reporting and compliance.

*Lanier, Deal, Proctor + Blaser*

Statesboro, Georgia

May 29, 2024

**CANDLER COUNTY, GEORGIA**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2023**

	Primary Government	Component Units	
	Governmental Activities	Candler County Board of Health	Candler County Hospital Authority
<b>ASSETS</b>			
<b>Current Assets:</b>			
Cash	\$ 9,988,004	\$ 436,935	\$ 5,134,216
Restricted Cash	-	-	413,376
Certificates of deposit	1,246,619	-	-
Investments	2,908,332	-	-
<b>Receivables:</b>			
Accounts	64,425	-	2,993,312
Taxes	610,550	-	-
Intergovernmental	251,397	26,408	-
Interest	22,415	-	-
Estimated third-party payor settlements	-	-	306,000
Prepaid items	52,601	-	-
Supplies inventory	-	-	291,611
Other current assets	-	-	1,169,042
<b>Noncurrent Assets:</b>			
Externally restricted cash for debt service	-	-	106,680
<b>Capital Assets:</b>			
Nondepreciable capital assets	1,194,702	-	809,896
Intangible right-to-use lease assets, net	-	-	1,865,763
Depreciable capital assets, net	12,325,804	15,160	3,726,539
<b>Total Assets</b>	<b>28,664,849</b>	<b>478,503</b>	<b>16,816,435</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Proportionate share of collective deferred outflows of resources	-	266,516	-
<b>LIABILITIES</b>			
<b>Current Liabilities:</b>			
Accounts payable	410,938	-	1,319,611
Claims payable	140,000	-	-
Accrued payroll liabilities	154,970	-	-
Other accrued expenses	-	-	1,007,358
Unearned revenue	824,470	-	413,376
Compensated absences payable	32,877	5,260	-
Notes payable	148,308	-	711,714
Lease liabilities	-	-	428,657
<b>Long-Term Liabilities:</b>			
Compensated absences payable (net of current portion)	131,508	21,042	-
Notes payable (net of current portion)	329,451	-	1,465,995
Lease liabilities (net of current portion)	-	-	1,499,085
Net pension liability	-	533,209	-
Net OPEB liability	-	4,662	-
Landfill closure and postclosure care costs	3,719,271	-	-
<b>Total Liabilities</b>	<b>5,891,793</b>	<b>564,173</b>	<b>6,845,796</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Proportionate share of collective deferred inflows of resources	-	61,505	-
<b>NET POSITION</b>			
Net investment in capital assets	13,042,747	15,160	4,145,406
<b>Restricted for:</b>			
Capital projects	2,557,692	-	-
Debt service	59,463	-	106,680
Other purposes	2,453,516	130,010	-
Unrestricted	4,659,638	(25,829)	5,718,553
<b>Total Net Position</b>	<b>\$ 22,773,056</b>	<b>\$ 119,341</b>	<b>\$ 9,970,639</b>

See accompanying notes to the basic financial statements.

**CANDLER COUNTY, GEORGIA**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2023**

Program/Function	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Governmental Activities	Component Unit Candler County Board of Health Hospital Authority
<b>Primary Government</b>						
General government	\$ 1,983,540	\$ 114,410	\$ 137,810	\$ -	\$ (1,731,320)	-
Judicial	902,519	119,326	57,945	-	(725,248)	-
Public safety	4,641,947	1,856,505	575,191	-	(2,210,251)	-
Public works	3,716,384	1,146,448	18,570	986,697	(1,564,669)	-
Health and welfare	934,270	29,934	1,414,751	-	510,415	-
Culture and recreation	359,654	62,197	3,364	100,000	(194,093)	-
Housing and development	747,687	-	-	-	(747,687)	-
Interest	23,223	-	-	-	(23,223)	-
<b>Total Governmental Activities - Primary Government</b>	<b>\$ 13,309,224</b>	<b>\$ 3,328,820</b>	<b>\$ 2,207,631</b>	<b>\$ 1,086,697</b>	<b>(6,686,076)</b>	
<b>Component Units:</b>						
Candler County Board of Health	\$ 596,668	\$ 130,235	\$ 310,503	\$ -	\$ (155,930)	\$ -
Candler County Hospital Authority	27,714,630	26,201,217	5,032,037	175,550	-	3,694,174
Total Component Units	\$ 28,311,298	\$ 26,331,452	\$ 5,342,540	\$ 175,550	(155,930)	\$ 3,694,174
<b>General Revenues</b>						
Property taxes levied for general purposes					4,840,345	-
Sales taxes					3,804,798	-
Insurance premium tax					517,848	-
Other taxes					181,984	-
Gain on disposal of capital assets					-	7,504
Investment earnings					141,020	18,096
Gain on settlements					-	192,013
Miscellaneous					34,727	1,040,101
<b>Total General Revenues</b>					<b>9,520,722</b>	<b>1,257,714</b>
<b>Change in Net Position</b>					<b>2,834,646</b>	<b>4,951,888</b>
<b>Net Position, July 1, 2022</b>					<b>19,938,410</b>	<b>5,018,751</b>
<b>Net Position, June 30, 2023</b>					<b>\$ 22,773,056</b>	<b>\$ 9,970,639</b>

See accompanying notes to the basic financial statements.

**CANDLER COUNTY, GEORGIA**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2023**

	General	American Rescue Plan Act Fund	2018 SPLOST Fund	T-SPLOST Fund	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash	\$ 3,337,462	\$ 859,398	\$ 919,975	\$ 1,657,531	\$ 2,232,415	\$ 9,006,781
Certificates of deposit	1,246,619	-	-	-	-	1,246,619
Investments	2,908,332	-	-	-	-	2,908,332
Receivables:						
Accounts	51,983	-	-	-	4,818	56,801
Taxes	537,646	-	-	-	72,904	610,550
Intergovernmental	33,253	-	170,900	31,228	16,016	251,397
Interest	22,415	-	-	-	-	22,415
Due from other funds	6,863	-	-	-	-	6,863
Prepaid items	46,795	-	5,806	-	-	52,601
<b>TOTAL ASSETS</b>	<b>\$ 8,191,368</b>	<b>\$ 859,398</b>	<b>\$ 1,096,681</b>	<b>\$ 1,688,759</b>	<b>\$ 2,326,153</b>	<b>\$ 14,162,359</b>
<b>LIABILITIES</b>						
Accounts payable	\$ 154,094	\$ 25,460	\$ 180,719	\$ 47,029	\$ 3,636	\$ 410,938
Accrued payroll liabilities	154,970	-	-	-	-	154,970
Due to other funds	21,648	-	-	-	6,863	28,511
Unearned revenue	700	823,770	-	-	-	824,470
<b>TOTAL LIABILITIES</b>	<b>331,412</b>	<b>849,230</b>	<b>180,719</b>	<b>47,029</b>	<b>10,499</b>	<b>1,418,889</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue - property taxes	381,471	-	-	-	48,584	430,055
<b>FUND BALANCES</b>						
Nonspendable	46,795	-	5,806	-	-	52,601
Restricted	235,741	10,168	910,156	1,641,730	2,267,070	5,064,865
Assigned	2,287,950	-	-	-	-	2,287,950
Unassigned	4,907,999	-	-	-	-	4,907,999
<b>TOTAL FUND BALANCES</b>	<b>7,478,485</b>	<b>10,168</b>	<b>915,962</b>	<b>1,641,730</b>	<b>2,267,070</b>	<b>12,313,415</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 8,191,368</b>	<b>\$ 859,398</b>	<b>\$ 1,096,681</b>	<b>\$ 1,688,759</b>	<b>\$ 2,326,153</b>	<b>\$ 14,162,359</b>

See accompanying notes to the basic financial statements.



**CANDLER COUNTY, GEORGIA**  
**RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION**  
**JUNE 30, 2023**

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

Total Governmental Fund Balances		\$ 12,313,415
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:		
Cost	\$ 27,149,057	
Less accumulated depreciation	<u>(13,628,551)</u>	13,520,506
The internal service fund is used by management to charge the costs of the health insurance to individual funds. Certain assets and liabilities of the internal service fund are included in governmental activities on the statement of net position.		
		870,495
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds:		
Property taxes		430,055
Liabilities, including notes payable, compensated absences and accrued landfill closure and postclosure care costs are not due and payable in the current period and therefore are not reported in the funds but are reported on the statement of net position:		
Notes payable	\$ (477,759)	
Landfill closure and postclosure care costs	(3,719,271)	
Compensated absences	<u>(164,385)</u>	<u>(4,361,415)</u>
<b>Net Position Of Governmental Activities</b>		<b><u>\$ 22,773,056</u></b>

See accompanying notes to the basic financial statements.

