

**ANNUAL FINANCIAL REPORT**

**MCDUFFIE COUNTY,  
GEORGIA**

**YEAR ENDED DECEMBER 31, 2020**



**MCDUFFIE COUNTY, GEORGIA  
ANNUAL FINANCIAL REPORT  
YEAR ENDED DECEMBER 31, 2020**

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## INDEPENDENT AUDITORS' REPORT

Board of Commissioners  
McDuffie County, Georgia

### Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of McDuffie County, Georgia, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents. We did not audit the financial statements of the McDuffie County Health Department, a discretely presented component unit, whose statements reflect total assets and deferred outflows of \$591,859 and total net position of (\$195,430) as of June 30, 2020, and total revenues of \$658,216 for the year then ended. 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 McDuffie County Health Department, is based on the report of other auditors.

### Management's Responsibility for the Financial Statements

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

### Auditors' Responsibility

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

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

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

### **Opinions**

In our opinion, based on our audits and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of McDuffie County, Georgia, as of December 31, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (on pages 5 through 18), the Schedule of the Net Pension Liability (on page ), the Schedule of Contributions (on page 61), the Schedule of Proportionate Share of the Net Pension Liability (on page 62) and budgetary comparison information (on page 57 through 59), be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise McDuffie County, Georgia's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, the Schedule of Special Purpose Local Option Sales Taxes 2004-2008, Schedule of Special Purpose Local Option Sales Taxes 2009-2014, Schedule of Special Purpose Local Option Sales Taxes 2015-2019 and Schedule of Project Expenditures and Source and Application of Funds for Community Development Block Grants are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, the Schedule of Special Purpose Local Option Sales Taxes 2004-2008, Schedule of Special Purpose Local Option Sales Taxes 2009-2014, Schedule of Special Purpose Local Option Sales Taxes 2015-2019 and Schedule of Project Expenditures and Source and Application of Funds for Community Development Block Grants, and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, the combining and individual nonmajor fund financial statements, the of Schedule Special Purpose Local Option Sales Taxes 2004-2008, Schedule of Special Purpose Local Option Sales Taxes 2009-2014, Schedule of Special Purpose Local Option Sales Taxes 2015-2019 and Schedule of Project Expenditures and Source and Application of Funds for Community Development Block Grants are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards, and is also not a required part of the basic financial statements.



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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 18, 2021, on our consideration of McDuffie County Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering McDuffie County Georgia's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Baird Audit Group, LLC". The script is cursive and fluid.

The Baird Audit Group, LLC  
Certified Public Accountants

Augusta, Georgia  
June 18, 2021

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## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

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**MCDUFFIE COUNTY GOVERNMENT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020**

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As management of McDuffie County, we offer the readers of our financial statements this narrative overview and analysis of the financial activities for the fiscal year ended December 31, 2020. We encourage readers to consider the information presented in this analysis along with the complete financial statements and notes in the 2020 Audit Report to enhance their understanding of McDuffie County's financial performance.

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to McDuffie County Government's financial statements which include government-wide and fund statements as well as notes to the financial statements. This report also contains other supplementary information in addition to the basic financials that may be of interest to the reader.

McDuffie County's basic financial statements are comprised of three components: The first component is government-wide financial statements, second is fund financial statements and third, notes to the financial statements. The Government-wide financial statements present an overall picture of McDuffie County's financial position and results of operations. The Fund financial statements present financial information for McDuffie County's major funds. The Notes to the financial statements provide additional information concerning McDuffie County's finances that are not disclosed in the Government-wide or Fund financial statements.

**Government-Wide Financial Statements**

The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a similar manner to a private-sector business.

The statement of net position presents information on all the County's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. The purpose of the design of the statement of activities is to show the financial reliance of the County's distinct activities or functions on revenues provided by the County's taxpayers. This statement also presents a comparison between direct expense and program revenues for each function of the government.

Both statements attempt to distinguish functions of McDuffie County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

In the *Statement of Net Position* and the *Statement of Activities*, we divide the County into three kinds of activities:

- Governmental activities—Most of the County's basic services are reported here, including general government, public safety, highway and streets, health and welfare, culture and recreation, judicial system and economic development.
- Business-type activities—The County charges a fee to customers to help cover the cost of certain services it provides. The County's solid waste and Raysville Campground operations are reported here.

- Component units-- The County includes two separate entities in our report, The Development Authority of McDuffie County and the City of Thomson, and the McDuffie County Health Department. The Development Authority serves to promote, pursue and implement economic development in the County. The Health Department is a public health department serving all citizens and non-citizens of McDuffie County needing the available services provided by the Health Department.

The government-wide financial statements can be found on pages 20-21 of this report.

### **Fund Financial Statements**

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

#### ***Governmental Funds***

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

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

The County maintains 32 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the major funds. McDuffie County reports three major governmental funds – General Fund, SPLOST VI, and Other Governmental Funds.

#### ***Proprietary Funds***

The Government has two type of proprietary funds report used to account for activities that operate similar to commercial enterprises found in the private sector. The proprietary funds are the Solid Waste Fund and the EMS Fund. These funds charges fees for services provided to outside customers including other local governments and are known as enterprise funds.

The proprietary fund statements can be found on pages 27-28 of this report.

#### ***Fiduciary Funds***

Fiduciary Funds are used to account for resources held by the government for private organizations, other governments or other departments inside the government. The government is responsible for ensuring that these assets are used only for their intended purposes and are paid to the intended recipients. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's operation or programs. However, the accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 30-31 of this report.

### **Government-wide Financial Analysis**

Net position may serve over time as useful indicators of a government's overall financial position to determine if the Government is improving or deteriorating. The Statement of Net Position presents information on all the Government's assets/deferred outflows and liabilities/deferred inflows, with the difference being reported as net position.

Government Assets exceed liabilities by \$52 million for December 31, 2020 and December 31, 2019. Management has included comparative data which may be useful in comparing the current year and noting possible changes. The largest portion of McDuffie County's net position, 73%, reflects its investment in capital assets such as land, buildings, roads and equipment. The balance of unrestricted net position of 12% in 2020 and 13% in 2019 may be used to meet the Government's obligations to citizens and creditors.

The following table provides a summary of the County's governmental and business-type net position for fiscal year 2020 and 2019.

**MCDUFFIE COUNTY NET POSITION**  
**DECEMBER 31, 2020 AND 2019**

	Governmental Activities		Business-Type Activities		Totals	
	2020	2019	2020	2019	2020	2019
<b>Assets</b>						
Current and other assets	\$ 18,504,402	\$ 16,650,233	\$ 1,334,544	\$ 374,891	\$ 19,838,946	\$ 17,025,124
Capital assets, net	<u>39,062,411</u>	<u>42,314,857</u>	<u>6,092,267</u>	<u>758,373</u>	<u>\$ 45,154,678</u>	<u>\$ 43,073,230</u>
<b>Total assets</b>	<u>57,566,813</u>	<u>58,965,090</u>	<u>7,426,811</u>	<u>1,133,264</u>	<u>64,993,624</u>	<u>60,098,354</u>
<b>Deferred Outflows of Resources</b>						
Deferred outflows related to pension	<u>1,060,716</u>	<u>1,491,544</u>	<u>-</u>	<u>-</u>	<u>1,060,716</u>	<u>1,491,544</u>
<b>Total deferred outflows of resources</b>	<u>1,060,716</u>	<u>1,491,544</u>	<u>-</u>	<u>-</u>	<u>1,060,716</u>	<u>1,491,544</u>
<b>Total assets and deferred outflows of resources</b>	<u>58,627,529</u>	<u>60,456,634</u>	<u>7,426,811</u>	<u>1,133,264</u>	<u>66,054,340</u>	<u>61,589,898</u>
<b>Liabilities</b>						
Current and other liabilities	2,859,121	3,008,166	367,567	63,860	3,226,688	3,072,026
Long-term liabilities	<u>1,744,570</u>	<u>4,204,462</u>	<u>182,021</u>	<u>194,229</u>	<u>4,795,740</u>	<u>4,398,691</u>
<b>Total liabilities</b>	<u>4,603,691</u>	<u>7,212,628</u>	<u>549,588</u>	<u>258,089</u>	<u>8,022,428</u>	<u>7,470,717</u>
<b>Deferred Inflows of Resources</b>						
Deferred inflows related to pension	<u>1,364,050</u>	<u>823,507</u>	<u>-</u>	<u>-</u>	<u>1,364,050</u>	<u>823,507</u>
<b>Total deferred inflows of resources</b>	<u>1,364,050</u>	<u>823,507</u>	<u>-</u>	<u>-</u>	<u>1,364,050</u>	<u>823,507</u>
<b>Total liabilities and deferred inflows of resources</b>	<u>5,967,741</u>	<u>8,036,135</u>	<u>549,588</u>	<u>258,089</u>	<u>9,386,478</u>	<u>8,294,224</u>
<b>Net Position</b>						
Invested in capital assets, net related debt	37,242,411	38,694,857	6,092,267	758,373	43,334,678	39,453,230
Restricted - Capital Projects	7,504,775	5,977,631	-	-	7,504,775	5,977,631
Restricted - Special Revenues	1,343,100	1,223,593	-	-	1,343,100	1,223,593
Restricted - Debt Service	12,286	14,844	-	-	12,286	14,844
Unrestricted	<u>6,557,216</u>	<u>6,509,574</u>	<u>784,956</u>	<u>116,802</u>	<u>7,342,172</u>	<u>6,626,376</u>
<b>Total net position</b>	<u>\$ 52,659,788</u>	<u>\$ 52,420,499</u>	<u>\$ 6,877,223</u>	<u>\$ 875,175</u>	<u>\$ 59,537,011</u>	<u>\$ 53,295,674</u>

## **Changes in Net Position**

### ***Governmental Activities***

Governmental activities increased the Government's net position by \$239,289. Listed below are some of the key elements of this change:

**Governmental Revenues:** The main source of revenues for governmental activities is property tax collections which represented 49% of the total governmental revenues. Sales tax increased by \$326,803 from the previous year along with the franchise, excise taxes, license and permits.

**Governmental Functional Expenses:** As reflected in the changes for net position, the Government increased spending by \$205,419 above the previous year. Expenses for public safety increased due to the Emergency medical Services and Fire Department being changed to an enterprise fund and capital assets being transferred. Expenses such as economic development, health and welfare, culture and recreation, and judicial services decreased due to the COVID-19 pandemic.

**Business-type activities:** Business-type activities increased the Government's net position by approximately \$6,002,048. This increase is attributed to the new business type activities being added this year for Big Hart/Raysville Campground and emergency Medical Services. Capital assets for emergency medical services were transferred from general government activities to business-type activities in the amount of \$5,636,745 which created this substantial increase in net position.

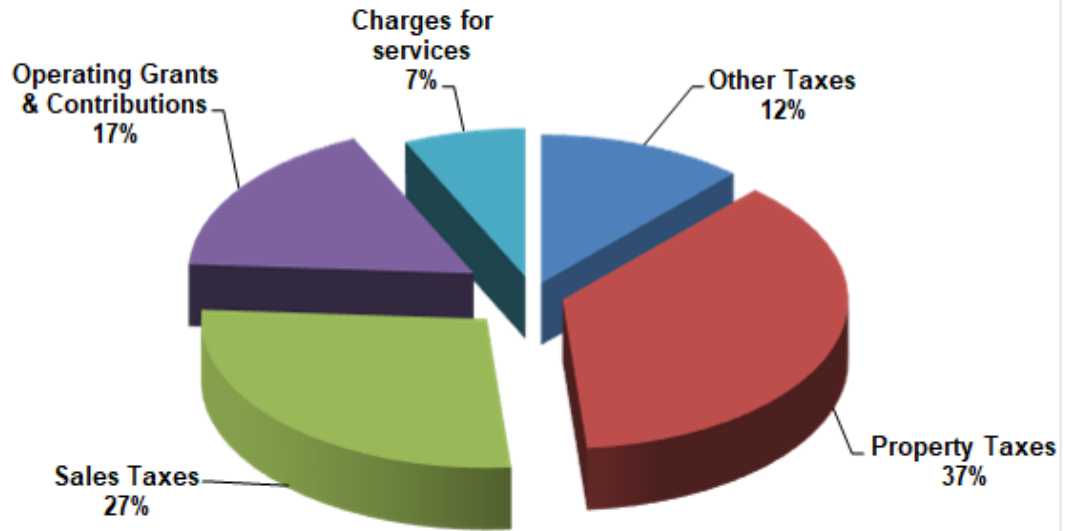


**MCDUFFIE COUNTY  
CHANGES IN NET POSITION**

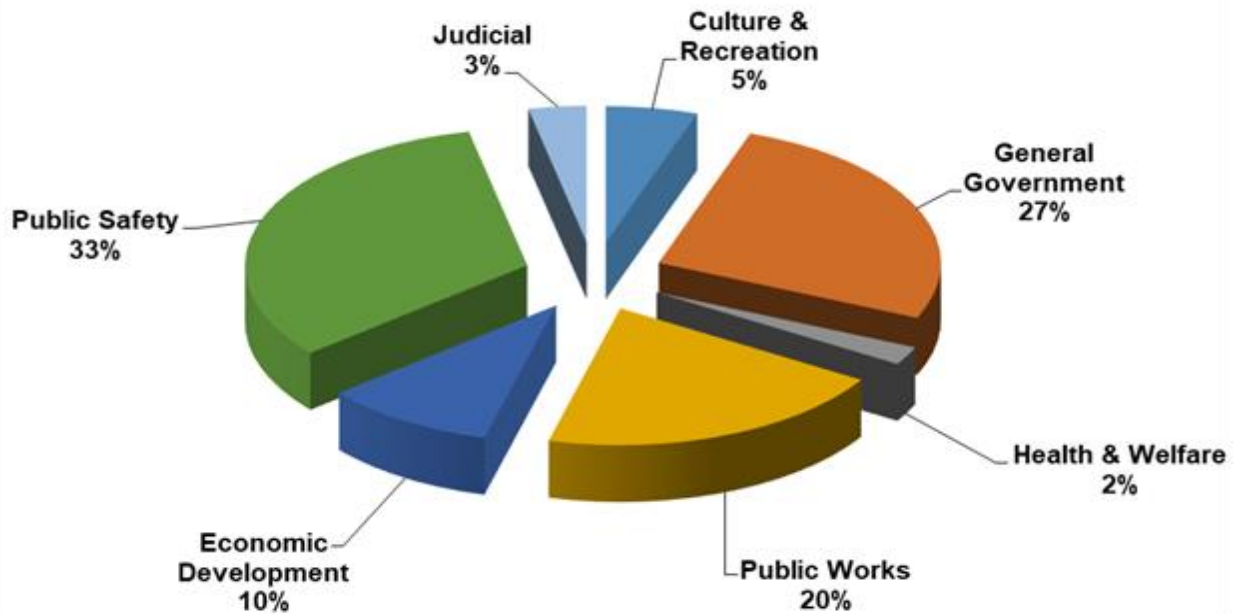
	<b>Governmental Activities</b>		<b>Business-Type</b>		<b>Totals</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
<b>Revenues</b>						
Program Revenues:						
Charges for Services	903,195	5,555,324			903,195	5,555,324
Solid Waste	-	-	1,624,287	1,423,125	1,624,287	1,423,125
EMS	-	-	3,678,060	-	3,678,060	-
Campgrounds	-	-	158,873	92,847	158,873	92,847
Operating Grants & Contributions	2,234,631	1,349,269			2,234,631	1,349,269
Capital Grants & Contributions	<u>7,135,395</u>	<u>5,214,243</u>	<u>-</u>	<u>-</u>	<u>7,135,395</u>	<u>5,214,243</u>
Total Program Revenues	<u>10,273,221</u>	<u>12,118,836</u>	<u>5,461,220</u>	<u>1,515,972</u>	<u>15,734,441</u>	<u>13,634,808</u>
<b>General Revenues:</b>						
Property taxes	4,816,865	5,114,546	-	-	4,816,865	5,114,546
Sales taxes	3,573,505	3,246,702	-	-	3,573,505	3,246,702
Franchise taxes	83,195	81,250	-	-	83,195	81,250
Intangible taxes		-	-	-	-	-
Hotel/motel taxes	195,462	305,427	-	-	195,462	305,427
Alcoholic beverage taxes	220,425	198,401	-	-	220,425	198,401
Financial institution tax			-	-	-	-
Real estate transfer tax			-	-	-	-
Energy Excise Tax	184,636	257,599	-	-	184,636	257,599
Timber tax	27,918	64,931	-	-	27,918	64,931
Insurance premium tax	-	1,004,754	-	-	-	1,004,754
Interest income	18,463	46,720	6,776,690	-	6,795,153	46,720
Payments in lieu of taxes	40,370	40,504	-	-	40,370	40,504
Licences and permits	226,334	186,193	-	-	226,334	186,193
Motor Vehicle tax	103,406	128,825	-	-	103,406	128,825
Miscellaneous taxes	<u>438,124</u>	<u>438,584</u>	<u>-</u>	<u>-</u>	<u>438,124</u>	<u>438,584</u>
<b>Total General Revenues</b>	<u>9,928,703</u>	<u>11,114,436</u>	<u>6,776,690</u>	<u>-</u>	<u>16,705,393</u>	<u>11,114,436</u>
<b>Total Revenue</b>	<u>20,201,924</u>	<u>23,233,272</u>	<u>12,237,910</u>	<u>1,515,972</u>	<u>32,439,834</u>	<u>24,749,244</u>
<b>Expenses:</b>						
General government	4,196,152	4,046,134	-	-	4,196,152	4,046,134
Public Safety	8,664,553	8,155,380	-	-	8,664,553	8,155,380
Public Works	3,216,561	3,925,136	-	-	3,216,561	3,925,136
Health & welfare	343,360	431,774	-	-	343,360	431,774
Solid Waste	-	-	1,598,030	1,547,769	1,598,030	1,547,769
EMS	-	-	5,188,001	-	5,188,001	-
Campgrounds	-	-	73,264	42,621	73,264	42,621
Economic Development	1,589,969	453,976	-	-	1,589,969	453,976
Culture & recreation	832,248	923,189	-	-	832,248	923,189
Judicial	526,359	1,198,194	-	-	526,359	1,198,194
Water	<u>-</u>	<u>-</u>	<u>-</u>	<u>189,144</u>	<u>-</u>	<u>189,144</u>
<b>Total Expenses</b>	<u>19,369,202</u>	<u>19,133,783</u>	<u>6,859,295</u>	<u>1,779,534</u>	<u>26,228,497</u>	<u>20,913,317</u>
<b>Transfers Out</b>	<u>(623,433)</u>	<u>(91,521)</u>	<u>623,433</u>	<u>91,521</u>	<u>-</u>	<u>-</u>