**CANDLER COUNTY, GEORGIA**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	General	American Rescue Plan Act Fund	2018 SPLOST Fund	T-SPLOST Fund	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>						
Taxes	\$ 5,850,447	-	\$ 1,908,684	\$ 939,467	\$ 627,178	\$ 9,325,776
Licenses and permits	3,315	-	-	-	44,133	47,448
Charges for services	2,078,404	-	-	-	702,877	2,781,281
Fees, fines and forfeitures	474,189	-	-	-	15,724	489,913
Intergovernmental	1,533,514	\$ 642,129	100,000	512,389	487,384	3,275,416
Investment earnings	108,908	9,703	7,669	11,242	22,408	159,930
Other	34,727	-	-	-	-	34,727
Total revenues	<u>10,083,504</u>	<u>651,832</u>	<u>2,016,353</u>	<u>1,463,098</u>	<u>1,899,704</u>	<u>16,114,491</u>
<b>EXPENDITURES</b>						
Current:						
General government	1,878,189	12,649	-	-	89	1,890,927
Judicial	893,949	37,534	-	-	4,652	936,135
Public safety	3,610,795	42,064	-	-	619,380	4,272,239
Public works	1,749,048	18,569	-	-	370,139	2,137,756
Health and welfare	758,614	-	-	-	-	758,614
Culture and recreation	285,468	3,364	-	-	53,872	342,704
Housing and development	94,446	-	-	-	150,542	244,988
Capital outlay	-	527,949	384,105	1,001,083	450,161	2,363,298
Debt service:						
Principal	25,000	-	279,008	-	-	304,008
Interest	-	-	23,223	-	-	23,223
Intergovernmental	-	-	1,218,514	-	-	1,218,514
Total expenditures	<u>9,295,509</u>	<u>642,129</u>	<u>1,904,850</u>	<u>1,001,083</u>	<u>1,648,835</u>	<u>14,492,406</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>787,995</u>	<u>9,703</u>	<u>111,503</u>	<u>462,015</u>	<u>250,869</u>	<u>1,622,085</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Sale of capital assets	<u>18,655</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,655</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>806,650</u>	<u>9,703</u>	<u>111,503</u>	<u>462,015</u>	<u>250,869</u>	<u>1,640,740</u>
<b>FUND BALANCES, JULY 1, 2022</b>	<u>6,671,835</u>	<u>465</u>	<u>804,459</u>	<u>1,179,715</u>	<u>2,016,201</u>	<u>10,672,675</u>
<b>FUND BALANCES, JUNE 30, 2023</b>	<u>\$ 7,478,485</u>	<u>\$ 10,168</u>	<u>\$ 915,962</u>	<u>\$ 1,641,730</u>	<u>\$ 2,267,070</u>	<u>\$ 12,313,415</u>

See accompanying notes to the basic financial statements.

**CANDLER COUNTY, GEORGIA**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,**  
**EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2023**

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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 \$ 1,640,740

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 as depreciation expense. This is the amount by which capitalized capital outlay exceeded depreciation expense in the current period.

Depreciation expense	\$ (1,487,387)	
Capital outlay	<u>2,295,578</u>	808,191

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

Property taxes:		
Unavailable revenue at 6/30/23	430,055	
Unavailable revenue at 6/30/22	<u>(400,679)</u>	29,376

Governmental funds do not report the cost of disposed capital assets but the cost is reported on the statement of activities. (124,048)

The internal service fund used by management to charge the costs of health insurance to individual funds are not reported in the government-wide statement of activities. Governmental fund expenditures and related internal service fund revenues are eliminated. 516,728

Repayment of notes payable principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 304,008

Some expenses reported in the statement of activities, such as compensated absences and landfill closure and postclosure care costs, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Change in compensated absences	2,404	
Change in landfill closure and postclosure care costs	<u>(342,753)</u>	<u>(340,349)</u>

**Change In Net Position of Governmental Activities \$ 2,834,646**

See accompanying notes to the basic financial statements.

**CANDLER COUNTY, GEORGIA**  
**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>				
Taxes:				
Property	\$ 4,694,300	\$ 4,694,300	\$ 4,821,146	\$ 126,846
Local option sales tax	900,000	900,000	956,647	56,647
Other	83,800	83,800	72,654	(11,146)
Licenses and permits	3,700	3,700	3,315	(385)
Charges for services	1,890,500	1,890,500	2,078,404	187,904
Fees, fines and forfeitures	603,200	603,200	474,189	(129,011)
Intergovernmental	155,928	193,428	1,533,514	1,340,086
Investment earnings	15,000	15,000	108,908	93,908
Other	41,000	41,000	34,727	(6,273)
Total revenues	<u>8,387,428</u>	<u>8,424,928</u>	<u>10,083,504</u>	<u>1,658,576</u>
<b>EXPENDITURES</b>				
Current:				
General government:				
Legislative	66,951	66,951	62,023	4,928
Executive	232,299	232,299	232,437	(138)
Elections	120,505	120,505	118,760	1,745
Financial administration	330,904	351,074	342,014	9,060
Information technology	141,500	166,000	154,652	11,348
Tax commissioner	296,712	296,712	300,398	(3,686)
Tax assessor	292,043	303,955	302,678	1,277
Equalization	5,287	5,287	4,202	1,085
Public buildings	240,668	273,586	361,025	(87,439)
Total general government	<u>1,726,869</u>	<u>1,816,369</u>	<u>1,878,189</u>	<u>(61,820)</u>
Judicial:				
Superior Court	220,483	222,672	222,050	622
Clerk of Court	324,460	353,390	333,746	19,644
State Court	132,648	132,648	131,794	854
Magistrate Court	35,186	38,637	37,566	1,071
Probate Court	160,341	163,241	168,793	(5,552)
Total judicial	<u>873,118</u>	<u>910,588</u>	<u>893,949</u>	<u>16,639</u>
Public safety:				
Sheriff	1,563,741	1,563,741	1,556,345	7,396
Detention center	834,034	836,034	777,439	58,595
Emergency medical service	1,220,803	1,251,703	1,225,957	25,746
Coroner	32,050	32,050	22,371	9,679
Emergency management	18,590	24,030	28,683	(4,653)
Total public safety	<u>3,669,218</u>	<u>3,707,558</u>	<u>3,610,795</u>	<u>96,763</u>

See accompanying notes to the basic financial statements.

**CANDLER COUNTY, GEORGIA**  
**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
EXPENDITURES (Continued)				
Public works:				
Roads and bridges	\$ 1,204,082	\$ 1,319,082	\$ 1,309,512	\$ 9,570
Solid waste	470,249	470,249	439,536	30,713
Total public works	<u>1,674,331</u>	<u>1,789,331</u>	<u>1,749,048</u>	<u>40,283</u>
Health and welfare:				
Health department	1,000	1,000	1,000	-
Hospital	280,000	706,538	661,614	44,924
Family connections	52,500	90,000	90,000	-
Family and children services	6,000	6,000	6,000	-
Total health and welfare	<u>339,500</u>	<u>803,538</u>	<u>758,614</u>	<u>44,924</u>
Culture and recreation:				
Recreation department	<u>269,645</u>	<u>281,703</u>	<u>285,468</u>	<u>(3,765)</u>
Housing and development:				
Conservation	8,836	8,836	8,836	-
Agricultural resources	86,808	86,808	85,610	1,198
Code enforcement	11,065	11,065	-	11,065
Total housing and development	<u>106,709</u>	<u>106,709</u>	<u>94,446</u>	<u>12,263</u>
Debt service:				
Principal	25,000	25,000	25,000	-
Total debt service	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>-</u>
Total expenditures	<u>8,684,390</u>	<u>9,440,796</u>	<u>9,295,509</u>	<u>145,287</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(296,962)</u>	<u>(1,015,868)</u>	<u>787,995</u>	<u>1,803,863</u>
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	-	18,655	18,655
Transfers in	161,065	161,065	-	(161,065)
Total other financing sources (uses)	<u>161,065</u>	<u>161,065</u>	<u>18,655</u>	<u>(142,410)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (135,897)</u>	<u>\$ (854,803)</u>	<u>806,650</u>	<u>\$ 1,661,453</u>
FUND BALANCE, BEGINNING OF YEAR			<u>6,671,835</u>	
FUND BALANCE, END OF YEAR			<u>\$ 7,478,485</u>	

See accompanying notes to the basic financial statements.

**CANDLER COUNTY, GEORGIA**  
**AMERICAN RESCUE PLAN ACT FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Intergovernmental	\$ 1,049,237	\$ 1,049,237	\$ 642,129	\$ (407,108)
Interest	-	-	9,703	9,703
Total revenues	<u>1,049,237</u>	<u>1,049,237</u>	<u>651,832</u>	<u>(397,405)</u>
EXPENDITURES				
Current:				
General government	15,000	96,545	12,649	83,896
Judicial	93,225	31,075	37,534	(6,459)
Public safety	150,000	151,560	42,064	109,496
Public works	-	-	18,569	(18,569)
Culture and recreation	-	-	3,364	(3,364)
Capital outlay	432,567	621,967	527,949	94,018
	<u>690,792</u>	<u>901,147</u>	<u>642,129</u>	<u>259,018</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ 358,445</u>	<u>\$ 148,090</u>	9,703	<u>\$ (138,387)</u>
FUND BALANCE, BEGINNING OF YEAR			<u>465</u>	
FUND BALANCE, END OF YEAR			<u>\$ 10,168</u>	

See accompanying notes to the basic financial statements.

**CANDLER COUNTY, GEORGIA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**JUNE 30, 2023**

	<u>Governmental            Activities -            Internal            Service Fund</u> <u>Employee            Insurance Fund</u>
<b>ASSETS</b>	
Current Assets	
Cash and cash equivalents	\$ 981,223
Accounts receivable	7,624
Interfund receivable	<u>21,648</u>
Total Current Assets	<u>1,010,495</u>
<b>LIABILITIES</b>	
Current Liabilities	
Claims payable	<u>140,000</u>
<b>NET POSITION</b>	
Unrestricted	<u><u>\$ 870,495</u></u>

See accompanying notes to the basic financial statements.

**CANDLER COUNTY, GEORGIA**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

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	Governmental Activities - Internal Service Fund <hr/> Employee Insurance Fund
OPERATING REVENUES	
Premiums	<u>\$ 1,466,015</u>
OPERATING EXPENSES	
Purchased services	524,202
Claims	<u>433,692</u>
Total operating expenses	<u>957,894</u>
OPERATING INCOME	508,121
NON-OPERATING REVENUES	
Interest	<u>8,607</u>
CHANGE IN NET POSITION	516,728
NET POSITION, BEGINNING OF YEAR	<u>353,767</u>
NET POSITION, END OF YEAR	<u><u>\$ 870,495</u></u>

See accompanying notes to the basic financial statements.



**CANDLER COUNTY, GEORGIA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Governmental</u> <u>Activities -</u> <u>Internal</u> <u>Service Fund</u> <u>Employee</u> <u>Insurance Fund</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash received from internal charges	\$ 1,444,367
Cash payments for services	(524,202)
Cash payments for claims	(319,379)
Net cash provided (used) by operating activities	<u>600,786</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Investment earnings	<u>8,607</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	
<b>AND CASH EQUIVALENTS</b>	609,393
<b>CASH AND CASH EQUIVALENTS, JULY 1, 2022</b>	<u>371,830</u>
<b>CASH AND CASH EQUIVALENTS, JUNE 30, 2023</b>	<u><u>\$ 981,223</u></u>
<b>RECONCILIATION OF OPERATING INCOME TO NET</b>	
<b>CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	
Operating income	\$ 508,121
(Increase) decrease in operating assets:	
Accounts receivable	33,267
Interfund receivable	(21,648)
Increase (decrease) in operating liabilities:	
Claims payable	81,046
Net cash provided (used) by operating activities	<u><u>\$ 600,786</u></u>

See accompanying notes to the basic financial statements.

**CANDLER COUNTY, GEORGIA**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**CUSTODIAL FUNDS**  
**JUNE 30, 2023**

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<b>ASSETS</b>	
Cash	\$ 484,570
	<u>484,570</u>
<b>TOTAL ASSETS</b>	<b>\$ 484,570</b>
	<u>484,570</u>
<b>LIABILITIES</b>	
Due to other governments	\$ 198,254
Due to other entities and individuals	55,361
	<u>253,615</u>
<b>TOTAL LIABILITIES</b>	<b>253,615</b>
	<u>253,615</u>
<b>NET POSITION</b>	
Restricted for individuals, organizations, and other governments	230,955
	<u>230,955</u>
<b>TOTAL NET POSITION</b>	<b>\$ 230,955</b>
	<u>230,955</u>

See accompanying notes to the basic financial statements.

**CANDLER COUNTY, GEORGIA**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**CUSTODIAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

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ADDITIONS

Tax collections for other governments	\$ 7,534,145
Fees, fines, and forfeitures	327,267
Court judgments/assessments	78,379
Interest	61
Total additions	<u>7,939,852</u>

DEDUCTIONS

Payments to other governments	7,457,027
Payments to other entities and individuals	474,973
Total deductions	<u>7,932,000</u>

Net increase (decrease) in fiduciary net position 7,852

NET POSITION - JULY 1, 2022 223,103

NET POSITION - JUNE 30, 2023 \$ 230,955

See accompanying notes to the basic financial statements.

**CANDLER COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
JUNE 30, 2023

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Candler County, Georgia (the “County”) operates under a Commissioner – County Administrator form of Government. The County is governed by a board of five commissioners elected by the voters of the County.

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

The financial statements of the County have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting. The County also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its governmental and business-type activities at the government-wide financial reporting level and to its enterprise funds at the fund reporting level, provided they do not conflict with or contradict GASB pronouncements.

The most significant of the County’s accounting policies are described below.

**1-A. Reporting Entity**

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the County consists of all funds, departments, boards and agencies that are not legally separate from the County.

Component units are legally separate organizations for which the County is financially accountable. The County is financially accountable for an organization if the County appoints a voting majority of the organization’s governing board and (1) the County is able to significantly influence the programs or services performed or provided by the organizations; or (2) the County is legally entitled to or can otherwise access the organization’s resources; the County is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the County is obligated for the debt of the organization. Component units also may include organizations that are fiscally dependent on the County in that the County approves the budget, levies their taxes, or issues their debt.

The component unit columns included on the government-wide financial statements identify the financial data of the County’s discretely presented component units. They are reported separately to emphasize that they are legally separate from the County.

A brief description of the County’s discretely presented component units follows:

**Candler County Board of Health** – The Candler County Board of Health provides health care services and health education to residents of Candler County. The Health Department receives financial support from Candler County, Georgia, the State of Georgia and the Federal Government. The County Commission appoints a majority of the Board of Directors. Complete financial statements for the Candler County Board of Health can be obtained from their administrative office at:

Candler County Board of Health  
428 North Rountree Street  
Metter, Georgia 30439

**CANDLER COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Candler County Hospital Authority (The Hospital Authority)** - The Candler County Hospital Authority was created in November, 1958 by the Board of Commissioners of Candler County to operate, control, and manage all matters concerning the County's health care functions. The Hospital Authority operates Candler County Hospital, a critical access hospital. The County nominates the Board of Trustee members of the Hospital Authority and the County has guaranteed some debt of the Hospital Authority. The Hospital Authority issued audited financial statements with a fiscal year ended December 31, 2022. Copies of these financial statements may be obtained from their administrative office at:

Candler County Hospital Authority  
400 Cedar Street  
Metter, Georgia 30439

**1-B. Basis of Presentation**

The County's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

**Government-wide Financial Statements** – The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the County as a whole. The primary government and the component units are presented separately within these financial statements with the focus on the primary government. Fiduciary activities are not included at the government-wide reporting level. Individual funds are not displayed, but the statements distinguish governmental activities, generally supported by taxes, grants and the County's general revenues, from business-type activities, generally financed in whole or part with service charges to external customers. The County had no business-type activities at June 30, 2023.

The statement of net position presents the financial position of the governmental and business-type activities of the County and its discretely presented component units.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the County's governmental activities and for each identifiable activity of the business-type activities of the County. Direct expenses are those that are specifically associated with a function and therefore clearly identifiable to that particular function. The County does not allocate indirect expenses to functions in the statement of activities.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees and other charges to users of the County's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. For identifying to which function program revenue pertains, the determining

**CANDLER COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

factor for *charges for services* is which function *generates* the revenue. For *grants and contributions*, the determining factor is to which function the revenues are *restricted*.

Other revenue sources not properly included with program revenues are reported as general revenues of the County. The comparison of direct expenses with program revenues identifies the extent to which each governmental function and each identifiable business activity is self-financing or draws from the general revenues of the County.

**Fund Financial Statements** – During the year, the County segregates transactions related to certain County functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the County at this more detailed level. Fund financial statements are provided for governmental and fiduciary funds.

Major individual governmental funds are reported in separate columns with composite columns for non-major funds. Fiduciary funds are reported by type.

**Fund Accounting** – The County uses funds to maintain its financial records during the year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The County uses governmental and fiduciary funds.