## MCDUFFIE COUNTY GOVERNMENT

### Government-Wide Revenues



### Government-Wide Expenses

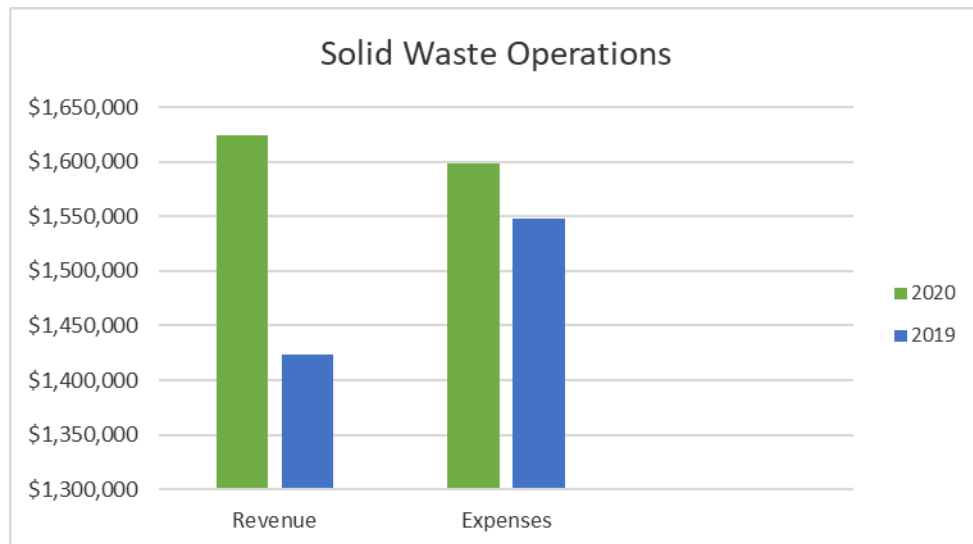
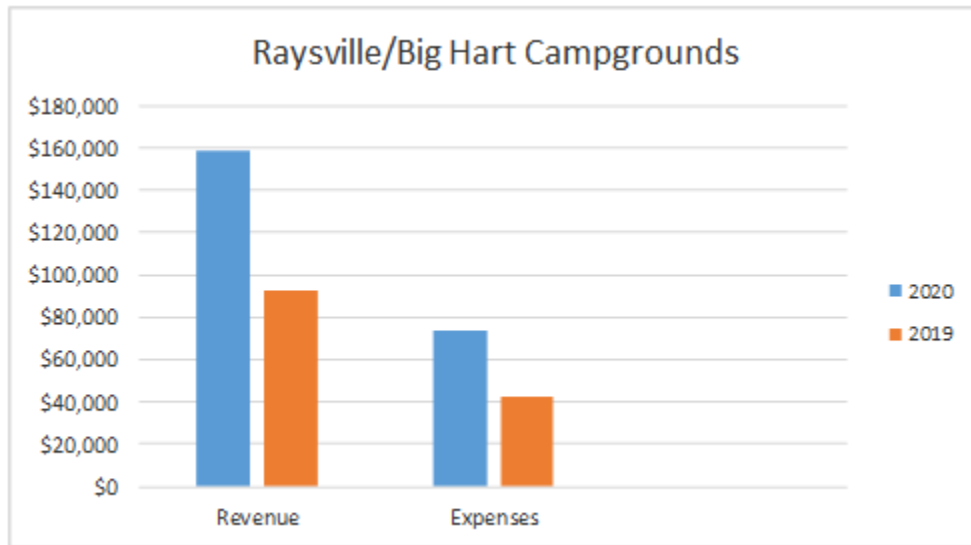


## MCDUFFIE COUNTY GOVERNMENT

### *Business-type activities*

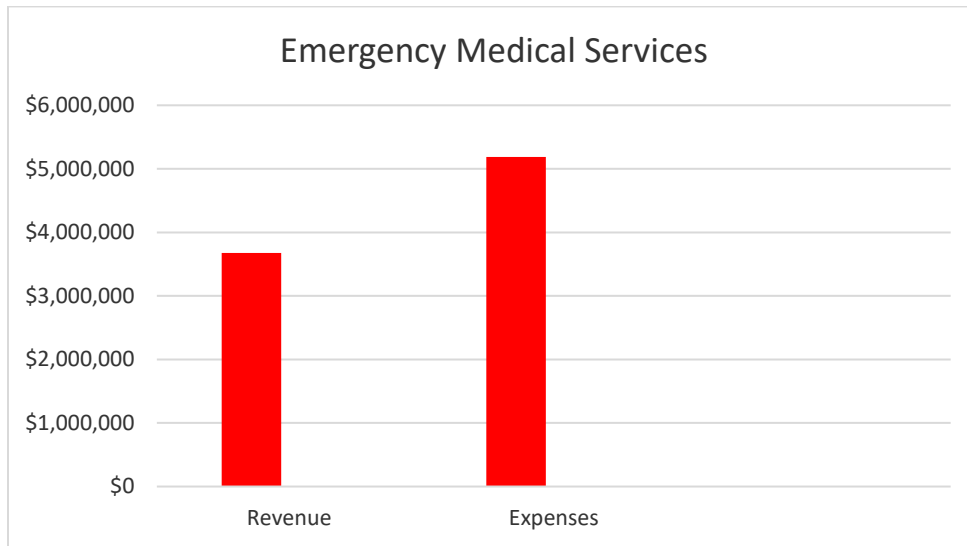
Business-type activities for Raysville and Big Hart Campgrounds reflected higher expenses and revenues for 2020. The increase in expenses was due to getting Big Hart Campground ready to be opened. Raysville Campground increase rates from \$26 to \$28 per night which increased revenues. Also, Raysville had an increase in the number of rentals for 2020. The solid waste system incurred a profit of \$26,257 for the year. The illustration below compares the revenues and expenses for 2020 and 2019.

## BUSINESS-TYPE ACTIVITIES 2020



Emergency Medical Services is a new business-type activity for 2020. The total expenses were \$5,188,001 and charges for services was \$3,678,060. This fund received a total of \$711,858 in Cares Act and Cares Act Provider Relief Funds.

## MCDUFFIE COUNTY GOVERNMENT



### **Financial Analysis of McDuffie County's Funds**

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

#### ***Governmental Funds***

Governmental funds provide information on near-term inflows, outflows, and balances of spendable resources. In assessing McDuffie County's financing requirements, unassigned fund balance is a particularly useful measure of net resources available for spending at the end of the fiscal year. The governmental fund types include the General Fund, Special Revenue Funds and Capital Projects Fund. The major funds are General Fund and SPLOST VI.

As of December 31, 2020, McDuffie County governmental funds, which include the major funds and various other funds, reported combined fund balances of \$17,277,144.

The General Fund is the chief operating fund of the County. At December 31, 2020, total fund balance was \$8,416,983. The fund balance of McDuffie County has increased by \$292,835 since 2019.

Capital Project funds account for the construction of capital improvements with SPLOST VI being the major fund. The SPLOST Capital Project Fund reflects funds collected from the 1% Special Local Option Sales Tax and expended for capital items that are in agreement with the resolution approved by the voters. Because projects often bridge several years and involve design, land acquisition, and construction phases, expenditures may vary widely from year to year. Costs expended yearly in capital projects funds are added to the County's construction-in-progress until the project is complete, and then depreciated over the assets' useful lives.

Transportation SPLOST is another major fund for the Government. This fund reflects revenues collected from the 1% Special Local Option Sales Tax that is designated for road construction and improvements.

## **MCDUFFIE COUNTY GOVERNMENT**

A Local Maintenance and Improvement Grant was awarded annually by the Georgia Department of Transportation. The Board of Commissioners submits a listing of recommendations along with the estimated costs to the State of Georgia. Once approved by the State, the grant is awarded and funds are disbursed to the County. Any additional funds needed are funded through SPLOST and T-SPLOST known as the Transportation Special Purpose Local Option Sales Tax.

### ***Proprietary Funds***

Proprietary fund statements provide the same information as in the business-type activities column of the government-wide statements, but in greater detail, and on a fund basis for enterprise funds.

Enterprise Funds – At December 31, 2020, total net position amounted to \$6,877,223 for enterprise funds compared to \$875,175 at December 31, 2019. The reason for this dramatic change is delineated below. Net position changes are a result of operations, other non-operating revenues and expenses, capital contributions and donated assets and grants.

The solid waste transfer system had a profit of \$26,257 for the year. The revenues increased by \$201,162 and the expenditures increased by \$50,261 for the year. Big Hart and Raysville Campgrounds had a profit \$85,609 and Emergency Medical Services had a loss of \$1,509,941. Assets were transferred into the Emergency Medical Services fund in the amount of \$5,636,745 contributing to the increase in net position.

### **Capital Assets and Debt Administration**

#### ***Capital Assets***

McDuffie County has invested \$39,062,411 in capital assets (net of accumulated depreciation). Approximately 99% of this investment is related to governmental activities and includes infrastructure, land, buildings and machinery and equipment. As always McDuffie County continues to increase capital assets each year to provide the best services to the citizens of McDuffie County. Capital assets are discussed in more detail in Note 7 of the financial statements.

The Citizens of McDuffie County voted to pass the T-SPLOST and tax collections began in January, 2013. These additional revenues were used for the resurfacing and paving of roads in the community along with joint projects with other Counties. In 2015, Georgia Department of Transportation approved the expansion of the western bypass. This award was in the amount of \$16,987,900. This expansion will be near the new University Hospital McDuffie facility and connect to the other completed portion of the western bypass. This project will be paid from the T-SPLOST proceeds for joint projects with other Counties.

During 2021, the County will began receiving collections from SPLOST VII, which is the new six year SPLOST the voters approved in 2020. These funds will assist with many capital assets needed in the community.

Capital assets held by the County at the end of the fiscal year are summarized as follows:

# MCDUFFIE COUNTY GOVERNMENT

## McDuffie County Capital Assets (net of accumulated depreciation)

	Governmental Activities		Business-Type Activities		Totals	
	2020	2019	2020	2019	2020	2019
Land	\$3,588,475	\$3,595,233	\$319,649	\$312,891	\$3,908,124	\$3,908,124
Buildings	38,737,089	41,023,262	2,643,329	212,237	41,380,418	41,235,499
Machinery & equipment	9,476,357	12,358,054	3,592,611	393,716	13,068,968	12,751,770
Infrastructure	48,826,728	47,759,402			48,826,728	47,759,402
Construction in progress	3,329,650	2,132,434	293,843	287,173	3,623,493	2,419,607
<b>Total Assets</b>	<b>103,958,299</b>	<b>106,868,385</b>	<b>6,849,432</b>	<b>1,206,017</b>	<b>110,807,973</b>	<b>108,074,402</b>
Accumulated Depreciation	-64,895,888	-64,553,528	-2,630,725	-447,644	-67,526,613	-65,001,172
<b>Net Capital Assets</b>	<b>\$39,062,411</b>	<b>\$42,314,857</b>	<b>\$4,218,707</b>	<b>\$758,373</b>	<b>\$43,281,118</b>	<b>\$43,073,230</b>

Listed below are some of the significant capital asset transactions which occurred in 2020:

- Capital assets purchased during 2020 included three patrol vehicles totaling \$118,524, digital images \$15,756, county road equipment \$227,201, rescue pumper \$386,860 and other capital assets totaling \$111,271.
- Local maintenance and Improvement Grant funded a portion of road resurfacing in the amount of \$500,696.
- T-SPLOST funded a portion of road resurfacing in the amount of \$508,556.
- A western bypass is being constructed to connect to the existing eastern bypass allowing trucks and other traffic to bypass the downtown area. The tentative budget for this project is \$16,987,900.

### ***Debt Service***

McDuffie County is a very fiscally conservative government. Debt agreements are used for capital outlay items. McDuffie County continues to have an excellent credit rating with Dunn & Bradstreet and should have no conflicts that would affect the financing of any planned facilities or services.

## MCDUFFIE COUNTY GOVERNMENT

The County entered into a general obligation bond in the amount of \$17,655,000 during 2008 to build a new government complex building. Interest and principal payments of \$1,877,000 were paid from SPLOST VI collections towards the general obligation bond. During 2016, The County entered into a bond agreement for \$5,585,000 with bearing interest rates of 2 – 3% to refund \$5,280,000 of the County's bond which was issued during 2008. This refunding will save the County a present value of \$236,386. All payments for this debt will be completed in the year 2021. Standard & Poor's Rating Services has raised its rating on McDuffie County's general obligation bond to AA- from A+.

The State of Georgia has established a limit on the amount of general obligation debt that a unit of government can issue. The law limits the debt to 10% of the total assessed value of taxable property located with the government's jurisdiction. The legal debt margin for McDuffie County is approximately \$55 million.

The following table displays all debt owed by McDuffie County for the current and prior years. This entire amount is backed by full faith and credit of the government. This table presents accrued compensated absences which reflect the liability the county owes the employees for vacation time. Also, the table includes postclosure costs for the landfill. This liability represents the cost for routine water monitoring at the facility. The landfill was closed in 1995 and the county must maintain the landfill for thirty years. The net pension liability listed in the chart below represents the amount the County needs to fund future pension payments. This liability was calculated by the actuarial valuation as of December 31, 2019. Note 9 of the financial statements provide a summary of the long term liability transactions for the year ending 2020.

### McDuffie County Outstanding Debt Fiscal Years 2020 and 2019

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Totals</b>	
Accrued compensated absences	\$440,698	\$ 347,639	\$15,188	\$10,207	\$ 455,886	\$ 357,846
Net pension liability	1,303,872	2,036,823			1,303,872	2,036,823
Bonds payable	1,820,000	3,620,000			1,820,000	3,620,000
Postclosure costs			166,833	184,022	166,833	184,022
Total Debt	<u>\$3,564,570</u>	<u>\$ 6,004,462</u>	<u>\$182,021</u>	<u>\$194,229</u>	<u>\$3,746,591</u>	<u>\$ 6,198,691</u>

### Economic Factors and Rates

McDuffie County Board of Commissioners continues to aggressively address the current and future needs of the County by focusing on sound financial management, the reserve policy, the use of current resources for capital expenditures and the development of capital improvements plans. With a growing population the challenge is to continue to improve the quality of life by concentrating on the demands placed on other infrastructure such as providing residents in the County with water, sewer and many other quality services.

McDuffie County continues to strive to seek new developers and industries within the community. During 2020, another Sprint Foods was built near I-20 and a manufacturing company completed a \$400,000 expansion. A local developer continued work for the remodeling of a prominent property, where he plans to remodel the restaurant, development a wedding venue and build several townhomes in the rear of the property. The Town of Dearing, which is located within McDuffie County, built the first variety store and

## **MCDUFFIE COUNTY GOVERNMENT**

a permit was issued for a second store. This is a milestone for the Town of Dearing which has around six hundred residents.

McDuffie County is making every effort to keep the unemployment rate low; however, the COVID-19 Pandemic has caused unemployment rates to peak. The unemployment rate as of December, 2020 was 5.7% compared to December, 2019 of 4.5%.

### **Budget Highlights for the Fiscal Year Ending December 31, 2020**

- A millage increase of one mill was needed to balance the County budget for 2020.
- Big Hart Campground will be underneath the management of the County. This provides a recreational facility for the citizens of McDuffie County, as well as a tourist attraction for those wanting to enjoy the lake and outdoors. During 2020, expenses were incurred to get the McDuffie campground ready to be opened in the summer of 2021.
- McDuffie County received Cares Funding in the amount of \$746,058. These funds were used to assist with the funding of the McDuffie County Fire & EMS department.

### **Request for Information**

This financial report is designed to provide a general overview of McDuffie County Government's finances for anyone interested in our County's finances. Questions concerning this report or any requests for additional information may be addressed to the McDuffie County Board of Commissioners, 210 Railroad Street, Thomson, GA 30824, and 706-597-7300 or at our Website: [www.thomson-mcduffie.com](http://www.thomson-mcduffie.com).