**Governmental Funds** – Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Fund liabilities are assigned to the fund from which they will be liquidated. The County reports the difference between governmental fund assets and liabilities as fund balance. The following are the County's major governmental funds:

**The General Fund** – The general fund accounts for all financial resources except those required to be accounted for in another fund. The general fund's fund balance is available to the County for any purpose provided it is expended or transferred according to the general laws of the State of Georgia.

**American Rescue Plan Act Fund** – This fund accounts for all Local Fiscal Recovery funds received by the County through the American Rescue Plan Act of 2021.

**2018 SPLOST Fund** – These capital projects funds account for the special purpose local option sales tax collected pursuant to a referendum for various capital improvements within the County.

**T-SPLOST Fund** – This capital projects fund accounts for the regional transportation special purpose local option sales tax proceeds received for transportation purposes within the County.

**Fiduciary Funds** – The County's fiduciary funds are custodial in nature. The following are the County's fiduciary funds:

**Tax Commissioner** – This fund is used to account for the collection of various taxes, including property taxes, on behalf of other governmental entities.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Probate Court** – This fund is used to account for all monies received by the Probate Court on behalf of individuals, private organizations, and other governmental units.

**Clerk of Courts** – This fund is used to account for all monies received by the Clerk of Courts on behalf of individuals, private organizations, and other governmental units.

**Magistrate Court** – This fund is used to account for all monies received by the Magistrate Court on behalf of individuals, private organizations, and other governmental units.

**Sheriff** – This fund is used to account for all monies received by the Sheriff on behalf of individuals, private organizations, and other governmental units.

**1-C. Measurement Focus**

**Government-wide Financial Statements** – The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the County are included on the statement of net position. The statement of activities reports revenues and expenses.

**Fund Financial Statements** – All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus on both financial reporting levels. All assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the County finances and meets the cash flow needs of its proprietary activities.

**1-D. Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. At the fund reporting level, the governmental funds use the modified accrual basis of accounting and fiduciary funds use the accrual basis of accounting. Proprietary funds use the accrual basis of accounting at both reporting levels. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred outflows/inflows of resources, and in the presentation of expenses versus expenditures.

**Revenues – Exchange Transactions** – Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value is recorded on the accrual basis when the exchange takes place. On

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

the modified accrual basis, revenue is recorded when the exchange takes place and in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the County, the phrase “available for exchange transactions” means expected to be received within 60 days of year-end.

**Revenue – Non-exchange Transactions** – Non-exchange transactions in which the County receives value without directly giving equal value in return, include sales taxes, property taxes, grants and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale takes place. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the County must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the County on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions also must be available (i.e., collected within 60 days) before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be susceptible to accrual: property taxes, sales taxes, interest and federal and state grants.

**Expenses/Expenditures** – On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable.

**1-E. Assets, Liabilities and Net Position**

**Cash, Cash Equivalents, and Investments**

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the County.

Investments are stated at fair value based on quoted market prices.

Georgia law authorizes the County to invest in the following type of obligations:

- Obligations of the State of Georgia or of any other states
- Obligations of the United States Government
- Obligations fully insured or guaranteed by the United States Government or United States Government agency
- Obligations of any corporation of the United States Government
- Prime bankers’ acceptances
- The State of Georgia local government investment pool (i.e., Georgia Fund I)
- Repurchase agreements
- Obligations of the other political subdivisions of the State of Georgia



**CANDLER COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Receivables**

All trade and property tax receivables are reported net of an allowance for uncollectibles, where applicable. At June 30, 2023, the General Fund reported an allowance for uncollectibles of \$49,704 and \$277,665 for the property taxes receivable and EMS accounts receivable, respectively. The Shared Service District Fund reported an allowance of \$6,036 for property taxes receivable at June 30, 2023.

**Consumable Inventories**

On the government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used (i.e., the consumption method).

**Interfund Balances**

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as “due from/to other funds.” These amounts are eliminated in the governmental and business-type activities columns on the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are reclassified and presented as internal balances on this statement. These amounts are ultimately eliminated from the total column on the statement of net position.

**Prepaid Items**

Payments made to vendors for services that will benefit periods beyond June 30, 2023, are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed. At the fund reporting level, an equal amount of fund balance is reported as nonspendable as this amount is not available for general appropriation.

**Capital Assets**

The County reports general capital assets in the governmental activities column of the government-wide statement of net position but does not report these assets in the County fund financial statements.

All capital assets with an estimated useful life in excess of two years are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The County maintains a capitalization threshold of five thousand dollars. The County’s infrastructure consists of roads and bridges. For roads and bridges, the County has capitalized only infrastructure constructed after June 30, 2003. Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset’s life are expensed.

**CANDLER COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

All reported capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the County’s historical records of necessary improvements and replacement.

Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings	15-50 years
Improvements other than buildings	10-40 years
Machinery and equipment	4-15 years
Infrastructure	15 years

**Compensated Absences**

Vacation benefits are accrued as a liability as the benefits are earned if the employees’ rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means.

The total compensated absences liability is reported on the government-wide financial statements. Governmental funds report the compensated absences liability at the fund reporting level only “*when due.*”

**Accrued Liabilities and Long-term Obligations**

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of these funds. However, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are “due for payment” during the current year. Notes payable are recognized as a liability in the governmental fund financial statements when due.

**Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The County does not have any deferred outflows of resources as of June 30, 2023. It does have a component unit that has deferred outflows of resources related to pensions and other post-employment benefits on the statement of net position.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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 net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The County has an item which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available. The County has a component unit that has deferred inflows of resources related to pensions and other post-employment benefits on the statement of net position.

**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 current assets and current liabilities. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

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

**Restricted** – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

**Committed** – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Commissioners through the adoption of a resolution or ordinance. Only the Board of Commissioners may modify or rescind the commitment.

**Assigned** – Fund balances are reported as assigned when amounts are constrained by the Board of Commissioners’ intent to be used for specific purposes, but are neither restricted nor committed. Only the Board of Commissioners can assign fund balances.

**Unassigned** – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The County reports positive unassigned fund balance only in the general fund. Negative unassigned fund balances may be reported in all funds.

The County’s policy is to maintain an adequate general fund unassigned fund balance to provide liquidity in the event of an economic downturn or natural disaster.

**CANDLER COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**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:

- Committed
- Assigned
- Unassigned

**Net Position** – Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. 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.

**Interfund Activity**

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayment from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements (i.e., they are netted).

Transfers between governmental funds on the government-wide statement of activities are eliminated.

**Estimates**

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

**Implementation of GASB 96**

The County has implemented GASB Statement 96, “Subscription-Based Information Technology Arrangements.” The primary objective of this statement is to enhance the relevance and consistency of information about governments’ subscription activities. This statement establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to use an underlying asset. Under this Statement, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset.

The County had no subscription-based information technology arrangements to report at June 30, 2023.

**CANDLER COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**Budgetary Information**

The County adopts an annual operating budget for the general fund, special revenue funds, and capital projects funds. The budget resolution reflects the total of each department’s appropriation in each fund.

All budgets are adopted on a basis consistent with GAAP.

The legal level of control (the level at which expenditures may not legally exceed appropriations) for each adopted annual operating budget generally is the department level within each individual fund. Any change in total to a fund or departmental appropriation within a fund requires approval of the Board of Commissioners.

During the year, the Board of Commissioners had two budget revisions.

All unexpended annual appropriations lapse at year-end.

**Excess of Expenditures Over Appropriations**

Expenditures exceeded appropriations for the year ended June 30, 2023 in the following departments for the general fund:

	<u>General Fund</u>
Executive	\$ 138
Tax commissioner	3,686
Public buildings	87,439
Probate court	5,552
Emergency management	4,653
Recreation department	3,765
	<u>\$ 105,233</u>

The overexpenditures in these areas were funded by underexpenditures in other areas.

Expenditures exceeded appropriations in the following special revenue funds and these overexpenditures were funded by excess revenues over amounts budgeted.

	<u>Overexpenditures</u>
Jail Store Fund	\$ 16,656
Law Library Fund	4,652

**CANDLER COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE 3 – DEPOSITS AND INVESTMENTS**

**Cash Deposits with Financial Institutions**

*Custodial Credit Risk – Deposits* – Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the County will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits (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.

At June 30, 2023, the carrying amount of the County’s deposits (checking and certificates of deposit) was \$11,719,193 and the bank balance was \$11,903,117. Of the bank balance, \$2,279,280 was covered by federal depository insurance and \$9,623,837 was collateralized with securities held by the pledging financial institution’s trust department or agent in the County’s name.

Discretely Presented Component Units

The carrying amount of deposits for the Candler County Hospital Authority was \$5,654,272. As of December 31, 2022, the Authority’s deposits were entirely insured, collateralized with securities held by a trustee in the Authority’s name, or held by financial institutions that participate in the Georgia Secure Deposit Program.