## **BASIC FINANCIAL STATEMENTS**

**MCDUFFIE COUNTY, GEORGIA**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2020**

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Development Authority	Health Department
<b>Assets</b>					
Cash and cash equivalents	\$ 13,713,000	\$ 451,599	\$ 14,164,599	\$ 1,517,029	\$ 423,717
Investments	2,591,240	-	2,591,240	-	-
Receivables					
Taxes	1,069,574	-	1,069,574	-	-
Accounts	397,871	855,206	1,253,077	873,562	33,217
A/R-Dept. of Public Health	-	-	-	-	11,897
Intergovernmental	316,044	-	316,044	-	-
Due from other funds	283,429	-	283,429	-	-
Due from external parties	133,244	-	133,244	-	-
Inventory	-	27,739	27,739	-	-
Capital assets not being depreciated:					
Construction in progress	3,329,650	293,843	3,623,493	-	-
Land	3,588,475	319,649	3,908,124	3,745,599	-
Capital assets (net of accumulated depreciation)					
Buildings and improvements	24,465,845	1,669,912	26,135,757	1,787,442	-
Furniture, fixtures, and equipment	663,002	1,935,303	2,598,305	10,370	-
Infrastructure	7,015,439	-	7,015,439	-	-
Total assets	57,566,813	5,553,251	63,120,064	7,934,002	468,831
<b>Deferred Outflows of Resources</b>					
Deferred outflows related to pension	1,060,716	-	1,060,716	-	123,028
Total deferred outflows of resources	1,060,716	-	1,060,716	-	123,028
Total assets and deferred outflows of resources	58,627,529	5,553,251	64,180,780	7,934,002	591,859
<b>Liabilities</b>					
Accounts payable	640,233	315,081	955,314	-	3,621
A/P-DPH	-	-	-	-	11,897
Accrued liabilities	120,491	47,454	167,945	-	-
Due to other funds	278,397	5,032	283,429	-	-
Noncurrent liabilities					
Due within one year					
Bond payable	1,820,000	-	1,820,000	-	-
Note payable	-	-	-	29,737	-
Due in more than one year					
Note payable	-	-	-	151,849	-
Bond payable	-	-	-	-	-
Closure and post closure costs payable	-	166,833	166,833	-	-
Compensated absences payable	440,698	15,188	455,886	-	32,562
Net OPEB liability	-	-	-	-	76,584
Net Pension liabilities	1,303,872	-	1,303,872	-	456,271
Total liabilities	4,603,691	549,588	5,153,279	181,586	580,935
<b>Deferred Inflows of Resources</b>					
Deferred inflows related to pension	1,364,050	-	1,364,050	-	206,354
Total deferred inflows of resources	1,364,050	-	1,364,050	-	206,354
Total liabilities and deferred inflows of resources	5,967,741	549,588	6,517,329	181,586	787,289
<b>Net Position</b>					
Net investment in capital assets	37,242,411	4,218,707	41,461,118	5,391,562	-
Restricted for:					
Capital projects	7,504,775	-	7,504,775	-	-
Special revenues	1,343,100	-	1,343,100	-	-
Debt service	12,286	-	12,286	-	-
Unrestricted	6,557,216	784,956	7,342,172	2,360,854	(195,430)
Total net position	\$ 52,659,788	\$ 5,003,663	\$ 57,663,451	\$ 7,752,416	\$ (195,430)

The notes to the financial statements are an integral part of this statement.

**MCDUFFIE COUNTY, GEORGIA**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

Functions/Programs	Expenses	Program Revenues			Net Revenue Expense) and Changes in Net Position				
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units	
					Governmental Activities	Business-type Activities	Total	Development Authority	Health Department
Primary government:									
Governmental activities:									
General government	\$ 4,168,709	\$ (239,623)	\$ 2,085,014	\$ 7,107,952	\$ 4,784,634	\$ -	\$ 4,784,634	\$ -	\$ -
Public safety	4,901,368	-	-	-	(4,901,368)	-	(4,901,368)	-	-
Public works	3,216,561	-	-	-	(3,216,561)	-	(3,216,561)	-	-
Health and welfare	-	-	-	-	(343,360)	-	(343,360)	-	-
Culture and recreation	832,248	47,859	-	-	(784,389)	-	(784,389)	-	-
Economic development	1,559,969	297,962	-	-	(1,262,007)	-	(1,262,007)	-	-
Judicial	526,359	796,997	149,617	-	420,255	-	420,255	-	-
Total governmental activities	15,548,574	903,195	2,234,631	7,107,952	(5,302,796)	-	(5,302,796)	-	-
Business-type activities:									
Solid Waste	1,598,030	1,624,287	-	-	-	26,257	26,257	-	-
EMS	5,188,001	3,678,060	71,979	-	-	(1,437,962)	(1,437,962)	-	-
Big Hart & Raysville Campgrounds	73,264	158,873	-	-	-	85,609	85,609	-	-
Total business-type activities	6,859,295	5,461,220	71,979	-	-	(1,326,096)	(1,326,096)	-	-
Total primary government	\$ 22,407,869	\$ 6,364,415	\$ 2,306,610	\$ 7,107,952	(5,302,796)	(1,326,096)	(6,628,892)	-	-
Component units:									
Development Authority	\$ 276,665	\$ 95,183	\$ 32,443	\$ -				(149,039)	-
Health Department	539,125	163,113	495,028	-				-	119,016
Total component units	\$ 815,790	\$ 258,296	\$ 527,471	\$ -				(149,039)	119,016
General revenues:									
Property taxes					4,816,865	-	4,816,865	-	-
Sales taxes					3,573,505	-	3,573,505	-	-
Franchise taxes					83,195	-	83,195	-	-
Insurance premium tax					-	1,066,808	1,066,808	-	-
Hotel/motel taxes					195,462	-	195,462	-	-
Motor vehicle tax					103,406	-	103,406	-	-
Alcoholic beverage taxes					220,425	-	220,425	-	-
Excise tax					184,636	-	184,636	-	-
Timber tax					27,918	-	27,918	-	-
Licences and permits					226,334	-	226,334	-	-
Miscellaneous taxes					438,124	-	438,124	-	-
Payments in lieu of taxes					40,370	-	40,370	-	-
Interest - unrestricted					18,463	1,158	19,621	4,960	75
Total general revenues					9,928,703	1,067,966	10,996,669	4,960	75
Asset transfers					(3,763,185)	3,763,185			
Transfers					(623,433)	623,433	-	-	-
Change in net position					239,289	4,128,488	4,367,777	(144,079)	119,091
Net position, beginning of year					52,420,499	875,175	53,295,674	7,896,495	(314,521)
Net position, end of year					\$ 52,659,788	\$ 5,003,663	\$ 57,663,451	\$ 7,752,416	\$ (195,430)

The notes to the financial statements are an integral part of this statement.

**MCDUFFIE COUNTY, GEORGIA**  
**BALANCE SHEETS**  
**GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2020**

	<u>General</u>	<u>SPLOST VI</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 5,253,050	\$ 5,465,975	\$ 2,993,975	\$ 13,713,000
Investments	2,591,240	-	-	2,591,240
Receivables				
Property taxes, net allowance	738,022	-	-	738,022
Sales tax	100	331,452	-	331,552
Other	307,438	-	90,433	397,871
Due from other funds	181,617	-	101,812	283,429
Intergovernmental receivables	-	-	316,044	316,044
Due from external parties	<u>133,244</u>	<u>-</u>	<u>-</u>	<u>133,244</u>
Total assets	<u>\$ 9,204,711</u>	<u>\$ 5,797,427</u>	<u>\$ 3,502,264</u>	<u>\$ 18,504,402</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>Liabilities</b>				
Accounts payable	\$ 413,291	\$ 1,189	\$ 225,753	\$ 640,233
Accrued liabilities	86,130	-	34,361	120,491
Due to other funds	<u>100,170</u>	<u>-</u>	<u>178,227</u>	<u>278,397</u>
Total liabilities	<u>599,591</u>	<u>1,189</u>	<u>438,341</u>	<u>1,039,121</u>
<b>Deferred inflows of resources</b>				
Unavailable revenues - property taxes	<u>188,137</u>	<u>-</u>	<u>-</u>	<u>188,137</u>
Total deferred inflows	<u>188,137</u>	<u>-</u>	<u>-</u>	<u>188,137</u>
<b>Fund Balances</b>				
Restricted for:				
Capital projects	-	5,796,238	1,708,537	7,504,775
Special revenues	-	-	1,343,100	1,343,100
Debt	-	-	12,286	12,286
Unassigned	<u>8,416,983</u>	<u>-</u>	<u>-</u>	<u>8,416,983</u>
Total fund balances	<u>8,416,983</u>	<u>5,796,238</u>	<u>3,063,923</u>	<u>17,277,144</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 9,204,711</u>	<u>\$ 5,797,427</u>	<u>\$ 3,502,264</u>	<u>\$ 18,504,402</u>

The notes to the financial statements are an integral part of this statement.

**MCDUFFIE COUNTY, GEORGIA**  
**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO**  
**NET POSITION OF GOVERNMENTAL ACTIVITIES**  
**DECEMBER 31, 2020**

Total fund balances - governmental funds	\$ 17,277,144
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:

Construction in process	3,329,650
Land	3,588,475
Infrastructure	48,826,728
Buildings and improvements	38,737,089
Furniture, fixtures, and equipment	9,476,357
Accumulated depreciation	<u>(64,895,888)</u>

Total capital assets	<u>39,062,411</u>
----------------------	-------------------

Some revenues will be collected after year end but are not available soon enough to pay for the current period's expenditures and therefore are deferred in the funds.

	<u>188,137</u>
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The net pension liability is not due and payable in the current period and, therefore, it and the related deferred outflows of resources and deferred inflows of resources are not reported in the funds.

	<u>(1,607,206)</u>
--	--------------------

Long-term liabilities, including bonds payable are not due and payable in the current period and therefore are not reported in the funds

General obligations	(1,820,000)
Compensated absences	<u>(440,698)</u>

Total long-term liabilities	<u>(2,260,698)</u>
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Net position of governmental activities	<u><u>\$ 52,659,788</u></u>
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The notes to the financial statements are an integral part of this statement.

**MCDUFFIE COUNTY, GEORGIA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2020**

			Other Governmental	Total Governmental
	<u>General</u>	<u>SPLOST VI</u>	<u>Funds</u>	<u>Funds</u>
<b>REVENUES</b>				
Taxes	\$ 9,488,444	\$ 3,846,120	\$ 1,160,996	\$ 14,495,560
Licenses and permits	226,334	-	-	226,334
Intergovernmental	1,150,329	-	3,380,100	4,530,429
Fines and forfeitures	698,540	-	84,650	783,190
Charges for services	(254,185)	-	28,369	(225,816)
Contributions and donations from private sources	500	-	-	500
Rentals	47,859	-	-	47,859
Telephone commissions	-	-	-	-
Commissary	-	-	-	-
Other revenue	133,039	-	164,923	297,962
Other financing sources	-	-	-	-
Interest	<u>-</u>	<u>13,760</u>	<u>4,703</u>	<u>18,463</u>
 Total revenues	 <u>11,490,860</u>	 <u>3,859,880</u>	 <u>4,823,741</u>	 <u>20,174,481</u>
<b>EXPENDITURES</b>				
Current expenditures:				
General government	3,339,794	-	82,174	3,421,968
Public safety	3,637,292	-	775,771	4,413,063
Public works	1,406,438	-	352,926	1,759,364
Health and welfare	270,238	-	38,309	308,547
Culture and recreation	715,410	-	-	715,410
Judicial	515,411	-	10,948	526,359
Housing and development	1,119,181	-	177,295	1,296,476
Intergovernmental	-	-	-	-
Lawn care	-	-	-	-
Other	-	-	12,959	12,959
Capital outlay:				

The notes to the financial statements are an integral part of this financial statement.

**MCDUFFIE COUNTY, GEORGIA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2020**

General government	9,989	11,657	-	21,646
Public safety	147,074	390,543	-	537,617
Judicial	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Public works	13,153	451,105	2,245,553	2,709,811
Economic development	-	-	-	-
Debt service:				
Principal	18,300	-	1,800,000	1,818,300
Interest	<u>-</u>	<u>-</u>	<u>72,600</u>	<u>72,600</u>
 Total expenditures	 <u>11,192,280</u>	 <u>853,305</u>	 <u>5,568,535</u>	 <u>17,614,120</u>
 Excess (deficiency) of revenues over expenditures	 <u>298,580</u>	 <u>3,006,575</u>	 <u>(744,794)</u>	 <u>2,560,361</u>
 <b>OTHER FINANCING SOURCES (USES)</b>				
Transfer in	72,635	-	2,000,664	2,073,299
Transfer out	<u>(78,380)</u>	<u>(1,872,600)</u>	<u>(745,752)</u>	<u>(2,696,732)</u>
 Total other financing sources (uses)	 <u>(5,745)</u>	 <u>(1,872,600)</u>	 <u>1,254,912</u>	 <u>(623,433)</u>
 <b>CHANGE IN FUND BALANCES</b>	 292,835	 1,133,975	 510,118	 1,936,928
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<u>8,124,148</u>	<u>4,662,263</u>	<u>2,553,805</u>	<u>15,340,216</u>
 <b>FUND BALANCES, END OF YEAR</b>	 <u>\$ 8,416,983</u>	 <u>\$ 5,796,238</u>	 <u>\$ 3,063,923</u>	 <u>\$ 17,277,144</u>

The notes to the financial statements are an integral part of this financial statement.

**MCDUFFIE COUNTY, GEORGIA**  
**RECONCILIATION OF THE STATEMENTS OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

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

Net change in fund balances - governmental funds	\$ <u>1,936,928</u>
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Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the costs of capital assets are allocated over their estimated useful lives as depreciation expense. For the current year, these amounts were:

Capital outlay	3,269,074
Depreciation expense	(3,038,900)

Net change in capital assets	230,174
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Because some revenues will not be collected for several months after the County's fiscal year end, they are not considered "available" revenues and are deferred in the governmental funds.	86,286
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The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, the repayment of the principal of long-term debt consume the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.

Net change in debt	1,800,000
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Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Changes in McDuffie's proportionate share of the net pension liability, deferred outflows of resources, and deferred inflows of resources for the current year are not reported in the governmental funds but are reported in the Statement of Activities	(238,420)
Compensated absences	(93,059)
	(331,479)

Change in net position of governmental activities	\$ <u><u>239,289</u></u>
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**MCDUFFIE COUNTY, GEORGIA**  
**STATEMENTS OF NET POSITION**  
**PROPRIETARY FUNDS**  
**DECEMBER 31, 2020**

	Business-type Activities - Enterprise Funds			
	EMS	Big Hart & Raysville Campgrounds	Solid Waste Fund	Total
<b>ASSETS</b>				
Current assets				
Cash	\$ 9,636	\$ 164,155	\$ 277,808	\$ 451,599
Accounts receivable	725,797	7,500	121,909	855,206
Inventory	27,739	-	-	27,739
Total current assets	763,172	171,655	399,717	1,334,544
Noncurrent assets				
Capital assets not being depreciated:				
Construction in progress	-	-	293,843	293,843
Land	6,758	-	312,891	319,649
Capital assets (net of accumulated depreciation)				
Buildings and improvements	1,598,671	-	71,241	1,669,912
Furniture, fixtures, and equipment	1,877,191	-	58,112	1,935,303
Total noncurrent assets	3,482,620	-	736,087	4,218,707
Total assets	\$ 4,245,792	\$ 171,655	\$ 1,135,804	\$ 5,553,251
<b>LIABILITIES AND NET POSITION</b>				
<b>Liabilities</b>				
Current liabilities				
Accounts payable	138,049	10,775	166,257	315,081
Due to other funds	5,032	-	-	5,032
Accrued liabilities	44,234	785	2,435	47,454
Total current liabilities	187,315	11,560	168,692	367,567
Noncurrent liabilities				
Compensated absences	-	1,013	14,175	15,188
Closure and post closure costs payable	-	-	166,833	166,833
Total noncurrent liabilities	-	1,013	181,008	182,021
Total liabilities	187,315	12,573	349,700	549,588
<b>Net Position</b>				
Net investment in capital assets	3,482,620	-	736,087	4,218,707
Restricted	-	-	-	-
Unrestricted	575,857	159,082	50,017	784,956
Total net position	4,058,477	159,082	786,104	5,003,663
Total liabilities and net position	\$ 4,245,792	\$ 171,655	\$ 1,135,804	\$ 5,553,251

The notes to the financial statements are an integral part of this statement.

**MCDUFFIE COUNTY, GEORGIA**  
**STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	Business-type Activities - Enterprise Funds			
	EMS	Big Hart & Raysville Campgrounds	Solid Waste Fund	Total
<b>OPERATING REVENUES</b>				
Charges for services	\$ 3,678,060	\$ 158,873	\$ 1,624,287	\$ 5,461,220
Total operating revenues	3,678,060	158,873	1,624,287	5,461,220
<b>OPERATING EXPENSES</b>				
Personnel services	3,521,596	12,165	266,655	3,800,416
Operations	1,385,840	61,099	1,302,419	2,749,358
Depreciation	280,565	-	28,956	309,521
Total operating expenses	5,188,001	73,264	1,598,030	6,859,295
Operating income	(1,509,941)	85,609	26,257	(1,398,075)
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Interest income	-	-	1,158	1,158
Insurance premium tax	1,066,808	-	-	1,066,808
Grants	59,641	-	-	59,641
Contributions and donations from private sources	12,338	-	-	12,338
Total non-operating revenues (expenses)	1,138,787	-	1,158	1,139,945
Income (loss) before capital contributions and transfers	(371,154)	85,609	27,415	(258,130)
Capital contributions	3,763,185	-	-	3,763,185
Transfers in (out)	666,446	(14,945)	(28,068)	623,433
Change in net position	4,058,477	70,664	(653)	4,128,488
<b>NET POSITION, BEGINNING OF YEAR</b>	-	88,418	786,757	875,175
<b>NET POSITION, END OF YEAR</b>	\$ 4,058,477	\$ 159,082	\$ 786,104	\$ 5,003,663

The notes to the financial statements are an integral part of this statement.

**MCDUFFIE COUNTY, GEORGIA**  
**STATEMENTS OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	Business-type Activities - Enterprise Funds			
	EMS	Big Hart & Raysville Campgrounds	Solid Waste Fund	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers	2,924,524	158,873	1,502,378	4,585,775
Payments to suppliers	(1,242,759)	(58,610)	(1,137,993)	(2,439,362)
Payment to employees	(3,477,362)	(12,165)	(266,655)	(3,756,182)
Net cash provided by operating activities	(1,795,597)	88,098	97,730	(1,609,769)
<b>CASH INFLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Cash received from property and other taxes	1,805,233	(14,945)	(29,226)	1,761,062
Net cash provided by provided by noncapital financing activities	1,805,233	(14,945)	(29,226)	1,761,062
<b>CASH INFLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Construction of capital assets	-	-	(6,670)	(6,670)
Net cash used by capital and related financing activities	-	-	(6,670)	(6,670)
<b>CASH OUTFLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Purchase of capital assets	-	-	-	-
Net cash used by capital and related financing activities	-	-	-	-
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>	-	-	1,158	1,158
Net increase (decrease) in cash	9,636	73,153	62,992	145,781
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	-	91,002	214,816	305,818
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 9,636</u>	<u>\$ 164,155</u>	<u>\$ 277,808</u>	<u>\$ 451,599</u>
<b>Reconciliation of net operating income (loss) to net cash provided (used) by operating activities:</b>				
Operating income	\$ (1,509,941)	\$ 85,609	\$ 27,415	\$ (1,116,352)
Adjustments to reconcile net operating income (loss) to net cash provided by operating activities:				
Depreciation	280,565	-	28,956	309,521
Change in accounts receivable	(725,797)	(7,500)	(52,836)	(786,133)
Change in accounts payable	143,081	8,191	112,627	263,899
Change in accrued postclosure	-	-	(17,189)	(17,189)
Change in accrued liabilities	44,234	785	(5,211)	39,808
Inventory	(27,739)	-	-	(27,739)
Change in compensated absences	-	1,013	3,968	4,981
Total adjustments	(285,656)	2,489	70,315	72,804
Net cash provided by operating activities	<u>\$ (1,795,597)</u>	<u>\$ 88,098</u>	<u>\$ 97,730</u>	<u>\$ (1,609,769)</u>

The notes to the financial statements are an integral part of this statement.

**MCDUFFIE COUNTY, GEORGIA**  
**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES**  
**FIDUCIARY FUNDS**  
**DECEMBER 31, 2020**

	Agency Funds
	<hr/>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 830,161
Total assets	<u>\$ 830,161</u>
<b>LIABILITIES</b>	
Due to others	\$ 830,161
Total liabilities	<u>\$ 830,161</u>

The notes to the financial statements are an integral part of this statement.

**MCDUFFIE COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

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

**A. Introduction**

The financial statements of McDuffie County, Georgia (the County) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

As permitted by accounting principles generally accepted in the United States of America, the County has elected to apply only applicable Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, that do not contradict GASB pronouncements in its accounting and reporting practices for its government-wide and proprietary operations. The County's more significant accounting policies are described in the following:

**B. The Financial Reporting Entity**

McDuffie County, Georgia, (the County), is located in the Central Savannah River Area of Georgia, west of Augusta, Georgia. It was created from Columbia and Warren counties in 1872, the one-hundred thirty-second county created in Georgia. The County was named for George McDuffie, who was born in Georgia, served as governor and senator from South Carolina, and was a notable orator throughout the South. The County operates under an elected Commission, appointed manager, form of government.

The accompanying summary of the County's more significant accounting policies is presented to assist the reader in interpreting the financial statements and other data in this report. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. These policies conform to accounting principles generally accepted in the United States of America as applicable to governmental units.

A board of five elected County Commissioners (the Board) governs McDuffie County, Georgia. They appoint a County Manager who is the Chief Administrative Officer and is responsible for day to day operations and implementation of the policy decisions made by the Board. As required by generally accepted accounting principles, these financial statements present McDuffie County, Georgia, (the primary government) and its component units. The component units are included in the County's reporting entity because of the significance of their operational or financial relationships with the County.

**C. Individual Component Unit Disclosures**

*Development Authority of McDuffie County and the City of Thomson* - The Authority was created for the purpose of promoting and developing trade, commerce, industry, and employment opportunities within the County. A Board of Directors appointed by the County Board of Commissioners governs the Authority. The Authority is funded and administered by the County. Separate financial statements have not been prepared for the Development Authority of McDuffie County and the City of Thomson.

*McDuffie County Health Department* – The Health Department receives funding from McDuffie County. The McDuffie County Board of Commissioners appoints Board members. The McDuffie County Board of Health has a June 30, year-end, and the financial statements included herein are as of and for the year ended June 30, 2020. Separate financial statements have been issued, and are available from the McDuffie County Board of Health. The address is: McDuffie County Health Department, 300 Greenway Street, Thomson, GA 30824.

Discretely presented component units are presented in separate columns on the government-wide statement of net position and statement of activities to emphasize legal separation from the County.

**MCDUFFIE COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

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

Certain County elected officials collect and disburse taxes, fees, fines, etc. Separate records of accountability are maintained for such transactions, which are recorded in the agency funds of the County. Receipts transferred from these funds to the County's General Fund, and Special Revenue Funds are included as revenue in these funds.

Operating costs for these officials are included as expenditures in the General Fund. These elected officials are:

Tax Commissioner  
Probate Court Judge  
Magistrate Court Judge  
Clerk of Superior Court  
Sheriff

**D. Basic Financial Statements**

The basic financial statements consist of the following:

Government-wide financial statements  
Fund financial statements  
Notes to the basic financial statements

*Government-wide statements* – The statement of net position and the statement of activities report information on all of the nonfiduciary activities of the primary government and its component units. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the County. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the County and for each function of the County's governmental activities. Direct expenses are those that are specifically associated with the program or function of the County's governmental activities. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

*Fund financial statements* – The fund financial statements provide information about the County's funds. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented, although the latter is excluded from the government-wide financial statements. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

**E. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The County considers all revenues available if they are collected within sixty days after year end. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

**MCDUFFIE COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

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

Property taxes, franchise taxes, licenses, interest and special assessments are susceptible to accrual. Sales taxes collected and held by the state at year end on behalf of the County are also recognized as revenue. Other receipts and taxes become measurable and available when cash is received by the County and are recognized as revenue at that time.

Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria is met. Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

The accounts of the County are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with financial related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The County reports the following major governmental funds:

*General Fund* – The General Fund is the general operating fund of the County. The General Fund accounts for all financial resources except those that are required to be accounted for in another fund. The primary revenue sources are ad valorem taxes, state grants, and various other taxes and licenses. The primary expenditures are for general administration, public safety, highways and streets, health and welfare, and culture and recreation.

*SPLOST VI Fund* - The SPLOST VI Fund is used to account for proceeds from SPLOST VI.

The County reports the following major enterprise funds:

*EMS Fund* - EMS Fund is used to account for emergency medical services EMS was part of the General Fund in prior years. In fiscal year 2020, McDuffie County has decided to create a separate fund for EMS in order to properly account for its revenues and expenses.

*Big Hart & Raysville Campgrounds Fund*– The Big Hart and Raysville Campgrounds Fund is used to account for the cost of operating and maintaining the campsites. Big Hart Campground is a new acquisition for McDuffie County in fiscal year 2020.

*Solid Waste Fund* – The Solid Waste Fund is used to account for the cost of operating and maintaining the landfill facility.

Additionally, the County reports the following fund types:

*Fiduciary Funds* – Fiduciary Funds are custodial in nature and do not involve the measurement of operating results. Such funds have no equity accounts since all assets are due to individuals or entities at some future time. These funds account for assets held by the County in an agency capacity for individuals and other government units.

Fiduciary funds include all trust funds which account for assets held by the County as a trustee for individuals or other government units. The accounting used for fiduciary funds is accrual basis, much like that used for proprietary funds.

The County has adopted GASB Statement No. 20, Accounting and Financial Reporting of Proprietary Funds and Other Governmental Entities that use Proprietary Fund Accounting and has elected to follow GAAP prescribed by GASB and all Financial Accounting Standard Board (FASB) standards issued prior to November 30, 1989. Subsequent to this date, the County accounts for its proprietary funds as presented by GASB.

**MCDUFFIE COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

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

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

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

**F. Budgets and Budgetary Accounting**

Annual appropriated budgets are adopted by the Board of Commissioners for the General, Debt Services and Special Revenue Funds on a total revenues and total expenditures basis.

The following are the statutory procedures followed by the Board in establishing a budget:

1. Prior to July 20, the County Manager receives budget requests from County Departments for the fiscal year commencing January 1.
2. Prior to the first Wednesday in August, the County Manager presents the proposed budget to the Board of Commissioners.
3. The Board of Commissioners holds public hearings.
4. Prior to October 20, the Board of Commissioners formally adopts the budget for the fiscal year commencing January 1.
5. The legal level of budgetary control is the departmental level.
6. All appropriations lapse at year end.
7. The operating budgets originally adopted may be revised or amended throughout the year as presented below:
  - a. The County Manager may authorize transfers (revisions) within the departments, except for substantive salary amendments.
  - b. The Board approves transfers (amendments) between departments or between funds.
  - c. Increases or decreases in the total fund appropriation are by authority of the Board.
  - d. Increases or decreases within any department are by authority of the Board.
  - e. Appropriation of fund balances in excess of established reserve requirements are by authority of the Board.

The County's legally adopted budget is on the cash basis. The County adopted fiscal year 2020 budgets for the General Fund, Debt Services and Special Revenue Funds. A reconciliation of cash basis to generally accepted accounting principles (GAAP) is included in the financial statements. A project-length balanced budget was adopted for each capital project fund.

**G. Encumbrance Accounting**

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General Fund, Special Revenue Funds and Capital Projects Funds. Encumbrances outstanding at year end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year.

At December 31, 2020, the County reported no reserve for encumbrances.



**MCDUFFIE COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

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

**H. Assets, Liabilities and Fund Equity**

**Cash and Investments**

The County's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments that mature within three months of the date acquired.

The County follows GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Nonparticipating interest-earning investment contracts (investments whose value is not affected by interest rates or other market changes), including savings accounts, certificates of deposit, repurchase agreements, money market investments (short-term, highly liquid debt instruments including commercial paper, banker's acceptances and U.S. Treasury and agency obligations) and participating interest-bearing investment contracts, that have a remaining maturity, at purchase, of one year or less are reported at cost or amortized cost assuming their fair value has not been impacted by changes in the credit worthiness of the issuer or similar factors. All other investments are reported at fair value (the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale).

"Georgia Fund 1", created by OCGA 36-83-8, is a stable net asset value investment pool which follows Standard and Poor's criteria for AAA rated money market funds. However, Georgia Fund 1 operates in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940 and is considered to be a 2a-7 like pool. The pool is not registered with the SEC as an investment company. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal (\$1.00 per share value). Net asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participant's shares sold and redeemed based on a \$1.00 per share. The Office of the State Treasurer is the regulatory oversight agency for Georgia Fund 1.

**Receivables**

All receivables are reported at their net realizable value.

**Inventories**

Inventories are valued at cost using the first-in/first-out (FIFO) or specific identification methods. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

**Prepaid Expenses**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded in the year of purchase in both government-wide and fund financial statements.

**Interfund Receivables and Payables**

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as interfund receivables and payables on the balance sheet of the fund financial statements and as "internal balances" on the statement of net position in the government-wide financial statements.

**MCDUFFIE COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

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

**Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial individual cost of more than \$2,500 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Infrastructure acquired prior to June 30, 1980 is not reported.

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

Major outlays for capital assets and improvements are capitalized as the projects are constructed. Interest incurred during the construction phase of proprietary assets is included as part of the capitalized value of the assets constructed. All reported capital assets are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets.

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

	<u>Years</u>
Buildings	25–50
Building improvements	20–25
Infrastructure	20–50
Furniture, fixtures and equipment	5–15
Vehicles	3–5
Specialized use equipment	2–10
Water system additions	15–40

**Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County had outflow of resources related to net pension liability.

In addition to liabilities, the statement of net 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 and so will not be recognized as an inflow of resources (revenue) until that time. The County has only one type of 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 and resources related to net pension liability.

**Compensated Absences**

It is the County's policy to permit employees to accumulate earned but unused leave benefits. Employees are allowed to accumulate a maximum of 320 hours' vacation time; there are no limits on the accumulation of sick time. The County's government-wide and proprietary funds include an accrual for the estimated compensation costs attributable to employee earned but unused leave benefits. Compensated absences are liquidated through the General Fund.

**Long-Term Obligations**

In the government-wide financial statements and proprietary funds financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or proprietary funds statement of net position.

**MCDUFFIE COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

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

**Fund Equity**

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

Fund balance reported in the governmental funds financial statements generally represents the difference between current assets and current liabilities. Fund balance classifications represent a hierarchy based primarily on the extent to which the County is bound to honor constraints on specific purposes for which amounts in those funds can be spent. These classifications may consist of the following:

- a. **Nonspendable** - Fund balances are classified as nonspendable when amounts cannot be spent because they are either i) in nonspendable form or ii) they are legally contractually required to be maintained intact. The County includes items that are not expected to be converted to cash such as inventories and prepaid amounts.
- b. **Restricted** - Fund balances are reported as restricted when their use is restricted for specific purposes including i) constraints on funds externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or ii) constraints imposed by law through constitutional provisions or enabling legislation.
- c. **Committed** - Fund balances are reported as committed if their use is for a specific purpose as approved by formal action by the County Council (resolution). Amounts committed cannot be used for any other purpose unless Council removes or changes the specific use by approving such action through resolution at a Council meeting. Budget resolutions are considered a plan for specific use.
- d. **Assigned** - Fund balances are reported as assigned when constrained by the County's intent to use the funds for specific purposes that are neither restricted nor committed. Assigned fund balances include i) all remaining amounts (except negative balances) reported in governmental funds, other than the General fund, that are not classified as nonspendable, restricted or committed, and ii) amounts in the General Fund intended for a specific use identified by either the County Manager or Finance Director, and iii) amounts appropriated to eliminate a projected budget deficit in the subsequent year.
- e. **Unassigned** - Fund balances are reported as unassigned when the balances do not meet any of the above four criteria for classification. The County reports positive unassigned fund balance in only the General Fund. Negative unassigned fund balances may be reported in all governmental funds.

For purposes of fund balance disbursement, unless otherwise approved by the County Council, the County will expend restricted fund balance when an expenditure is incurred for which both restricted and unrestricted fund balance is available. Next the County will expend committed fund balance when an expenditure is paid for which unrestricted fund balance is available. The County would next disburse fund balance assigned for purposes of the fund before disbursing other assigned fund balance amounts. In the General Fund, the County would disburse unassigned fund balance prior to disbursing fund balance assigned for financial policy reserve levels or amounts assigned to eliminate subsequent year's budget deficit.

Net position is classified in three components in the government-wide financial statements.

- a. **Invested in capital assets, net of related debt** consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. **Restricted net position** consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributions, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. **Unrestricted net position** consists of all other net position that does not meet the definition of "restricted" or "invested in capital assets".

**MCDUFFIE COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

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

**I. Use of Estimates**

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

**J. Property Taxes**

Property taxes are an enforceable lien on property as of January 1 of the current tax year. Generally, taxes are levied in September and are due and payable on or before November 15. Since the tax digest, which is prepared by the McDuffie County Tax Appraiser, has to be approved by the Georgia Department of Revenue, the tax levy may be delayed later than September. In such cases, the taxes are due within 60 days after levy. The County bills and collects its property taxes. County property tax revenues are recognized when levied. An allowance is established for delinquent taxes to the extent that their collectability is improbable based on management's estimate of the amount to be collectible. Current year property taxes were levied September 11, 2020 and were due November 20, 2020.

**K. Local Option Sales Tax**

The County receives sixty-seven percent (67%) of a one percent (1%) local option sales tax on all retail sales within the County. The proceeds of this tax are used to reduce, on a dollar-for-dollar basis, the millage equivalent amount of property taxes to be levied in the subsequent year. Insurance premium taxes collected must also reduce the ensuing property tax levy. The County has established a fiscal policy to designate that portion of the General Fund's fund balance, if available, for subsequent years' expenditures.