The carrying amount of deposits for the Candler County Board of Health was \$436,835 as of June 30, 2023. The bank balance was \$440,267 which was covered by FDIC insurance and pledged securities.

**Investments**

At June 30, 2023, the County has the following investments:

<u>Investments</u>	<u>Maturities</u>	<u>Fair Value</u>	<u>Credit Rating</u>
Primary Government:			
U.S. Treasury obligations	8/17/2023	\$ 253,355	AAA
U.S. Treasury obligations	8/24/2023	254,085	AAA
U.S. Treasury obligations	10/19/2023	1,310,236	AAA
U.S. Treasury obligations	12/7/2023	1,090,656	AAA
		<u>\$ 2,908,332</u>	

*Interest Rate Risk* – The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

*Credit Risk* – State statutes authorize the County to invest in obligations of the State of Georgia or other states; obligations issued by the U.S. government; obligations fully insured or guaranteed by the U.S. government or by a government agency of the United States; obligations of any corporation of the U.S. government; prime banker’s acceptances; the local government investment pool established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia.

*Custodial Credit Risk – Investments* – Custodial credit risk for investments is the risk that, in the event of failure of the counterparty, the County will not be able to recover the value of the investments or collateral securities

**CANDLER COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)**

that are in the possession of an outside party. State statutes require all investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities.

*Fair value of investments* – The County measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles (GAAP). These guidelines recognize a three-tiered fair value hierarchy as follows:

- Level 1: Quoted prices for identical investments in active markets;
- Level 2: Observable inputs other than those in Level 1; and
- Level 3: Unobservable inputs.

Debt and equity securities classified as Level 1 are valued using prices quoted in active markets for those securities. Debt and equity securities classified in Level 2 are valued using the following approaches: debt securities are normally valued based on price data obtained from observed transactions and market price quotations from broker dealers and/or pricing vendors; equity securities are valued using fair value per share for each fund. Securities classified as Level 3 have limited trade information, these securities are priced by using the last trade price or estimated using recent trade prices.

At June 30, 2023, the County had the following recurring fair value measurements:

<u>Investments by Fair Value Level</u>	<u>June 30, 2023</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
U.S. Treasury obligations	\$ 2,908,332	\$ 2,908,332	\$ -	\$ -

**NOTE 4 – PROPERTY TAXES**

Property taxes attach as an enforceable lien on property as of January 1. Property taxes are billed on or about October 20<sup>th</sup> of each year and are payable within sixty days. The County bills and collects its own property taxes and also collects taxes for the Candler County Board of Education, State of Georgia and cities within the County. Collection of the County’s taxes and for the other government agencies is the responsibility of the Tax Commissioner’s Office, which is accounted for in an Agency Fund.

County property tax revenues at the fund reporting level are recognized when levied to the extent that they result in current receivables (i.e., collectible in 60 days). For the year ended June 30, 2023, property taxes were levied on September 19, 2022, and were due December 31, 2022.

**CANDLER COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 5 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

The composition of interfund balances as of June 30, 2023, is as follows:

Receivable Fund	Payable Fund	Amount
General	Shared Service District	\$ 6,863
Employee Insurance	General	21,648
Total		<u>\$ 28,511</u>

**NOTE 6 – CAPITAL ASSETS**

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

	Balance 7/1/2022	Additions	Deductions	Balance 6/30/2023
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 198,826	-	\$ 37,698	\$ 161,128
Construction in progress	1,161,029	\$ 1,020,574	1,148,029	1,033,574
Total capital assets not being depreciated	<u>1,359,855</u>	<u>1,020,574</u>	<u>1,185,727</u>	<u>1,194,702</u>
Capital assets being depreciated:				
Buildings and improvements	7,844,578	382,216	212,810	8,013,984
Machinery and equipment	7,313,298	378,493	263,584	7,428,207
Infrastructure	5,831,392	1,662,324	-	7,493,716
Land improvements	3,018,448	-	-	3,018,448
Total capital assets being depreciated	<u>24,007,716</u>	<u>2,423,033</u>	<u>476,394</u>	<u>25,954,355</u>
Total capital assets	<u>25,367,571</u>	<u>3,443,607</u>	<u>1,662,121</u>	<u>27,149,057</u>
Accumulated depreciation:				
Buildings and improvements	3,202,246	211,964	130,560	3,283,650
Machinery and equipment	4,918,399	778,445	259,484	5,437,360
Infrastructure	1,589,440	432,404	-	2,021,844
Land improvements	2,821,123	64,574	-	2,885,697
Total accumulated depreciation	<u>12,531,208</u>	<u>1,487,387</u>	<u>390,044</u>	<u>13,628,551</u>
Governmental activities capital assets, net	<u>\$ 12,836,363</u>	<u>\$ 1,956,220</u>	<u>\$ 1,272,077</u>	<u>\$ 13,520,506</u>

Governmental activities depreciation expense:

General government	\$ 159,017
Judicial	626
Public safety	499,899
Public works	788,854
Culture and recreation	<u>38,991</u>
Total governmental activities depreciation expense	<u>\$ 1,487,387</u>



**CANDLER COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 6 – CAPITAL ASSETS (Continued)**

Capital asset activity for the County’s component units was as follows:

	Balance 7/1/2022	Additions	Deductions	Balance 6/30/2023
Component unit - Candler County Board of Health:				
Capital assets being depreciated:				
Equipment and vehicles	\$ 23,952	\$ 12,617	-	\$ 36,569
Accumulated depreciation:				
Equipment and vehicles	16,792	4,617	-	21,409
Component unit capital assets, net	<u>\$ 7,160</u>	<u>8,000</u>	<u>-</u>	<u>\$ 15,160</u>
	Balance 1/1/2022 as restated	Additions	Deductions	Balance 12/31/2022
Component unit - Candler County Hospital Authority:				
Capital assets not being depreciated:				
Land	\$ 168,940	-	-	\$ 168,940
Construction in progress	188,645	\$ 1,168,590	\$ 716,279	640,956
Total capital assets not being depreciated	<u>357,585</u>	<u>1,168,590</u>	<u>716,279</u>	<u>809,896</u>
Capital assets being depreciated:				
Land improvements	148,884	-	-	148,884
Buildings and improvements	7,684,822	403,544	-	8,088,366
Equipment	12,026,140	382,824	-	12,408,964
Intangible right-to-use assets	2,742,893	-	-	2,742,893
Total capital assets being depreciated	<u>22,602,739</u>	<u>786,368</u>	<u>-</u>	<u>23,389,107</u>
Total capital assets	22,960,324	1,954,958	716,279	24,199,003
Less accumulated depreciation	<u>16,557,218</u>	<u>1,239,587</u>	<u>-</u>	<u>17,796,805</u>
Component unit capital assets, net	<u>\$ 6,403,106</u>	<u>\$ 715,371</u>	<u>\$ 716,279</u>	<u>\$ 6,402,198</u>

**CANDLER COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE 7 – NOTES PAYABLE**

Notes payable at June 30, 2023 consisted of the following:

Note payable to OneGeorgia Authority for the construction of the Agricultural Regional Resources Construction Building, payable in quarterly installments of \$6,250 with 0% interest through July 1, 2025	\$ 43,750
Note payable to Caterpillar Financial Services Corporation for public works motor graders, payable in annual installments of \$108,065 with 2.30% interest through January 12, 2027	309,548
Note payable to Caterpillar Financial Services Corporation for public works bulldozer, payable in annual installments of \$35,465 with 5.44% interest through June 2, 2027	124,461
	<u>\$ 477,759</u>

As of June 30, 2023, annual debt service requirements to maturity are as follows:

Year ending June 30	Governmental Activities		
	Principal	Interest	Total
2024	\$ 148,308	\$ 13,973	\$ 162,281
2025	158,439	10,092	168,531
2026	137,457	6,073	143,530
2027	33,555	1,915	35,470
Total	<u>\$ 477,759</u>	<u>\$ 32,053</u>	<u>\$ 509,812</u>

**CANDLER COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE 7 – NOTES PAYABLE (Continued)**

Component Unit - Candler County Hospital Authority

Notes payable at December 31, 2022 consisted of the following:

Note payable to Candler County, Georgia, incurring interest at the imputed rate of 4.00%, unsecured.	\$ 1,324,751
Taxable Note, Series 2014 with Queensborough National Bank dated December 17, 2014. Payable in 120 monthly payments of approximately \$35,000 including interest at the fixed rate of 4.15% through January 2017. Beginning with the February 2017 payment, interest will be accrued at the <i>Wall Street Journal</i> prime rate, plus 0.50%, adjusted daily. Secured by property of the Authority, due January 2025.	523,908
Promissory Note to United States Department of Agriculture (USDA) dated March 17, 2014. Payable in 120 monthly payments of approximately \$10,000 including interest at the fixed rate of 3.50%, secured by a pledge of various medical equipment, due April 2024.	129,137
Equipment finance agreement with a vendor with an outstanding balance of \$582,855. Payable in 60 monthly installments of approximately \$19,000 including interest at the imputed rate of 10.79%, secured by financed equipment, due January 2025.	199,913
	<u>\$ 2,177,709</u>