**NOTE 2 – MCDUFFIE COUNTY/CITY OF THOMSON, GEORGIA WATER AND SEWER COMMISSION**

The City of Thomson, Georgia and McDuffie County, Georgia have established the McDuffie County/City of Thomson, Georgia, Water and Sewer Commission to operate, maintain and extend the water and sewerage system for the City/County area. The Commission assumed the ownership and operations of the City of Thomson Water and Sewer Enterprise Fund in 1988, in conjunction with funding for expansion with the one percent (1%) Special Purpose Local Option Sales Tax. The Commission has seven members, three each from the City and County, and the seventh appointed by the Commission. The Commission was established for a term of fifty years. The City and County are equally responsible for the ownership of and the future maintenance and improvements to the System. The System is a closed system whereby all funds derived from the operation of the System must be used for the purposes of operating, maintaining, improving, or expanding the System.

Based on the standards established by Statement No. 14 of the Governmental Accounting Standards Board, the Commission is a legally separate governmental organization classified as a joint venture. A joint venture is a legal entity or other organization that results from a contractual arrangement and that is owned, operated, or governed by two or more participants in a separate and specific activity subject to joint control, in which the participants retain (a) an ongoing financial interest or (b) an ongoing financial responsibility.

Generally, the purpose of a joint venture is to pool resources and share the costs, risks, and rewards of providing goods or services to the venture participants directly, or for the benefit of the general public or specific service recipients. Joint control means that no single participant has the ability to unilaterally control the financial or operating policies of the joint venture.

An ongoing financial interest in a joint venture includes an equity interest when the agreement stipulates that the participating governments have a present or future claim on the net resources of the joint venture.

A participating government has an ongoing financial responsibility for a joint venture if it is obligated in some manner for the debts of the joint venture, or if the joint venture's continued existence depends on continued funding by the government.

**MCDUFFIE COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 2 – MCDUFFIE COUNTY/CITY OF THOMSON, GEORGIA WATER AND SEWER COMMISSION- Continued**

Each participating government of the Commission has final authority for establishing rules and water and sewer rates, fees, standards and any other policy matters as are appropriate for the efficient delivery of water and sewer services. As such, each participating government has an indirect financial responsibility for the System, as defined by GASB Statement No. 14.

The City and County share certain responsibilities with respect to the Commission. The City is responsible for operations, maintenance and customer billing for the System. The County is responsible for administering construction funds obtained through the Special Purpose Local Option Sales Tax. The City and County jointly or individually administer grant and other funds, depending on the terms of such funding.

The basic financial statements of the Commission are presented in a manner consistent with primary governments. Operating transfers to the Commission by the participating governments are accounted for as intergovernmental transfers. Federal and state grant funds transferred to the Commission by the participating governments are accounted for as sub-recipient grant funds. Financial information for the year ended December 31, 2020, is summarized as follows:

Joint Ventures:	
Operating revenues	\$ 5,657,557
Depreciation and amortization expense	1,451,714
Operating income (loss)	4,666
Change in net position	968,593
Capital asset change	360,581
Net working capital	3,697,108
Total assets	40,194,773
Deferred outflows of resources	492,741
Long-term liabilities	9,616,441
Deferred inflows of resources	73,269
Total net position	<u><u>\$ 30,062,096</u></u>

These amounts are unaudited as a result of the Commission receiving a hardship extension under the COVID-19 regulations included in the governor's executive order.

The Commission has issued a separate financial report that may be obtained from:

City of Thomson  
P. O. Box 1017  
Thomson, Georgia 30824

**NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**Compliance with Bonds Payable**

As of December 31, 2020, the County is in compliance, in all material respects, with requirements under covenants relating to its bonds payable.

*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 – 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.

**MCDUFFIE COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY- Continued**

*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 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.

**NOTE 4 – CASH AND TEMPORARY INVESTMENTS**

As of December 31, 2019, the County had the following investments:

<u>Investments</u>	<u>Weighted Avg Maturities</u>	<u>Fair Value</u>	<u>Credit Rating</u>
Primary Government: Various Certificates of Deposit	43 days	\$ 2,591,240	AAAm
Total fair value		<u>\$ 2,591,240</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.

**NOTE 5 – TAXES RECEIVABLE**

The County's Tax Commissioner bills and collects property taxes, then remits to the County its respective share of property taxes. Current year property taxes were levied September 11, 2020 and were due November 20, 2020. Property taxes become a lien on the first day of the levy year. Unpaid property taxes received within 60 days of year end are recognized and recorded as revenue (considered measurable and available), and property taxes unpaid 60 days after year end are recorded as unearned revenue. A summary of the 2020 tax levy follows:

	<u>General Fund</u>
2020 millage rate - Incorporated	8.50
Unincorporated	8.50
Net property tax levy	<u>\$ 4,857,329</u>
Property tax receivable	\$ 738,022
Property Tax collected in 2021	<u>(549,885)</u>
Property tax receivable, net allowance	<u>\$ 188,137</u>
Unearned property tax revenues	<u>\$ 188,137</u>

**MCDUFFIE COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 6 – EXCISE TAX**

In accordance with the provisions of O.C.G.A. § 48-13-110 et seq., there is imposed within the territorial limits of the special district created pursuant to O.C.G.A. § 48-13-111, an excise tax on the sale, use, storage, or consumption of energy when such sale, use, storage, or consumption would have constituted a taxable event for purposes of sales and use tax under O.C.G.A. § 48-8-1 et seq. but for the exemption in O.C.G.A. § 48-8-3.2. Such excise tax shall be levied and collected by the governing authority of McDuffie County pursuant to O.C.G.A. §§ 48-13-112 and 48-13-114 and as provided in this section. Energy tax revenue for the year ended December 31, 2020, was as follows:

**MCDUFFIE COUNTY BOARD OF COMMISSIONERS**  
**ENERGY EXCISE TAX**  
**2020 AND 2019**

<u>MONTH</u> <u>RECEIVED</u>	<u>COLLECTION</u> <u>MONTH</u>	<u>CITY OF</u> <u>THOMSON</u>	<u>GEORGIA</u> <u>POWER</u>	<u>FERRELL</u> <u>GAS</u>	<u>JEFFERSON</u> <u>ENERGY</u>	<u>GAS</u> <u>SOUTH</u>	<u>MONTHLY</u> <u>TOTAL</u>	<u>2019</u> <u>TOTALS</u>	<u>VARIANCE</u>
1/31/2020	DECEMBER	\$ 1,201	\$ 11,580	\$ 76	\$ 2,791	\$ -	\$ 15,647	\$ 23,133	\$ (7,486)
2/28/2020	JANUARY	1,213	9,851	92	3,031	-	14,186	21,948	(7,762)
3/31/2020	FEBRUARY	1,188	10,888	70	2,986	-	15,133	22,703	(7,570)
4/30/2020	MARCH	1,237	8,752	92	2,739	-	12,820	21,112	(8,292)
5/31/2020	APRIL	721	10,152	76	3,238	-	14,187	21,639	(7,452)
6/30/2020	MAY	860	8,937	72	2,729	-	12,599	24,095	(11,496)
7/31/2020	JUNE	805	9,134	122	2,567	-	12,628	18,732	(6,104)
8/31/2020	JULY	746	11,959	101	2,826	-	15,633	18,760	(3,127)
9/30/2020	AUGUST	902	15,112	146	2,768	-	18,927	25,595	(6,668)
10/31/2020	SEPTEMBER	1,211	14,886	33	2,869	-	18,999	25,250	(6,251)
11/30/2020	OCTOBER	1,208	12,678	127	2,888	-	16,900	20,880	(3,980)
12/31/2020	NOVEMBER	1,441	12,631	117	3,076	-	17,264	21,238	(3,974)
<b>YTD Totals</b>		<b>\$ 12,733</b>	<b>\$ 136,559</b>	<b>\$ 1,123</b>	<b>\$ 34,508</b>	<b>\$ -</b>	<b>\$ 184,924</b>	<b>\$ 265,085</b>	<b>\$ (80,161)</b>

**MCDUFFIE COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 7 – CAPITAL ASSETS**

Governmental capital assets activity for the year ended December 31, 2020, was as follows:

	Balance 1/1/2020	Transfers/ Additions	Deletions	Balance 12/31/2020
Capital assets not being depreciated				
Construction in process	\$ 2,132,434	\$ 1,197,216	\$ -	\$ 3,329,650
Land	<u>3,595,233</u>	<u>-</u>	<u>(6,758)</u>	<u>3,588,475</u>
Total capital assets not being depreciated	<u>5,727,667</u>	<u>1,197,216</u>	<u>(6,758)</u>	<u>6,918,125</u>
Capital assets being depreciated				
Infrastructure	47,759,402	1,067,326	-	48,826,728
Buildings and improvements	41,023,262	144,919	(2,431,092)	38,737,089
Furniture, fixtures, and equipment	<u>12,358,054</u>	<u>859,613</u>	<u>(3,741,310)</u>	<u>9,476,357</u>
Total capital assets being depreciated	<u>101,140,718</u>	<u>2,071,858</u>	<u>(6,172,402)</u>	<u>97,040,174</u>
Less accumulated depreciation:				
Infrastructure	(40,609,878)	(1,201,411)	-	(41,811,289)
Buildings and improvements	(14,090,987)	(1,012,678)	832,421	(14,271,244)
Furniture, fixtures, and equipment	<u>(9,852,663)</u>	<u>(824,811)</u>	<u>1,864,119</u>	<u>(8,813,355)</u>
Less accumulated depreciation	<u>(64,553,528)</u>	<u>(3,038,900)</u>	<u>2,696,540</u>	<u>(64,895,888)</u>
Net capital assets being depreciated	<u>36,587,190</u>	<u>(967,042)</u>	<u>(3,475,862)</u>	<u>32,144,286</u>
Governmental activities capital assets - net	<u>\$ 42,314,857</u>	<u>\$ 230,174</u>	<u>\$ (3,482,620)</u>	<u>\$ 39,062,411</u>

Depreciation expense was charged to functions as follows:

General Government	\$ 746,741
Public Safety	768,870
Highways and Streets	1,371,638
Health and Welfare	34,813
Culture and Recreation	<u>116,838</u>
Totals	<u>\$ 3,038,900</u>



**MCDUFFIE COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 7 – CAPITAL ASSETS - Continued**

Business-type capital assets activity for the year ended December 31, 2020, was as follows:

Big Hart & Raysville Campgrounds:

Big Hart & Raysville Campgrounds are leased from the corps of engineer and do not have any capital assets. The County is just managing the properties. Said premises are hereby leased for a term of five years, beginning March 20, 2015, and ending March 19, 2020. The lease has been renewed for another ten years, beginning March 20, 2020 and ending March 19, 2030.

Solid Waste Fund:

**MCDUFFIE COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

	Balance 1/1/2020	Additions	Transfers/ Deletions	Balance 12/31/2020
Capital assets not being depreciated				
Construction in process	\$ 287,173	\$ 6,670	\$ -	\$ 293,843
Land	<u>312,891</u>	<u>-</u>	<u>-</u>	<u>312,891</u>
Total capital assets not being depreciated	<u>600,064</u>	<u>6,670</u>	<u>-</u>	<u>606,734</u>
Capital assets being depreciated				
Buildings and improvements	212,237	-	-	212,237
Furniture, fixtures, and equipment	<u>393,716</u>	<u>-</u>	<u>-</u>	<u>393,716</u>
Total capital assets being depreciated	<u>605,953</u>	<u>-</u>	<u>-</u>	<u>605,953</u>
Less accumulated depreciation:				
Buildings and improvements	(135,690)	(5,306)	-	(140,996)
Furniture, fixtures, and equipment	<u>(311,954)</u>	<u>(23,650)</u>	<u>-</u>	<u>(335,604)</u>
Less accumulated depreciation	<u>(447,644)</u>	<u>(28,956)</u>	<u>-</u>	<u>(476,600)</u>
Net capital assets being depreciated	<u>158,309</u>	<u>(28,956)</u>	<u>-</u>	<u>129,353</u>
Business-type activities capital assets - net	<u>\$ 758,373</u>	<u>\$ (22,286)</u>	<u>\$ -</u>	<u>\$ 736,087</u>

**MCDUFFIE COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

EMS Fund	Balance 1/1/2020	Transfers/ Additions	Transfers/ Deletions	Balance 12/31/2020
Capital assets not being depreciated				
Construction in process	\$ -	\$ -	\$ -	\$ -
Land	-	6,758	-	6,758
Total capital assets not being depreciated	-	6,758	-	6,758
Capital assets being depreciated				
Buildings and improvements	-	2,431,092	-	2,431,092
Furniture, fixtures, and equipment	-	3,198,895	-	3,198,895
Total capital assets being depreciated	-	5,629,987	-	5,629,987
Less accumulated depreciation:				
Buildings and improvements	-	(832,421)	-	(832,421)
Furniture, fixtures, and equipment	-	(1,321,704)	-	(1,321,704)
Less accumulated depreciation	-	(2,154,125)	-	(2,154,125)
Net capital assets being depreciated	-	3,475,862	-	3,475,862
Business-type activities capital assets - net	<u>\$ -</u>	<u>\$ 3,482,620</u>	<u>\$ -</u>	<u>\$ 3,482,620</u>

EMS Fund was established as an Enterprise Fund in 2020. Assets were transferred in at their net carrying value.

Depreciation expense on capital assets of the Proprietary Funds was \$309,521 for the year ended December 31, 2020.

*Capitalization of Interest Costs* requires that interest expenditures incurred during construction of assets be capitalized. *Capitalization of Interest Costs in Situations Involving Certain Tax-Exempt Borrowings and Certain Gifts and Grants* concludes that constructed assets financed with the proceeds of tax-exempt debt (if those funds are externally restricted to finance the acquisitions of the asset or used to service the related debt) should include capitalized interest only to the extent that interest costs exceed interest earned on related interest-bearing borrowing. There were no construction period interest costs capitalized in the Water and Sewer Fund during the year ended December 31, 2020.

**MCDUFFIE COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 7 – CAPITAL ASSETS – Continued**

Capital assets of the Discretely Presented Component Units consist of the following:

Development Authority	Balance 1/1/2020	Additions	Transfers/ Deletions	Balance 12/31/2020
Capital assets not being depreciated				
Land and land improvements	\$ 3,745,599	\$ -	\$ -	\$ 3,745,599
Property, plant and equipment				
Buildings and improvements	2,444,760	-	-	2,444,760
Equipment and furniture	57,001	-	-	57,001
Total property, plant and equipment	2,501,761	-	-	2,501,761
Less accumulated depreciation				
Buildings	(571,819)	(85,499)	-	(657,318)
Equipment and furniture	(45,775)	(856)	-	(46,631)
Total accumulated depreciation	(617,594)	(86,355)	-	(703,949)
Net capital assets being depreciated	1,884,167	(86,355)	-	1,797,812
Component unit capital assets - net	\$ 5,629,766	\$ (86,355)	\$ -	\$ 5,543,411

Depreciation expense on capital assets of the Development Authority was \$86,355 for the year ended December 31, 2020.

**NOTE 8 – NOTES RECEIVABLE**

At December 31, 2020, the Development Authority of McDuffie County and the City of Thomson (a discretely presented component unit) had the following notes receivable outstanding. The notes were collateralized by real estate.

Note receivable bearing interest at 2.75%, due in monthly installments of \$1,697, including principal and interest, maturing in 2024. (Reliant Medical Note)	\$ 64,774
Note receivable bearing interest at 2.50%, due in monthly installments of \$5,656, including principal and interest, maturing in 2026. (Augusta Coatings Note)	363,172
Note receivable bearing interest at 2.50%, due in monthly installments of \$2,768, including principal and interest, maturing in 2025. (Two State Note)	126,302
Note receivable bearing interest at 2.250%, due in monthly installments of \$2,125, including principal and interest, maturing in 2027. (Two State Note)	165,000
Note receivable bearing interest at 3.00%, due in monthly installments of \$1,209, including principal and interest, maturing in 2033. (Chardan Note)	154,314
	<u>\$ 873,562</u>

**MCDUFFIE COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 9 – LONG TERM DEBT**

The following is a summary of the long-term liability transactions for the year ended December 31, 2020:

	Balance 1/1/2020	Additions	Deletions	Balance 12/31/2020	Due within One Year
<u>Governmental Activities</u>					
2016 Bonds payable	\$ 3,620,000	\$ -	\$ (1,800,000)	\$ 1,820,000	\$ 1,820,000
Accrued compensated absences	<u>347,639</u>	<u>93,059</u>	<u>-</u>	<u>440,698</u>	<u>-</u>
Total debt - governmental activities	<u>\$ 3,967,639</u>	<u>\$ 93,059</u>	<u>\$ (1,800,000)</u>	<u>\$ 2,260,698</u>	<u>\$ 1,820,000</u>
<u>Business-type Activities</u>					
Accrued compensated absences Raysville Campground	\$ -	\$ 1,013	\$ -	\$ 1,013	\$ -
Accrued compensated absences Solid Waste	10,207	3,968	-	14,175	-
Accrued closure and postclosure costs	<u>184,022</u>	<u>-</u>	<u>(17,189)</u>	<u>166,833</u>	<u>-</u>
Total debt - business-type activities	<u>\$ 194,229</u>	<u>\$ 4,981</u>	<u>\$ (17,189)</u>	<u>\$ 182,021</u>	<u>\$ -</u>

**Bonds Payable**

In August 2018, the County entered into a bond agreement for \$5,585,000 bearing interest rates of 2.00% - 3.00% for the purpose to refund \$5,280,000 of the County's General Obligation Bonds, Series 2008. Annual debt service requirements to maturity for these bonds are as follows:

For the year ending December 31,	Principal	Interest	Total Debt Service
2021	<u>1,820,000</u>	<u>27,300</u>	<u>1,847,300</u>
Total	<u>\$ 1,820,000</u>	<u>\$ 27,300</u>	<u>\$ 1,847,300</u>

**MCDUFFIE COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 9 – LONG TERM DEBT - Continued**  
**Long Term Debt-Discretely Presented Component Units**

The following is a summary of the Discretely Presented Component Units' long-term debt:

	Balance			Balance	Due within
Health Department	7/1/2019	Additions	Deletions	6/30/2020	One Year
Accrued compensated absences	19,866	23,747	(11,051)	32,562	-
Total debt	<u>\$ 19,866</u>	<u>\$ 23,747</u>	<u>\$ (11,051)</u>	<u>\$ 32,562</u>	<u>\$ -</u>

	Balance			Balance	Due within
Development Authority	1/1/2020	Additions	Deletions	12/31/2020	One Year
Note payable	<u>\$ 210,589</u>	<u>\$ -</u>	<u>\$ (29,003)</u>	<u>\$ 181,586</u>	<u>\$ 29,737</u>

**NOTE 10 – RETIREMENT PLAN**

**Defined Benefit Pension Plan**

The County sponsors the Association County Commissioners of Georgia Restated Pension Plan for McDuffie County Employees (The Plan), which is a defined benefit pension plan.

The Plan provides retirement, disability, and death benefits to plan participants and beneficiaries. The Plan, through execution of the adoption agreement, is affiliated with the Association County Commissioners of Georgia Third Restated Defined Benefit Plan (an agent multiple-employer pension plan, administered by GEB Corp. The ACCG, in its role as the Plan Sponsor, has the sole authority to amend the provisions of the ACCG Plan, as provided in Section 19.03 of the ACCG Plan document. The County has the authority to amend the adoption agreement, which defines the specific benefit provisions of The Plan, as provided in Section 19.02 of the ACCG Plan document. The Plan issues a publicly available financial report that includes financial statements and required supplementary information for the Plan. That report may be obtained by writing Government Employees Benefits Corporation of Georgia, 400 Galleria Parkway, Suite 1250, Atlanta, Georgia 30339.

All full-time County employees are eligible to participate in the Plan after completing three years of service with benefits vesting after five years of service. Participants become eligible to retire with unreduced benefits at the earlier of age 65 with 5 years of participation in the Plan, or by age 62 with 35 years of service. Upon eligibility to retire, participants are entitled to a monthly benefit in the amount of 1% of average annual compensation up to \$10,000 plus 1.5% of average annual compensation in excess of \$10,000, plus \$36 for each year of service up to 35 years, payable as a ten-year certain and life annuity. Average annual compensation is calculated based on the highest five-year period during the ten years prior to retirement or termination. The Plan also provides benefits in the event of death or disability. These benefit provisions were established by an adoption agreement executed by the County Board of Commissioners.

Participant counts as of December 31, 2020, (the most recent actuarial valuation date) and covered compensation (based on covered earnings for the preceding year) are shown below:

Retirees and beneficiaries receiving benefits	57
Terminated Plan participants entitled to, but not yet receiving benefits	74
Active employees participating in the Plan	114
Total number of Plan participants	<u>245</u>
Part-time active employees not participating in the plan	<u>20</u>
Covered compensation for active participants	<u>\$ 4,150,892</u>

**MCDUFFIE COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 10 – RETIREMENT PLAN- Continued**

**Contributions**

The County is required to contribute an actuarially determined rate. The contribution amount is determined using actuarial methods and assumptions approved by the ACCG Plan trustees and must satisfy the minimum contribution requirement contained in the State of Georgia Statutes. Section 47-20 of the Georgia Code sets forth the funding standards for state and local governmental pension plans.

**Net Pension Liability**

The County's net pension liability was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. This date was used due to the timing of the actuarial valuation reports. The actuarial valuation reports are available after the subsequent year end.

The total pension liability as of December 31, 2020, valuation was determined by an actuarial valuation using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%	
Future Salary Increases	3.00%	per year with an age based scale
Investment rate of return	7.00%	per year

Mortality rates were based on the RP-2000 Combined Mortality Table for Males and Females set back two years for males and set back three years for females.

The actuarial assumptions used in the 2020 valuation were based on the results of an actuarial experience study for the period January 1, 1988 – January 1, 2020.

The long-term expected rate of return on pension plan investments was determined using a lognormal distribution analysis in which best-estimate ranges of expected future real rates of return (expected nominal returns, net of pension plan investment expense and the assumed rate of inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Range</u>
Fixed income:	30%	25% - 35%
Equities:	70%	65% - 75%
Domestic large equities	30%	25% - 35%
Domestic mid equities	5%	2.5% - 10%
Domestic small equities	5%	2.5% - 10%
REIT	5%	2.5% - 10%
International	15%	10% - 20%
Multi cap	5%	2.5% - 10%
Global allocation	5%	2.5% - 10%
<b>TOTAL</b>	<b><u>100%</u></b>	

\*Rates shown are net of the 3.0% assumed rate of inflation

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

**MCDUFFIE COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 10 – RETIREMENT PLAN – Continued**  
**Change in the Net Pension Liability**

	<u>Pension Liability</u>	<u>Fiduciary Net Position</u>	<u>Net Pension Liability</u>
Balance at December 31, 2019	\$ 12,264,465	\$ 10,562,061	\$ 1,702,404
Changes for the year:			
Service cost	237,555	-	237,555
Interest	838,048	-	838,048
Liability experience (gain)/loss	204,046		204,046
Assumption change	29,745		29,745
Contribution-employer	-	397,889	(397,889)
Net investment income	-	1,392,089	(1,392,089)
Benefit payments	(584,700)	(584,700)	-
Administrative expense	-	(36,858)	36,858
Other changes	-	(45,194)	45,194
Net changes	<u>724,694</u>	<u>1,123,226</u>	<u>(398,532)</u>
Balance at December 31, 2020	<u>\$ 12,989,159</u>	<u>\$ 11,685,287</u>	<u>\$ 1,303,872</u>

For the year ended December 31, 2020, the County recognized pension expense of \$416,807. The required contribution for the year ended December 31, 2020 was \$390,358.

The following presents the County's net pension liability calculated using the discount rate of 7.00%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	<u>1% Decrease 6.00%</u>	<u>Current Discount Rate 7.00%</u>	<u>1% Increase 8.00%</u>
County's Pension Liability	<u>\$ 2,811,289</u>	<u>\$ 1,303,872</u>	<u>\$ 37,560</u>

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

For the year ended December 31, 2020, the County recognized pension expense of \$416,807. At December 31, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred outflows/inflows of resources related to pensions:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Asset (Gain)/Loss	\$ 459,958	\$ (1,351,510)
Liability (Gain)/Loss	309,734	(12,540)
(Gain)/Loss due to Assumption Change	291,024	-
Total	<u>\$ 1,060,716</u>	<u>\$ (1,364,050)</u>



**MCDUFFIE COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 10 – RETIREMENT PLAN – Continued**

Amounts report as deferred outflows of resources and deferred inflows of resources related to pension will be amortized in pension expense as follows:

Deferred Outflows/(Inflows) Recognized in Future Years

2021	96,045
2022	96,045
2023	96,045
Thereafter	15,198

**Other State of Georgia Pension Plans**

The Sheriff, Clerk of Superior Court, Probate Judge, Tax Commissioner, and various other employees of the County are covered by the State of Georgia retirement plans and are not included as a part of the County's plan described above. These State Plans are funded, in part, through County fines and forfeiture collections.

Information on the Sheriffs Retirement plan may be found at the following:

Georgia Sheriffs Association Retirement Fund  
P.O. Box 1000  
Stockbridge, GA 30281

Information on the Clerk of Superior Court Retirement plan may be found at the following:

Superior Court Clerk's Retirement Fund of Georgia  
124 N. McDonough St., #3  
Jonesboro, GA 30236

Information on the Probate Judge Retirement plan may be found at the following:

Probate Retirement Fund of Georgia  
P.O. Box 56  
Griffin, GA 30224

Information on the Tax Commissioners Retirement plan may be found at the following:

Employee Retirement System  
Two Northside 75, Suite 300  
Atlanta, GA 30318

**Deferred Compensation Plans**

The County has adopted deferred compensation plans in accordance with Section 457 of the Internal Revenue Code. The plans allow any employee participant to voluntarily defer the lesser of 100% of the participant's gross compensation or \$15,000 per year. All administrative costs of the plans are deducted from the participants' accounts. Benefit payments are payable upon termination of employment, unforeseeable emergency, retirement or death. The Custodial Account Agreement requires the County set aside assets and income from the plan in trust for the exclusive benefit of the participants and their beneficiaries. The County is in compliance with the agreement.

Information about the GEBCorp Deferred Compensation plan may be found at the following:

The Charles Schwab Trust  
425 Market Street, 7th Floor  
San Francisco, CA 94105

**MCDUFFIE COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 10 – RETIREMENT PLAN – Continued**

The County believes that it has no liability for losses under the plans but does have the duty of due care that would be required of an ordinary prudent investor.

The investments are managed by the Plan Administrator in one of three investment options or a combination thereof. The available options include fixed annuity, variable annuity and universal life insurance. The participant makes the choice of investment option(s).

At December 31, 2020, 13.3%, or 49, of the County's 368 employees, were participants in the deferred compensation plans.

The employees of the County contributed \$105,026, respectively, to GEBCorp deferred compensation plan during the year ended December 31, 2020.

GASB Statement No. 2, *Financial Reporting of Deferred Compensation Plans Adopted under the provisions of Internal Revenue Code Section 457*, established reporting requirements for IRC Section 457 plans. Based on the laws in effect at the time of its passage, that Statement required that all amounts deferred by the plan participants be reported as assets of the employer until made available to the participants or their beneficiaries. The laws governing these plans were changed to state that, as of August 20, 1996, new plans will not be considered eligible plans "unless all assets and income of the plan described in subsection (b)(6) are held in trust for the exclusive benefit of the participants and their beneficiaries". In the case of an existing plan, a trust need not be established before January 1, 1999. Since the County amended its plan to comply with the requirements of subsection (g) of Internal Revenue Code Section 457, it has adopted GASB Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*.

**NOTE 11 – RISK MANAGEMENT, LITIGATION, AND CONTINGENCIES**

**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 for which the government is a member of a public entity risk pool currently operating as a common risk management and insurance program for member local governments. The County has joined other municipalities in the state as part of the Georgia Inter-Local Risk Management Agency Property and Liability Insurance Fund and the Association County Commissioners of Georgia Group Self-Insurance Workers' Compensation Fund (ACCG-GSIWCF). As part of these risk pools, the Government is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the funds being required to pay any claim of loss. The County is also to allow the pool's agents and attorneys to represent the County in investigation, settlement discussions and all levels of litigation arising out of any claim made against the County within the scope of loss protection furnished by the funds. The funds are to defend and protect 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.

Liabilities are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. An excess coverage insurance policy covers individual claims. Liabilities include amounts that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts and other economic and social factors. The liability for claims and judgments is reported as long-term debt because it is not expected that it will be liquidated from expendable available financial resources. As of December 31, 2020, the County had recorded no liability for claims.

**MCDUFFIE COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 11 – RISK MANAGEMENT, LITIGATION, AND CONTINGENCIES – CONTINUED**

The change in the balances of the workers' compensation pool claims during fiscal year 2020 is as follows:

Workers compensation	2020
Unpaid claims, beginning of fiscal year	\$ 562,115
Incurred claims	282,265
Claim payments	(79,753)
Unpaid claims, end of fiscal year	<u>\$ 764,627</u>

General, property, and vehicle liabilities are provided for by commercial insurance coverage. Insurance bonding in amounts proportionate to employee exposure provides surety coverage. The County is liable for the \$1,000 deductible. The change in the property and liability claims during the year 2020 is as follows:

General, property, and vehicle liabilities	2020
Unpaid claims, beginning of fiscal year	\$ 604,005
Incurred claims	94,370
Claim payments	(46,081)
Unpaid claims, end of fiscal year	<u>\$ 652,294</u>

**Contingent Liabilities**

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the Federal Government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures, which may be disallowed by the grantor, cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the County's management and counsel that resolution of these matters will not have a material effect on the financial condition of the County.

**NOTE 12 – INTERFUND TRANSACTIONS**

Due From/To Other Funds

Interfund receivables and payables account for loans between funds for cash management purposes. Interfund receivables and payables as of December 31, 2020 were as follows:

Receivable Fund	Payable Fund			Total
	General Fund	Govt Funds	EMS	
Hotel/Motel	\$ 78,598	\$ -	\$ -	\$ 78,598
Multiple Grant Fund	17,974	208	5,032	23,214
General Fund	3,598	178,019	-	181,617
Total	<u>\$ 100,170</u>	<u>\$ 178,227</u>	<u>\$ 5,032</u>	<u>\$ 283,429</u>

Transfers To/From Other Funds

Transfers between the General Fund and other governmental funds were primarily to support the operations of the funds.

**MCDUFFIE COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 13 – NET POSITION/FUND EQUITY**

Transfers out	Transfers in			Solid Waste Landfill	Total Transfers Out
	General Fund	Non-major Govt Funds	EMS		
General Fund	\$ -	\$ 78,380	\$ -	\$ -	\$ 78,380
SPLOST VI	-	1,872,600	-	-	1,872,600
Raysville Campground	-	14,945	-	-	14,945
Solid Waste	-	34,739	-	-	34,739
Non-major Govt Funds	<u>72,635</u>	<u>-</u>	<u>666,446</u>	<u>6,671</u>	<u>745,752</u>
Total- Transfers In	<u>\$ 72,635</u>	<u>\$ 2,000,664</u>	<u>\$ 666,446</u>	<u>\$ 6,671</u>	<u>\$ 2,746,416</u>

Reservations of net position/fund equity are created to either satisfy legal covenants that require a portion of the fund balance be segregated or identify the portion of the fund balance that is not appropriated for future expenditures. Specific reservations of the fund balance accounts are summarized as follow:

*Restricted for encumbrances* – This reserve was created to represent encumbrances outstanding at the end of the year based on purchase orders and contracts signed by the County but not completed as of the close of the fiscal year.

*Restricted for designated purposes* – This reserve represents the portion of net position that is legally restricted for specified purposes.

*Unrestricted* – This represents the portion of net position that is not restricted and not designated for other purposes.

The McDuffie County Health Department had a deficit in unrestricted net position totaling \$195,430 as of June 30, 2020. The deficit will be funded through operations of the Department.

**NOTE 14 – SOLID WASTE FUND**

The County maintains a solid waste landfill facility, which was established as an enterprise fund as of January 1, 1993. The current landfill was closed during 1994, to avoid the thirty-year post-closure monitoring for leaks into the ground water and removal and treatment of leachate, as required by regulations issued by the U.S. Environmental Protection Agency. By closing the facility, the County is required to monitor the facility. The licensure process for a new landfill has been completed, and the permit has been extended until completion.

The Solid Waste Fund is expected ultimately to be self-supporting. All revenues related to the collection and disposal of solid waste, and the expenses related to the operation are reported in this fund.

Government Accounting Standards Board Statement No. 18 (GASB-18) was issued effective June 15, 1993, to establish accounting standards for reporting the liabilities associated with required closure and post-closure costs. The standard states that the total estimated current cost of closure and post-closure monitoring is to be recognized as a liability as the landfill's usable area is consumed. The estimated total current cost includes: (1) the cost of equipment expected to be installed and facilities expected to be constructed, (2) the cost of the final earth cover to be applied when the landfill is full, and (3) the estimated costs of monitoring and maintaining the landfill in the post closure period. The accrued closure and post-closure costs liability totaled \$166,833\* as of December 31, 2020.

Costs for closure and post-closure care are based on engineering estimates and are subject to change based on various factors some of which include inflation, deflation, changes in technology, and changes in laws and regulations. These costs are to be funded by collection fees and by tonnage costs. Costs incurred during 2020 totaled \$17,189.

\*Estimated to be \$382,805 per Georgia EPD in 2020

**MCDUFFIE COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 15 –BIG HART AND RAYSVILLE CAMPGROUNDS FUND**

Raysville Campground is located on Georgia's Little River, section of Clarks Hill Lake, the largest U.S. Corps of Engineers lake east of the Mississippi River. The 70,000 acre lake and its 1,000+ miles of shoreline provide excellent boating, water skiing, swimming, fishing, and hiking. The campground is situated in a wooded area on the waterfront and consists of 55 family campsites, all with 50-amp electrical hookups. Amenities include restrooms, showers, a dump station, boat ramp and dock.

Big Hart Campground is situated in a wooded area on the waterfront of Clarks Hill Lake. One group campsite and 31 family campsites are available, all with 50-amp electrical hookups. Amenities include flush and vault toilets, showers, drinking water, a dump station, playground, beach, boat ramp and dock.

The Big Hart and Raysville Campgrounds Fund is expected ultimately to be self-supporting. All revenues related to the rental and the expenses related to the operation are reported in this fund.