Annual debt service requirements to maturity are as follows:

Year ending December 31	Component Unit - Hospital Authority					
	Notes Payable			Lease Liabilities		
	Principal	Interest	Total	Principal	Interest	Total
2023	\$ 711,714	\$ 42,210	\$ 753,924	\$ 428,657	\$ 71,568	\$ 500,225
2024	1,465,995	2,316	1,468,311	446,557	53,380	499,937
2025	-	-	-	436,382	34,516	470,898
2026	-	-	-	323,626	19,158	342,784
2027	-	-	-	283,952	5,717	289,669
2028-2032	-	-	-	8,568	117	8,685
Total	<u>\$ 2,177,709</u>	<u>\$ 44,526</u>	<u>\$ 2,222,235</u>	<u>\$ 1,927,742</u>	<u>\$ 184,456</u>	<u>\$ 2,112,198</u>

**CANDLER COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 8 – LANDFILL CLOSURE AND POST CLOSURE CARE COST**

State and federal laws and regulations require that the County place a final cover on its landfill sites and perform certain maintenance and monitoring functions at the landfill sites for a minimum of thirty years after closure. Although most closure and post closure care costs will be paid near or after the date the landfill stops accepting waste, the County reports a portion of the closure and post closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. As of June 30, 2023, the estimated liability for landfill closure and post closure care costs is \$3,719,271 and consists of the closure cost for Phase One of the landfill, closure cost for the C&D landfill, and closure and post closure costs for Phase Two of the landfill. The County will recognize the remaining estimated cost of closure and post closure care of approximately \$519,282 for the operating landfill as the remaining estimated capacity is filled. Used capacity for the operating Phase Two landfill is estimated to be 86.8% with an estimated remaining useful life of 6 years. All estimates are subject to change due to inflation or deflation, technology or changes in laws or regulations. The County has invested funds in a separate bank account for the landfill closure and post closure care costs with a standard amount being contributed quarterly to the bank account.

**NOTE 9 – CHANGES IN LONG-TERM DEBT**

	Balance July 1, 2022	Additions	Reductions	Balance June 30, 2023	Amounts Due In One Year
Governmental Activities:					
Compensated absences payable	\$ 166,789	-	\$ 2,404	\$ 164,385	\$ 32,877
Landfill closure & post closure care costs	3,376,518	\$ 342,753	-	3,719,271	-
Notes payable	781,767	-	304,008	477,759	148,308
Total Governmental Activities	<u>\$ 4,325,074</u>	<u>\$ 342,753</u>	<u>\$ 306,412</u>	<u>\$ 4,361,415</u>	<u>\$ 181,185</u>

The compensated absences liability will be paid from the General Fund, the fund from which the employees' salaries are paid. The notes payable will be paid from the General Fund and 2018 SPLOST capital projects fund. The landfill closure and post closure care costs will be paid from the General Fund.

Component Unit – Candler County Board of Health

	Balance July 1, 2022	Additions	Reductions	Balance June 30, 2023	Amounts Due In One Year
Compensated absences	<u>\$ 26,508</u>	<u>\$ -</u>	<u>\$ 206</u>	<u>\$ 26,302</u>	<u>\$ 5,260</u>

Component Unit - Candler County Hospital Authority

	Balance January 1, 2022 as restated	Additions	Reductions	Balance December 31, 2022	Amounts Due In One Year
Notes payable	\$ 3,492,110	-	\$ 1,314,401	\$ 2,177,709	\$ 711,714
Lease liabilities	2,338,961	-	411,219	1,927,742	428,657
Total long-term liabilities	<u>\$ 5,831,071</u>	<u>\$ -</u>	<u>\$ 1,725,620</u>	<u>\$ 4,105,451</u>	<u>\$ 1,140,371</u>

**CANDLER COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 10 – FUND BALANCES – GOVERNMENTAL FUNDS**

As of June 30, 2023, governmental fund balances are composed of the following:

	General Fund	American Rescue Plan Act Fund	2018 SPLOST Fund	T-SPLOST Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable:						
Prepaid items	\$ 46,795	-	\$ 5,806	-	-	\$ 52,601
Restricted:						
E-911	-	-	-	-	\$ 370,210	370,210
Roads	-	-	-	\$ 1,641,730	517,364	2,159,094
Jail store	-	-	-	-	155,678	155,678
Law library	-	-	-	-	22,813	22,813
Drug education	-	-	-	-	55,973	55,973
Shared service district	-	-	-	-	1,145,032	1,145,032
Sheriff	2,615	-	-	-	-	2,615
County jail	145,083	-	-	-	-	145,083
Hospital debt service	59,463	-	-	-	-	59,463
Opioid settlement	28,580	-	-	-	-	28,580
Pandemic relief	-	\$ 10,168	-	-	-	10,168
Capital projects	-	-	910,156	-	-	910,156
Total restricted	235,741	10,168	910,156	1,641,730	2,267,070	5,064,865
Assigned:						
Landfill closure and post closure care costs	1,944,606	-	-	-	-	1,944,606
Subsequent year's budget	343,344	-	-	-	-	343,344
Total assigned	2,287,950	-	-	-	-	2,287,950
Unassigned						
Total fund balances	\$ 7,478,485	\$ 10,168	\$ 915,962	\$ 1,641,730	\$ 2,267,070	\$ 12,313,415

**NOTE 11 – EMPLOYEE RETIREMENT PLANS**

Defined Contribution Plan

The County has adopted a prototype 401(a) Defined Contribution Plan for employees of Candler County (the 401(a) Plan) and a prototype 457 Deferred Compensation Plan for Candler County (the 457 Plan) administered by the Board of Commissioners through GEBCORP. The County has the authority to establish the Plans or amend the adoption agreement which defines the specific provisions of the plan as provided in the prototype document. The Plan covers substantially all employees who meet the minimum years of service requirement. The County matches up to 3% of employee's compensation. The total cost of the 401(a) Plan and the 457 Plan for the year ended June 30, 2023 was \$52,583. Total employee contributions to the plans for the year ended June 30, 2023 totaled \$158,632.

Probate Judges' Retirement Fund of Georgia

The Probate Judge is covered under a pension plan which requires that certain sums from marriage licenses be remitted to the state sponsored pension plan.

**CANDLER COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE 11 – EMPLOYEE RETIREMENT PLANS (Continued)**

Clerk of Superior Court Retirement Fund

The Clerk of Superior Court is covered under a pension plan which requires that certain sums from fees and fines or bond forfeitures be remitted to the state sponsored pension plan.

Sheriff's Retirement Fund/Peace Officers' Annuity and Benefit Fund

The Sheriff and sheriff deputies are covered under separate pension plans which require that certain sums from fines or bond forfeitures be remitted by the Magistrate Court and Clerk of Superior Court to the state sponsored pension plans.

Georgia Judicial Retirement System

This system provides retirement benefits for Superior Court Judges, District Attorneys, State Court Judges, Solicitors-General of the State Courts, and Juvenile Court Judges.

Employee's Retirement System of Georgia

Candler County tax officials are covered under this retirement plan.

Candler County Board of Health (component unit)

The employees of the Candler County Board of Health participate in the Georgia State Employees Retirement System (ERS). The plan is administered by the State of Georgia. ERS issues a publicly available financial report that can be obtained at [www.ers.ga.gov](http://www.ers.ga.gov). The retirement contributions for the year ended June 30, 2023 were \$61,962. Contributions are fully vested to employees after 10 years of continuous service.

At June 30, 2023, the Board of Health reported \$533,209 as a liability for its proportionate share of the net pension liabilities. For the year ended June 30, 2023, the Board of Health recognized pension expense of \$129,707.

Candler County Hospital Authority (component unit)

The Candler County Hospital Authority maintains a defined contribution retirement plan covering substantially all employees. Employees are immediately vested 100% in all funds under the plan. Matching contributions have been suspended by the Authority. The contributions made by the Authority for the year ended December 31, 2022 were \$0. The Authority had no outstanding liability related to the plan at December 31, 2022.

The Authority has also established a deferred compensation plan that is offered to limited employees. The Authority makes no matching contributions and employees are immediately 100% vested in all funds under the plan. As of December 31, 2022, the Authority had no outstanding liability related to the plan.