**NOTE 16 – HOTEL/MOTEL LODGING TAX**

McDuffie County has levied a 5% lodging tax pursuant to O.C.G.A. 48-13-51. At least 40% of the tax is to be used for tourism related purposes. During 2020, approximately 60% of receipts were allocated for tourism. Transactions for the year ended December 31, 2020 were as follows:

Balance as of December 31, 2019	\$ 120,797
Tax Collections during 2020	195,462
Reimbursement received during 2020	1,720
Disbursements for promotion of tourism	(177,295)
Transfer to General Fund	<u>(60,783)</u>
Balance as of December 31, 2020	<u><u>\$ 79,901</u></u>

**NOTE 17 – JOINT VENTURE**

Under Georgia law, the County in conjunction with other cities and counties in the Central Savannah River Area, is a member of the Central Savannah River Area Regional Commission (RC) and is required to pay annual dues thereto. During its year ended December 31, 2019, the County paid \$14,548 in such dues. Membership in the RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34, 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 50-8-39.1 provides that the member governments are liable for any debts or obligations of the RC. Separate financial statements may be obtained from:

Central Savannah River Area Regional Commission  
3023 Riverwatch Parkway, Suite A  
Augusta, Georgia 30907-2018

**NOTE 18 – RELATED PARTY TRANSACTIONS**

There were no material related party transactions during the year ended December 31, 2020.

**MCDUFFIE COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 19- Constitutional Officers and Firefighters Pension Plans**

The County's Constitutional Officers and some of their staff and firefighters belong to one of six pension's plans, listed below, established by the Georgia General Assembly for providing retirement benefits for these participants. These plans are cost sharing multiple employer defined benefit plans.

<u>Name of Pension Plan</u>	<u>Plan Website</u>
Employees Retirement System of Georgia - Tax Commissioner	ers.ga.gov
Judges of the Probate Courts Retirement Fund of Georgia	pjrf.georgia.gov
Sheriffs' Retirement Fund of Georgia	georgiasheriffs.org
Peace Officers' Annuity & Benefit Fund of Georgia	poab.georgia.gov
Georgia Firefighters' Pension Fund	gfpf.org
Georgia Judicial Retirement System	ers.ga.gov

Pension liabilities and pension expense with all plans above combined and summarized as follows:

McDuffie County's proportionate share of net pension liability	\$ -
State of Georgia's proportionate share of net pension liability associated with McDuffie County	459,917
Total	<u>\$ 459,917</u>
McDuffie recognized pension expense	<u>\$ 105,925</u>
McDuffie recognized revenue from State of Georgia support	<u>\$ 105,925</u>

These plans are considered special funding situations; and 100% of the collective net pension liabilities are allocated to the State of Georgia. The County does not contribute to any of these plans.

Pension plan descriptions, assumptions and related disclosures may be found in separately issued reports at June 30, 2020 for each of these plans and are available at the websites listed above.

**NOTE 20 - SUBSEQUENT EVENTS**

In preparing the financial statements, the County has evaluated events and transactions for potential recognition or disclosure through June 18, 2020. Management has not identified any items requiring recognition or disclosure.

Big Hart & Raysville Campgrounds are leased from the Corps of Engineer and do not have any capital assets. The County is just managing the properties. Said premises are hereby leased for a term of five years, beginning March 20, 2015, and ending March 19, 2020. The lease has been renewed for another ten years, beginning March 20, 2020 and ending March 19, 2030.

On March 11, 2020 the World Health Organization declared the coronavirus (COVID-19) outbreak a pandemic. The COVID-19 outbreak in the United States has resulted in a significant impact on the economy and the financial markets. If this pandemic continues for a sustained period of time, the County may experience significant decreases in its (a) growth-oriented revenues (i.e. business licenses, building permits, hospitality taxes, etc.), (b) charges for services (i.e. utility charges, recreation charges, etc.), and (c) property tax revenues (i.e. business closures/failures, foreclosures, less vehicle purchases/taxes, etc.).

**REQUIRED SUPPLEMENTARY  
INFORMATION**

**MCDUFFIE COUNTY, GEORGIA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET (BUDGETARY BASIS) AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	Cash Basis			Variance
	Original Budget	Final Budget	Actual	Over (Under)
<b>REVENUES</b>				
Taxes				
Property tax	\$ 4,530,031	\$ 4,530,031	\$ 4,115,917	\$ (414,114)
Property tax penalties	45,000	45,000	25,812	(19,188)
Prior year property tax	126,330	464,850	878,963	414,113
Local option sales tax	2,400,000	2,559,074	2,559,074	-
LOST-TAVT	-	-	-	-
TAVT	820,000	991,951	991,951	-
TAV - administration	35,000	35,000	24,705	(10,295)
SPLOST - TAVT	-	-	-	-
Alcohol beverage tax	220,000	220,000	220,425	425
Insurance premium tax	-	-	-	-
Excise tax	270,000	150,000	184,924	34,924
Franchise tax	92,662	92,662	83,195	(9,467)
Motor vehicle tax	108,346	108,346	79,715	(28,631)
AAVT tax	9,000	15,700	15,668	(32)
True up tax	-	-	-	-
Mobile home tax	60,371	60,371	63,102	2,731
Mobile home tax penalties	11,000	11,000	7,424	(3,576)
Timber tax	33,840	33,840	36,507	2,667
Light district	30,000	30,000	30,389	389
Railroad tax	8,000	8,000	10,367	2,367
Payments in lieu of tax	42,000	42,000	40,370	(1,630)
Commissions	285,000	285,000	282,226	(2,774)
FIFA	30,000	30,000	22,417	(7,583)
Motor vehicle late fee tax	43,000	43,000	4,875	(38,125)
BK lic tax	40,000	40,000	39,513	(487)
Equipment tax	100	100	39	(61)
Penalties and fines	29,250	29,250	14,473	(14,777)
Total taxes	9,268,930	9,825,175	9,732,051	(93,124)
Licenses and permits				
Beer and wine licenses	8,500	8,500	2,400	(6,100)
Alcohol licenses	20,000	20,000	12,275	(7,725)
Business licenses	70,000	70,000	82,033	12,033
Penalties and fines	500	500	-	(500)
Building permits and licenses	99,100	128,137	129,626	1,489
Total licenses and permits	198,100	227,137	226,334	(803)
Intergovernmental				
Reimbursements	1,060,678	1,114,989	974,512	(140,477)
Government center - City of Thomson	114,700	114,700	113,571	(1,129)
Home delivered meals	9,500	9,500	3,751	(5,749)
Grants	48,238	48,238	42,570	(5,668)
Tax assessor	2,000	4,350	3,526	(824)
Total intergovernmental	1,235,116	1,291,777	1,137,930	(153,847)
Charges for services				
Recreation fees	88,880	83,460	51,752	(31,708)
Senior citizens fees	20,000	8,000	4,219	(3,781)
Rent	169,466	169,466	197,189	27,723
Animal shelter	7,500	13,010	11,171	(1,839)
Sheriff	359,200	375,551	369,574	(5,977)
Sheriff administration	198,920	198,920	114,070	(84,850)
Transportation	-	-	-	-
Public works	4,025	6,025	5,125	(900)
EMS	19,446	19,446	19,446	-
Vending machine	-	-	106	106
Fire fees	-	-	-	-
Total charges for services	867,437	873,878	772,652	(101,226)



**MCDUFFIE COUNTY, GEORGIA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET (BUDGETARY BASIS) AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	Cash Basis			Variance
	Original Budget	Final Budget	Actual	Over (Under)
<b>REVENUES - Continued</b>				
Fines and forfeitures				
Superior court fines and fees	\$ 230,500	\$ 280,587	\$ 276,809	\$ (3,778)
Probate court fines and fees	630,010	630,010	351,025	(278,985)
Magistrate court fines and fees	86,000	86,000	52,408	(33,592)
Total fines and forfeitures	946,510	996,597	680,242	(316,355)
Other				
Flood control	2,000	2,000	1,791	(209)
Interest	58,000	58,000	21,479	(36,521)
Surplus sales	5,000	93,683	93,683	-
Scrap	5,000	5,000	1,529	(3,471)
Election qual	1,000	7,000	6,513	(487)
Airport-GA	1,000	1,000	-	(1,000)
Bad check	100	100	-	(100)
Employee relations	9,000	9,000	60	(8,940)
Miscellaneous	10,000	10,000	7,985	(2,015)
Total other	91,100	185,783	133,040	(52,743)
Total revenues	12,607,193	13,400,347	12,682,249	(718,098)
<b>EXPENDITURES</b>				
General government				
Governing body	262,962	279,693	278,339	(1,354)
County manager	293,512	306,512	306,336	(176)
Elections office	285,073	363,513	362,441	(1,072)
Administration	1,075,116	1,616,490	691,175	(925,315)
Government center complex	118,327	118,327	109,828	(8,499)
Finance	304,888	304,888	298,882	(6,006)
Technical support	350,074	350,074	297,848	(52,226)
Tax commissioner	357,164	357,164	345,644	(11,520)
Tax assessor	390,529	390,529	356,714	(33,815)
Board of equalization	4,921	4,921	3,653	(1,268)
General government buildings	447,509	447,509	301,525	(145,984)
Superior court	132,740	145,826	121,048	(24,778)
Clerk of superior court	382,224	382,224	356,391	(25,833)
District attorney	93,133	111,983	106,239	(5,744)
Child support	6,000	6,000	4,864	(1,136)
Magistrate court	165,699	171,199	170,840	(359)
Probate court	204,783	204,783	203,797	(986)
Juvenile court	135,104	135,104	123,119	(11,985)
Public defender	87,424	87,424	87,308	(116)
Planning and zoning	308,814	308,814	265,635	(43,179)
Total general government	5,405,996	6,092,977	4,791,626	(1,301,351)

**MCDUFFIE COUNTY, GEORGIA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET (BUDGETARY BASIS) AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	Cash Basis			Variance
	Original Budget	Final Budget	Actual	Over (Under)
<b>EXPENDITURES - Continued</b>				
Public safety				
Sheriff	\$ 4,246,222	\$ 4,246,222	\$ 3,884,540	\$ (361,682)
Sheriff administrative	198,920	198,920	42,916	(156,004)
Fire	-	-	(280)	(280)
Emergency management	-	-	280	280
Inmate workforce	54,870	54,870	51,482	(3,388)
Coroner	33,637	35,637	35,459	(178)
Total public safety	4,533,649	4,535,649	4,014,397	(521,252)
Highways and streets				
Vehicle and equipment maintenance	228,405	228,405	187,136	(41,269)
Public works	1,142,209	1,177,209	1,176,804	(405)
Total highways and streets	1,370,614	1,405,614	1,363,940	(41,674)
Health and welfare				
Family and children services	40,527	40,527	33,900	(6,627)
Health department	118,450	147,432	146,851	(581)
Rural transportation	-	-	-	-
Senior citizens	117,243	117,243	84,883	(32,360)
Soil & waste conservation	500	500	350	(150)
Home delivered meals	60,331	60,331	40,008	(20,323)
Total health and welfare	337,051	366,033	305,992	(60,041)
Culture and recreation				
Library	93,278	93,278	93,278	-
Boys and Girls Club	5,400	7,784	7,703	(81)
Rockhouse	5,626	5,626	4,206	(1,420)
Recreation	743,420	743,420	650,350	(93,070)
Main Street Gym	9,552	9,752	9,225	(527)
Tourism	-	-	40	40
Development Authority	100,154	100,154	69,181	(30,973)
Total culture and recreation	957,430	960,014	833,983	(126,031)
Other				
Cooperative extension service	134,775	134,775	100,422	(34,353)
Airport	94,808	115,458	113,225	(2,233)
Forestry	8,820	8,820	8,820	-
Lawn care services	-	-	-	-
Employee relations	9,000	9,000	6,468	(2,532)
Recycling center	71,364	71,364	40,801	(30,563)
Animal shelter	113,056	113,056	86,354	(26,702)
Total other	431,823	452,473	356,090	(96,383)
Total Expenditures	13,036,563	13,812,760	11,666,028	(2,146,732)
Other financing sources				
Transfer out	44,257	7,354	54,032	46,678
Net change in fund balance	\$ (385,113)	\$ (405,059)	\$ 1,070,253	\$ 1,475,312
<b>RECONCILIATION TO GAAP BASIS</b>				
To record effect of changes in receivables and other assets and payables and other liabilities			(777,418)	
<b>FUND BALANCE, BEGINNING OF YEAR</b>			8,124,148	
<b>FUND BALANCE, END OF YEAR</b>			<u>\$ 8,416,983</u>	

**MCDUFFIE COUNTY, GEORGIA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF THE NET PENSION LIABILITY-**  
**ACCG PENSION PLAN FOR MCDUFFIE COUNTY EMPLOYEES**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Contractually Required Contribution	N/A	N/A	N/A	N/A	\$ 422,092	\$ 439,023	\$ 435,778	\$ 390,773	\$ 296,675	\$ 390,358
Contribution in Relation to the Contractually Required Contribution	N/A	N/A	N/A	N/A	422,092	439,023	435,778	390,773	296,675	390,358
Contributions Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-Employee Payroll	N/A	N/A	N/A	N/A	\$ 4,008,169	\$ 3,943,434	\$ 3,706,447	\$ 3,821,798	\$ 3,916,301	\$ 4,150,892
Contribution as a Percentage of Covered- Employee Payroll	N/A	N/A	N/A	N/A	10.5%	11.1%	11.8%	10.2%	7.6%	9.4%

**MCDUFFIE COUNTY, GEORGIA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CONTRIBUTIONS-**  
**ACCG PENSION PLAN FOR MCDUFFIE COUNTY EMPLOYEES**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

For the Year Ended December 31,	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Net pension liability	N/A	N/A	N/A	N/A	\$ 1,111,156	\$ 1,679,221	\$ 1,808,471	\$ 602,704	\$ 2,036,823	\$ 1,303,872
Covered-employee payroll	N/A	N/A	N/A	N/A	\$ 4,008,169	\$ 3,810,081	\$ 3,581,137	\$ 3,821,798	\$ 3,916,301	\$ 4,150,892
Net pension liability as a percentage of covered-employee payroll	N/A	N/A	N/A	N/A	27.70%	44.10%	50.50%	15.80%	52.00%	31.40%
Plan fiduciary net position as a percentage of the total pension liability	N/A	N/A	N/A	N/A	87.70%	82.50%	82.40%	94.10%	81.50%	90.00%

**MCDUFFIE COUNTY, GEORGIA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2020 (JUNE 30, 2020 MEASUREMENT DATE)**

	Employees Retirement System of Georgia - Tax Commissioner	Georgia Judicial Retirement System	Peace Officers' Annuity & Benefit Fund of Georgia	Judges of the Probate Courts Retirement Fund of Georgia	Sheriffs' Retirement Fund of Georgia	Georgia Firefighters' Pension Fund
McDuffie County's proportion of net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
McDuffie County's proportionate share of net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State of Georgia's proportionate share of net pension liability associated with McDuffie	159,368	(38,811)	(10,757)	(135,060)	360,080	125,097
Total	<u>159,368</u>	<u>(38,811)</u>	<u>(10,757)</u>	<u>(135,060)</u>	<u>360,080</u>	<u>125,097</u>
McDuffie County's covered-employee payroll	\$ 138,498	\$ 84,661	\$ 1,721,951	\$ 60,850	\$ 98,789	\$ 1,770,013
McDuffie County's proportionate share of net pension liability as percentage of its covered-employee payroll	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Plan fiduciary net position as a percentage of the total pension liability	76.21%	57.38%	102.93%	127.65%	62.83%	84.67%

## **COMBINING AND INDIVIDUAL FUND STATEMENTS**

### **GENERAL FUND**

The General Fund is used to account for resources traditionally associated with the County that are not required legally, or by sound financial management, to be accounted for in another fund.

**MCDUFFIE COUNTY**  
**NONMAJOR GOVERNMENTAL FUNDS**

**SPECIAL REVENUE FUNDS**

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

Jail Fund – to account for fines charged by the County that are to be used for jail improvements.

Drug Task Force Fund – to account for add-on fees received from fines to be used to assist with drug enforcement needs.

Drug Court Fund – to account for add-on fees received from fines to be used to assist with drug treatment needs.

Wireless Emergency Telephone System Fund – to account for collection of wireless 911 phone surcharges used for operation and maintenance of the 911-phone system.

Landfill Surcharge Fund – to account for fees received from Solid Waste.

Hotel/Motel Fund – to account for tax to be used for tourism-related purposes.

Law Library Fund – to account for receipt of fee revenue generated to support the legal library for the McDuffie County court system.

Juvenile Probation Fund – to account for fee revenue generated for juvenile probation.

Emergency Telephone System Fund – is used to account for the collection of 911 phone surcharges used for operation and maintenance of the 911-telephone system.

Drug Forfeiture Fund – to account for funds received as a result of property and cash seizures by the Sheriff's Department.

Transportation Fund – to account for fee revenue generated for transportation.

Multiple Grant Fund – to account for funds received as a result of multiple grants.

**CAPITAL PROJECTS FUNDS**

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

Special Purpose Local Option Sales Tax IV Fund – to account for property acquisition and construction of projects designated to be funded by revenue from local option sales tax collections for the years 2004 – 2008.

Special Purpose Local Option Sales Tax V Fund – to account for property acquisition and construction of projects designated to be funded by revenue from local option sales tax collections for the years 2009-2013.

TSPLOST Fund – The TSPLOST Fund is used to account for the construction of transportation related projects funded by TPLOST.

Bond Fund – to account for the cost of the acquisition and furnishing of the City of Thomson/McDuffie County government center.

LMIG Fund – to account for the construction of transportation related projects funded by the LMIG.

CDBG Fund – to account for the construction related to projects funded by the CDBG grant.