**CANDLER COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE 12 – EMPLOYEE INSURANCE FUND**

As of July 1, 2021, the County established an employee insurance fund (an internal service fund) to cover all employee health claims. The County makes payments to this fund monthly based on estimated premiums provided by the third-party administrator to fund this program. Amounts are also withheld from employees by payroll deduction for dependent coverage and paid to the employee insurance fund. A third-party administrator pays all claims from funds held in the employee insurance fund’s bank account. The County has a co-insurer for claims from one individual within one year exceeding \$40,000 and has a maximum annual liability policy of \$903,080.

The claims liability of \$140,000 reported at June 30, 2023 represents known claims incurred on or prior to June 30, 2023 and an estimate for claims that have been incurred but not reported. Changes in the fund’s claims liability are as follows:

Year Ended June 30	Claims Liability, Beginning of Year	Current Year Claims and Changes in Estimates	Claims Payments	Claims Liability, End of Year
2022	-	\$ 462,443	\$ 403,489	\$ 58,954
2023	\$ 58,954	433,692	352,646	140,000

**NOTE 13 – RISK MANAGEMENT**

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has joined together with other counties in the state as part of the Association of County Commissioners of Georgia (ACCG) Interlocal Risk Management Agency Property and Liability Insurance Fund and the Association of County Commissioners of Georgia (ACCG) Group Self-Insurance Workers Compensation Fund, a public entity risk pool currently operating as a common risk management insurance program 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 allow incidents which could result in the funds being required to pay any claim of loss. The County is also to 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.

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 worker’s 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.

Settled claims in the past three years have not exceeded the coverages.

**CANDLER COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE 14 – CONTINGENCIES**

The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the County attorney, the resolution of these matters probably will not have a material adverse effect on the financial condition of the County.

On December 17, 2014, the Candler County Hospital Authority issued a Series 2014 Taxable Note to repay other notes and obligations as well as cover issuance costs. It has an interest rate of 4.15% and will be paid with the Candler County Hospital Authority's general revenues over 120 months. The Series 2014 Taxable Note is secured by an intergovernmental agreement between the Candler County Hospital Authority and the County. As part of the intergovernmental agreement, the County guarantees to pay to the Authority an amount equal to the deficit of the Candler County Hospital Authority's net revenues or general funds compared to the payments due on the certificate and/or note. Further, the County has agreed to levy taxes on taxable property within the County up to six mills should it be required to do so.

**NOTE 15 – JOINT VENTURE**

Under Georgia law, the County, in conjunction with other cities and counties in the seventeen county East Middle Georgia area, is a member of the Heart of Georgia Altamaha Regional Commission (RC) and is required to pay annual dues thereto. During its year ended June 30, 2023, the County paid \$6,977 in such dues. Membership in an RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-33 which provides for the organizational structure of the RC in Georgia. The RC Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39 provides that the member governments are liable for any debts or obligations of an RC. Separate financial statements may be obtained from:

Heart of Georgia Altamaha Regional Commission  
5405 Oak Street  
Eastman, Georgia 31023

**NOTE 16 – SUBSEQUENT EVENTS**

On September 21, 2023, the Candler County Public Building Authority, a component unit of the County, issued \$9,380,000 in Series 2023 revenue bonds for the purpose of constructing a new jail. The bonds have annual maturity dates from September 1, 2024 to September 1, 2053. Interest will be payable on March 1 and September 1 of each year, beginning March 1, 2024.

Subsequent events were evaluated through May 29, 2024, which is the date the financial statements were available to be issued.



**CANDLER COUNTY, GEORGIA**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2023**

	Drug Abuse Treatment and Education Fund	E-911 Fund	Jail Store Fund	Law Library	Local Maintenance and Improvement Grant Fund	Shared Service District Fund	Total Nonmajor Special Revenue Funds
<b>ASSETS</b>							
Cash	\$ 55,691	\$ 358,112	\$ 150,860	\$ 22,813	\$ 517,364	\$ 1,127,575	\$ 2,232,415
Receivables:							
Accounts	-	-	4,818	-	-	-	4,818
Intergovernmental	282	15,734	-	-	-	-	16,016
Taxes	-	-	-	-	-	72,904	72,904
<b>TOTAL ASSETS</b>	<u>\$ 55,973</u>	<u>\$ 373,846</u>	<u>\$ 155,678</u>	<u>\$ 22,813</u>	<u>\$ 517,364</u>	<u>\$ 1,200,479</u>	<u>\$ 2,326,153</u>
<b>LIABILITIES</b>							
Accounts payable	-	\$ 3,636	-	-	\$ -	-	\$ 3,636
Due to other funds	-	-	-	-	-	\$ 6,863	6,863
Total liabilities	<u>-</u>	<u>3,636</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,863</u>	<u>10,499</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Unavailable revenue - property taxes	-	-	-	-	-	48,584	48,584
<b>FUND BALANCE</b>							
Restricted	\$ 55,973	370,210	\$ 155,678	\$ 22,813	517,364	1,145,032	2,267,070
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>	<u>\$ 55,973</u>	<u>\$ 373,846</u>	<u>\$ 155,678</u>	<u>\$ 22,813</u>	<u>\$ 517,364</u>	<u>\$ 1,200,479</u>	<u>\$ 2,326,153</u>

**CANDLER COUNTY, GEORGIA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	Drug Abuse Treatment and Education Fund	E-911 Fund	Jail Store Fund	Law Library	Local Maintenance and Improvement Grant Fund	Shared Service District Fund	Total Nonmajor Special Revenue Funds
<b>REVENUES</b>							
Taxes	-	-	-	-	-	\$ 627,178	\$ 627,178
Licenses and permits	-	-	-	-	-	44,133	44,133
Charges for services	-	\$ 185,322	\$ 45,745	-	-	471,810	702,877
Fees, fines and forfeitures	\$ 6,646	-	-	\$ 9,078	-	-	15,724
Intergovernmental	-	-	-	-	\$ 455,397	31,987	487,384
Interest	415	3,643	1,295	-	5,082	11,973	22,408
Total revenues	<u>7,061</u>	<u>188,965</u>	<u>47,040</u>	<u>9,078</u>	<u>460,479</u>	<u>1,187,081</u>	<u>1,899,704</u>
<b>EXPENDITURES</b>							
Current:							
General government	-	-	-	-	-	89	89
Judicial	-	-	-	4,652	-	-	4,652
Public safety	250	162,137	12,835	-	-	444,158	619,380
Public works	-	-	-	-	-	370,139	370,139
Culture and recreation	-	-	-	-	-	53,872	53,872
Housing and development	-	-	-	-	-	150,542	150,542
Capital outlay	-	-	3,821	-	446,340	-	450,161
Total expenditures	<u>250</u>	<u>162,137</u>	<u>16,656</u>	<u>4,652</u>	<u>446,340</u>	<u>1,018,800</u>	<u>1,648,835</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	6,811	26,828	30,384	4,426	14,139	168,281	250,869
<b>FUND BALANCE, JULY 1, 2022</b>	<u>49,162</u>	<u>343,382</u>	<u>125,294</u>	<u>18,387</u>	<u>503,225</u>	<u>976,751</u>	<u>2,016,201</u>
<b>FUND BALANCE, JUNE 30, 2023</b>	<u>\$ 55,973</u>	<u>\$ 370,210</u>	<u>\$ 155,678</u>	<u>\$ 22,813</u>	<u>\$ 517,364</u>	<u>\$ 1,145,032</u>	<u>\$ 2,267,070</u>

**CANDLER COUNTY, GEORGIA**  
**DRUG ABUSE TREATMENT AND EDUCATION SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>				
Fees, fines and forfeitures	\$ -	\$ -	\$ 6,646	\$ 6,646
Interest	-	-	415	415
Total revenues	<u>-</u>	<u>-</u>	<u>7,061</u>	<u>7,061</u>
<b>EXPENDITURES</b>				
Current:				
Public safety	<u>-</u>	<u>250</u>	<u>250</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>\$ -</u>	<u>\$ (250)</u>	6,811	<u>\$ 7,061</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			<u>49,162</u>	
<b>FUND BALANCE, END OF YEAR</b>			<u>\$ 55,973</u>	

**CANDLER COUNTY, GEORGIA**  
**E-911 SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	Original and Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
Charges for services	\$ 186,000	\$ 185,322	\$ (678)
Interest	2,500	3,643	1,143
Total revenues	<u>188,500</u>	<u>188,965</u>	<u>465</u>
<b>EXPENDITURES</b>			
Current:			
Public safety	<u>182,500</u>	<u>162,137</u>	<u>20,363</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>\$ 6,000</u>	26,828	<u>\$ 20,828</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>		<u>343,382</u>	
<b>FUND BALANCE, END OF YEAR</b>		<u>\$ 370,210</u>	

**CANDLER COUNTY, GEORGIA**  
**JAIL STORE SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	Original and Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
Charges for services	\$ -	\$ 45,745	\$ 45,745
Interest	-	1,295	1,295
Total revenues	<u>-</u>	<u>47,040</u>	<u>47,040</u>
<b>EXPENDITURES</b>			
Current:			
Public safety	-	12,835	(12,835)
Capital outlay	-	3,821	(3,821)
Total expenditures	<u>-</u>	<u>16,656</u>	<u>(16,656)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>\$ -</u>	<u>30,384</u>	<u>\$ 30,384</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>		<u>125,294</u>	
<b>FUND BALANCE, END OF YEAR</b>		<u>\$ 155,678</u>	

**CANDLER COUNTY, GEORGIA**  
**LAW LIBRARY SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	Original and Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
Fees, fines and forfeitures	\$ -	\$ 9,078	\$ 9,078
<b>EXPENDITURES</b>			
Current:			
Judicial	-	4,652	(4,652)
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>\$ -</u>	4,426	<u>\$ 4,426</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>		<u>18,387</u>	
<b>FUND BALANCE, END OF YEAR</b>		<u>\$ 22,813</u>	

**CANDLER COUNTY, GEORGIA**  
**LOCAL MAINTENANCE AND IMPROVEMENT GRANT SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	Original and Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ 450,000	\$ 455,397	\$ 5,397
Interest	1,000	5,082	4,082
Total revenues	<u>451,000</u>	<u>460,479</u>	<u>9,479</u>
<b>EXPENDITURES</b>			
Capital Outlay	<u>896,340</u>	<u>446,340</u>	<u>450,000</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>\$ (445,340)</u>	14,139	<u>\$ 459,479</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>		<u>503,225</u>	
<b>FUND BALANCE, END OF YEAR</b>		<u>\$ 517,364</u>	

**CANDLER COUNTY, GEORGIA**  
**SHARED SERVICE DISTRICT SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>				
Taxes	\$ 602,500	\$ 602,500	\$ 627,178	\$ 24,678
Licenses and permits	39,700	39,700	44,133	4,433
Charges for services	394,000	394,000	471,810	77,810
Intergovernmental	-	-	31,987	31,987
Interest	1,500	1,500	11,973	10,473
Total revenues	<u>1,037,700</u>	<u>1,037,700</u>	<u>1,187,081</u>	<u>149,381</u>
<b>EXPENDITURES</b>				
Current:				
General government	3,444	3,444	89	3,355
Public safety	443,858	443,858	444,158	(300)
Public works	365,000	400,481	370,139	30,342
Culture and recreation	53,872	53,872	53,872	-
Housing and development	171,526	171,526	150,542	20,984
Total expenditures	<u>1,037,700</u>	<u>1,073,181</u>	<u>1,018,800</u>	<u>54,381</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>\$ -</u>	<u>\$ (35,481)</u>	168,281	<u>\$ 203,762</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>			<u>976,751</u>	
<b>FUND BALANCE, END OF YEAR</b>			<u>\$ 1,145,032</u>	



**CANDLER COUNTY, GEORGIA**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**CUSTODIAL FUNDS**  
**JUNE 30, 2023**

	Tax Commissioner	Probate Court	Clerk of Courts	Magistrate Court	Sheriff	Total
<b>ASSETS</b>						
Cash	\$ 266,829	\$ 4,194	\$ 142,652	\$ 9,216	\$ 61,679	\$ 484,570
<b>TOTAL ASSETS</b>	<u>\$ 266,829</u>	<u>\$ 4,194</u>	<u>\$ 142,652</u>	<u>\$ 9,216</u>	<u>\$ 61,679</u>	<u>\$ 484,570</u>
<b>LIABILITIES</b>						
Due to other governments	\$ 183,453	\$ 260	\$ 14,541	-	-	\$ 198,254
Due to other entities and individuals	25,909	3,934	16,302	\$ 9,216	-	55,361
<b>TOTAL LIABILITIES</b>	<u>209,362</u>	<u>4,194</u>	<u>30,843</u>	<u>9,216</u>	<u>-</u>	<u>253,615</u>
<b>NET POSITION</b>						
Restricted for individuals, organizations, and other governments	57,467	-	111,809	-	\$ 61,679	230,955
<b>TOTAL NET POSITION</b>	<u>\$ 57,467</u>	<u>\$ -</u>	<u>\$ 111,809</u>	<u>\$ -</u>	<u>\$ 61,679</u>	<u>\$ 230,955</u>

**CANDLER COUNTY, GEORGIA**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**CUSTODIAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	Tax Commissioner	Probate Court	Clerk of Courts	Magistrate Court	Sheriff	Total
<b>ADDITIONS</b>						
Tax collections for other governments	\$ 7,472,971	-	\$ 61,174	-	-	\$ 7,534,145
Fees, fines, and forfeitures	-	\$ 32,958	286,322	\$ 7,987	-	327,267
Court judgements/assessments	-	-	-	78,379	-	78,379
Interest	6	-	32	-	\$ 23	61
Total additions	<u>7,472,977</u>	<u>32,958</u>	<u>347,528</u>	<u>86,366</u>	<u>23</u>	<u>7,939,852</u>
<b>DEDUCTIONS</b>						
Payments to other governments	7,402,867	1,989	52,171	-	-	7,457,027
Payments to other entities and individuals	70,152	30,969	272,473	86,366	15,013	474,973
Total deductions	<u>7,473,019</u>	<u>32,958</u>	<u>324,644</u>	<u>86,366</u>	<u>15,013</u>	<u>7,932,000</u>
Net increase (decrease) in fiduciary net position	(42)	-	22,884	-	(14,990)	7,852
NET POSITION - JULY 1, 2022	57,509	-	88,925	-	76,669	223,103
NET POSITION - JUNE 30, 2023	<u>\$ 57,467</u>	<u>\$ -</u>	<u>\$ 111,809</u>	<u>\$ -</u>	<u>\$ 61,679</u>	<u>\$ 230,955</u>

**CANDLER COUNTY, GEORGIA**  
**SCHEDULE OF PROJECTS PAID**  
**WITH SPECIAL SALES TAX PROCEEDS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

**2018 Special Sales Tax**

Project	Original Estimated Cost	Current Estimated Cost	Expenditures			Estimated Percentage of Completion
			Prior Years	Current Year	Total	
Retirement of general obligation debt	\$ 1,600,000	\$ 1,600,000	\$ 1,271,318	\$ 175,656	\$ 1,446,974	90%
Capital improvements and equipment for County buildings	200,000	380,095	352,129	27,966	380,095	100%
Roads and bridges	1,424,000	1,424,000	338,527	143,530	482,057	34%
Recreation department projects	250,000	255,886	61,165	194,721	255,886	100%
Public works projects including solid waste collection/disposal	50,000	50,000	-	12,019	12,019	24%
Sheriff's department projects	250,000	465,045	441,562	23,483	465,045	100%
Radio communication equipment	720,000	933,017	756,919	176,098	933,017	100%
County general vehicles	150,000	150,000	-	-	-	0%
Computer equipment	20,000	87,859	79,340	8,519	87,859	100%
Public safety projects	240,000	240,000	27,521	-	27,521	11%
Candler County Industrial Authority	500,000	500,000	-	500,000	500,000	100%
City of Metter	2,360,000	2,527,616	2,034,109	493,507	2,527,616	100%
Town of Pulaski	236,000	252,761	203,410	49,351	252,761	100%
	<u>\$ 8,000,000</u>	<u>\$ 8,866,279</u>	<u>\$ 5,566,000</u>	<u>\$ 1,804,850</u>	<u>\$ 7,370,850</u>	<u>83%</u>

Reconciliation of current year expenditures to Statement of Revenues, Expenditures and Changes in Fund Balances:

Total 2018 SPLOST fund expenditures per Statement of Revenues, Expenditures and Changes in Fund Balances	\$ 1,904,850
Less recreation department project expenditures funded by grants	<u>(100,000)</u>
Total current year expenditures per above	<u>\$ 1,804,850</u>

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## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Commissioners  
Candler County, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Candler County, Georgia, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Candler County's basic financial statements and have issued our report thereon dated May 29, 2024. Our report includes a reference to other auditors who audited the financial statements of the Candler County Board of Health and the Candler County Hospital Authority, as described in our report on Candler County, Georgia's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

### Report on Internal Control Over Financial Reporting

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

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

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

### **Report on Compliance and Other Matters**

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

### **Purpose of this Report**

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

*Lamier, Deal, Proctor + Blaser*

Statesboro, Georgia  
May 29, 2024