**MCDUFFIE COUNTY**  
**NONMAJOR GOVERNMENTAL FUNDS**

**DEBT SERVICE FUND**

Debt Service Fund – to account for the resources accumulated and payments made for principal and interest on long-term debt of governmental funds.

**INTERNAL SERVICE FUND**

Lawn Care Services – to account for lawn care services rendered internally instead of outsourcing those services.

**MCDUFFIE COUNTY, GEORGIA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2020**

	Special Revenue Funds										Capital Projects Funds										Internal Service Fund	Total Nonmajor Governmental Funds
	Jail	Law Library	Juvenile Probation	Multiple Grant	Transportation Grant	Drug Task Force	Drug Court	Hotel/ Motel Tax	Wireless Emergency Telephone System	Landfill Surcharge	Drug Forfeiture	Emergency Telephone System	LMIG	SPLOST IV	SPLOST V	SPLOST VII	TSPLOST	CDBG	Bond Fund	Debt Service	Lawn Care Services	
<b>Assets</b>																						
Assets																						
Cash	\$ 251,582	\$ 17,435	\$ 47,215	\$ 4,806	\$ -	\$ 325,160	\$ 24,729	\$ -	\$ 51,545	\$ 61,703	\$ 228,225	\$ 191,277	\$ 14,870	\$ 123,608	\$ 60,952	\$ 100	\$ 1,495,278	\$ 79,913	\$ -	\$ 15,577	\$ -	\$ 2,993,975
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	23,214	-	-	-	78,598	-	-	-	-	-	-	-	-	-	-	-	-	-	101,812
Other receivables	-	-	-	1,454	-	-	-	14,132	-	-	-	74,847	-	-	-	-	-	-	-	-	-	90,433
Intergovernmental receivables	3,661	-	-	-	66,325	450	62,000	-	-	8,479	-	-	-	-	-	-	175,129	-	-	-	-	316,044
<b>Total Assets</b>	<b>\$ 255,243</b>	<b>\$ 17,435</b>	<b>\$ 47,215</b>	<b>\$ 29,474</b>	<b>\$ 66,325</b>	<b>\$ 325,610</b>	<b>\$ 86,729</b>	<b>\$ 92,730</b>	<b>\$ 51,545</b>	<b>\$ 70,182</b>	<b>\$ 228,225</b>	<b>\$ 266,124</b>	<b>\$ 14,870</b>	<b>\$ 123,608</b>	<b>\$ 60,952</b>	<b>\$ 100</b>	<b>\$ 1,670,407</b>	<b>\$ 79,913</b>	<b>\$ -</b>	<b>\$ 15,577</b>	<b>\$ -</b>	<b>\$ 3,502,264</b>
<b>Liabilities and Fund Balances</b>																						
Liabilities																						
Accounts payable	\$ 796	\$ -	\$ -	\$ 1,454	\$ 9,922	\$ 100	\$ 9,268	\$ 12,199	\$ 100	\$ 65	\$ -	\$ 27,412	\$ 14,870	\$ 390	\$ 412	\$ -	\$ 145,628	\$ 300	\$ -	\$ -	\$ 2,837	\$ 225,753
Accrued liabilities	-	-	-	-	28,556	-	-	631	-	-	-	4,720	-	-	-	-	-	-	-	-	454	34,361
Unearned revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Due to other funds	-	108	-	-	30,902	-	-	-	-	-	-	-	-	-	-	100	-	147,117	-	-	-	178,227
<b>Total Liabilities</b>	<b>796</b>	<b>108</b>	<b>-</b>	<b>1,454</b>	<b>69,380</b>	<b>100</b>	<b>9,268</b>	<b>12,830</b>	<b>100</b>	<b>65</b>	<b>-</b>	<b>32,132</b>	<b>14,870</b>	<b>390</b>	<b>412</b>	<b>100</b>	<b>145,628</b>	<b>147,417</b>	<b>-</b>	<b>-</b>	<b>3,291</b>	<b>438,341</b>
Fund balances																						
Capital Projects	-	-	-	-	-	-	-	-	-	-	-	-	-	123,218	60,540	-	1,524,779	-	-	-	-	1,708,537
Special Revenues	254,447	17,327	47,215	28,020	(3,055)	325,510	77,461	79,900	51,445	70,117	228,225	233,992	-	-	-	-	(67,504)	-	-	-	-	1,343,100
Debt Service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15,577	(3,291)	12,286
<b>Total Fund Balances</b>	<b>254,447</b>	<b>17,327</b>	<b>47,215</b>	<b>28,020</b>	<b>(3,055)</b>	<b>325,510</b>	<b>77,461</b>	<b>79,900</b>	<b>51,445</b>	<b>70,117</b>	<b>228,225</b>	<b>233,992</b>	<b>-</b>	<b>123,218</b>	<b>60,540</b>	<b>-</b>	<b>1,524,779</b>	<b>(67,504)</b>	<b>-</b>	<b>15,577</b>	<b>(3,291)</b>	<b>3,063,923</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 255,243</b>	<b>\$ 17,435</b>	<b>\$ 47,215</b>	<b>\$ 29,474</b>	<b>\$ 66,325</b>	<b>\$ 325,610</b>	<b>\$ 86,729</b>	<b>\$ 92,730</b>	<b>\$ 51,545</b>	<b>\$ 70,182</b>	<b>\$ 228,225</b>	<b>\$ 266,124</b>	<b>\$ 14,870</b>	<b>\$ 123,608</b>	<b>\$ 60,952</b>	<b>\$ 100</b>	<b>\$ 1,670,407</b>	<b>\$ 79,913</b>	<b>\$ -</b>	<b>\$ 15,577</b>	<b>\$ -</b>	<b>\$ 3,502,264</b>

**MCDUFFIE COUNTY, GEORGIA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	Special Revenue Funds											Capital Projects Funds										Internal Service Fund	Total Nonmajor Governmental Funds
	Jail	Law Library	Juvenile Probation	Multiple Grant	Transportation Grant	Drug Task Force	Drug Court	Hotel/ Motel Tax	Wireless Emergency Telephone System	Landfill Surcharge	Drug Forfeiture	Emergency Telephone System	LMIG	SPLOST IV	SPLOST V	SPLOST VII	TSPLOST	CDBG	Bond Fund	Debt Service	Lawn Care Services		
Revenues																							
Fees for services	\$ -	\$ -	\$ 90	\$ -	\$ 14,562	\$ -	\$ 13,717	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 28,369
Fines and forfeitures	48,505	11,978	-	-	-	24,167	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	84,650
Intergovernmental	-	-	-	37,875	286,402	-	149,617	-	-	-	-	609,908	500,696	-	(27,443)	-	1,052,453	770,592	-	-	-	-	3,380,100
Interest income	-	8	-	-	-	-	-	-	-	-	6	-	-	428	279	-	3,249	-	-	733	-	-	4,703
Other	-	-	-	-	-	-	-	1,720	-	-	-	116,653	-	-	-	-	46,550	-	-	-	-	-	164,923
Taxes	-	-	-	-	-	-	-	195,462	-	-	-	-	-	-	-	-	965,534	-	-	-	-	-	1,160,996
Total Revenues	48,505	11,986	90	37,875	300,964	24,167	163,334	197,182	-	-	6	726,561	500,696	428	(27,164)	-	2,067,786	770,592	-	733	-	-	4,823,741
Expenditures																							
Current																							
Intergovernmental	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
General government	-	-	-	-	-	-	-	-	-	1,495	-	-	-	-	-	-	2,666	-	-	-	78,013	-	82,174
Public safety	17,903	-	-	-	-	-	110,605	-	-	-	-	647,263	-	-	-	-	-	-	-	-	-	-	775,771
Public works	-	-	-	23,929	305,903	-	-	-	-	-	-	-	-	-	-	-	-	23,094	-	-	-	-	352,926
Culture and recreation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	390	312	-	12,257	-	-	-	-	-	12,959
Health and welfare	-	-	-	-	-	-	-	-	-	-	38,309	-	-	-	-	-	-	-	-	-	-	-	38,309
Economic development	-	-	-	-	-	-	-	177,295	-	-	-	-	-	-	-	-	-	-	-	-	-	-	177,295
Judicial	-	10,948	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10,948
Capital outlay																							
General government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-	-	-	-	-	500,696	-	-	-	1,632,256	112,601	-	-	-	-	2,245,553
Public safety	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service:																							
Principal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,800,000	-	-	1,800,000
Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	72,600	-	-	72,600
Total Expenditures	17,903	10,948	-	23,929	305,903	-	110,605	177,295	-	1,495	38,309	647,263	500,696	390	312	-	1,647,179	135,695	-	1,872,600	78,013	-	5,568,535
Excess (deficiency) of revenues over expenditures	30,602	1,038	90	13,946	(4,939)	24,167	52,729	19,887	-	(1,495)	(38,303)	79,298	-	38	(27,476)	-	420,607	634,897	-	(1,871,867)	(78,013)	-	(744,794)
Transfers in	-	-	-	-	-	-	-	-	-	34,739	18,603	-	-	-	-	-	-	-	-	1,872,600	74,722	-	2,000,664
Transfers out	-	-	-	-	-	-	(11,852)	(60,783)	-	(6,671)	-	-	-	-	-	-	(666,446)	-	-	-	-	-	(745,752)
Net Change	30,602	1,038	90	13,946	(4,939)	24,167	40,877	(40,896)	-	26,573	(19,700)	79,298	-	38	(27,476)	-	420,607	(31,549)	-	733	(3,291)	-	510,118
FUND BALANCES, BEGINNING OF YEAR	223,845	16,289	47,125	14,074	1,884	301,343	36,584	120,796	51,445	43,544	247,925	154,694	-	123,180	88,016	-	1,104,172	(35,955)	-	14,844	-	-	2,553,805
FUND BALANCES, END OF YEAR	\$ 254,447	\$ 17,327	\$ 47,215	\$ 28,020	\$ (3,055)	\$ 325,510	\$ 77,461	\$ 79,900	\$ 51,445	\$ 70,117	\$ 228,225	\$ 233,992	\$ -	\$ 123,218	\$ 60,540	\$ -	\$ 1,524,779	\$ (67,504)	\$ -	\$ 15,577	\$ (3,291)	\$ -	\$ 3,063,923

**MCDUFFIE COUNTY, GEORGIA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –**  
**BUDGET (BUDGETARY BASIS) AND ACTUAL**  
**DEBT SERVICE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Interest	\$ 2,200	\$ 2,200	\$ 733	\$ (1,467)
Prior year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>2,200</u>	<u>2,200</u>	<u>733</u>	<u>(1,467)</u>
Expenditures				
General government	<u>1,872,600</u>	<u>1,872,600</u>	<u>1,872,600</u>	<u>-</u>
Total Expenditures	<u>1,872,600</u>	<u>1,872,600</u>	<u>1,872,600</u>	<u>-</u>
Other Financing Sources				
Transfers	<u>1,870,400</u>	<u>1,870,400</u>	<u>1,872,600</u>	<u>2,200</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	733	<u>\$ 733</u>
Fund Balance, beginning of year			<u>14,844</u>	
Fund Balance, end of year			<u>\$ 15,577</u>	

**MCDUFFIE COUNTY, GEORGIA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –**  
**BUDGET (BUDGETARY BASIS) AND ACTUAL**  
**JAIL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Fines and forfeitures	\$ 47,400	\$ 47,400	\$ 47,535	\$ 135
Prior year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>47,400</u>	<u>47,400</u>	<u>47,535</u>	<u>135</u>
Expenditures				
Public safety	40,400	40,400	18,219	(22,181)
Capital outlay	<u>7,000</u>	<u>7,000</u>	<u>-</u>	<u>(7,000)</u>
Total Expenditures	<u>47,400</u>	<u>47,400</u>	<u>18,219</u>	<u>(29,181)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	29,316	<u>\$ 29,316</u>
Reconciliation to GAAP Basis				
To record effect of changes in receivables and other assets and payables and other liabilities			1,286	
Fund Balance, beginning of year			<u>223,845</u>	
Fund Balance, end of year			<u>\$ 254,447</u>	

**MCDUFFIE COUNTY, GEORGIA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –**  
**BUDGET (BUDGETARY BASIS) AND ACTUAL**  
**LAW LIBRARY FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Fines and forfeitures	\$ 13,000	\$ 13,000	\$ 11,978	\$ (1,022)
Interest income	10	10	8	(2)
Other	-	-	-	-
Prior year	<u>3,282</u>	<u>3,282</u>	<u>-</u>	<u>(3,282)</u>
Total Revenues	<u>16,292</u>	<u>16,292</u>	<u>11,986</u>	<u>(4,306)</u>
Expenditures				
General government	<u>16,292</u>	<u>16,292</u>	<u>10,968</u>	<u>(5,324)</u>
Total Expenditures	<u>16,292</u>	<u>16,292</u>	<u>10,968</u>	<u>(5,324)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	1,018	<u>\$ 1,018</u>
Reconciliation to GAAP Basis				
To record effect of changes in receivables and other assets and payables and other liabilities			20	
Fund Balance, beginning of year			<u>16,289</u>	
Fund Balance, end of year			<u>\$ 17,327</u>	

**MCDUFFIE COUNTY, GEORGIA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –**  
**BUDGET (BUDGETARY BASIS) AND ACTUAL**  
**JUVENILE PROBATION FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Fees for services	\$ 1,000	\$ 1,000	\$ 90	\$ (910)
Total Revenues	1,000	1,000	90	(910)
Expenditures				
Public safety	1,000	1,000	-	(1,000)
Total Expenditures	1,000	1,000	-	(1,000)
Net Change in Fund Balance	\$ -	\$ -	90	\$ 90
Reconciliation to GAAP Basis				
To record effect of changes in receivables and other assets and payables and other liabilities			-	
Fund Balance, beginning of year			47,125	
Fund Balance, end of year			\$ 47,215	

**MCDUFFIE COUNTY, GEORGIA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –**  
**BUDGET (BUDGETARY BASIS) AND ACTUAL**  
**DRUG TASK FORCE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Fines and forfeitures	\$ 15,000	\$ 15,000	\$ 24,904	\$ 9,904
Total Revenues	15,000	15,000	24,904	9,904
Expenditures				
Capital outlay	-	-	-	-
Public safety	15,000	15,000	-	(15,000)
Total Expenditures	15,000	15,000	-	(15,000)
Other Financing Sources				
Transfers	-	-	-	-
Net Change in Fund Balance	\$ -	\$ -	24,904	\$ 24,904
Reconciliation to GAAP Basis				
To record effect of changes in receivables and other assets and payables and other liabilities			(737)	
Fund Balance, beginning of year			301,343	
Fund Balance, end of year			\$ 325,510	



**MCDUFFIE COUNTY, GEORGIA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –**  
**BUDGET (BUDGETARY BASIS) AND ACTUAL**  
**HOTEL/MOTEL TAX FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Taxes	\$ 290,500	\$ 200,000	\$ 197,832	\$ (2,168)
Other	-	-	1,720	1,720
Prior year	-	31,000	-	(31,000)
Total Revenues	290,500	231,000	199,552	(31,448)
Expenditures				
General government	183,867	161,270	169,844	8,574
Total Expenditures	183,867	161,270	169,844	8,574
Other Financing Sources				
Transfers	(106,633)	(69,730)	(60,783)	8,947
Net Change in Fund Balance	\$ -	\$ -	(31,075)	\$ (31,075)
Reconciliation to GAAP Basis				
To record effect of changes in receivables and other assets and payables and other liabilities			(9,821)	
Fund Balance, beginning of year			120,796	
Fund Balance, end of year			\$ 79,900	

**MCDUFFIE COUNTY, GEORGIA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –**  
**BUDGET (BUDGETARY BASIS) AND ACTUAL**  
**EMERGENCY TELEPHONE SYSTEM FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Fees for services	\$ 377,000	\$ 377,000	\$ 463,842	\$ 86,842
Intergovernmental	<u>389,450</u>	<u>389,450</u>	<u>234,206</u>	<u>(155,244)</u>
Total Revenues	<u>766,450</u>	<u>766,450</u>	<u>698,048</u>	<u>(68,402)</u>
Expenditures				
Public safety	<u>766,450</u>	<u>766,450</u>	<u>659,843</u>	<u>(106,607)</u>
Total Expenditures	<u>766,450</u>	<u>766,450</u>	<u>659,843</u>	<u>(106,607)</u>
Other Financing Sources				
Transfers from General Fund	<u>(300,000)</u>	<u>(300,000)</u>	<u>-</u>	<u>300,000</u>
Net Change in Fund Balance	<u>\$ (300,000)</u>	<u>\$ (300,000)</u>	38,205	<u>\$ 38,205</u>
Reconciliation to GAAP Basis				
To record effect of changes in receivables and other assets and payables and other liabilities			41,093	
Fund Balance, beginning of year			<u>154,694</u>	
Fund Balance, end of year			<u>\$ 233,992</u>	

**MCDUFFIE COUNTY, GEORGIA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –**  
**BUDGET (BUDGETARY BASIS) AND ACTUAL**  
**LANDFILL SURCHARGE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Fees for services		\$ -	\$ -	\$ -
Prior year	-	-	-	-
Total Revenues	-	-	-	-
Expenditures				
Other	-	-	1,495	1,495
Capital outlay	75,000	75,000	7,439	(67,561)
Total Expenditures	75,000	75,000	8,934	(66,066)
Other Financing Sources				
Transfers	75,000	75,000	26,260	(48,740)
Net Change in Fund Balance	-	-	17,326	17,326
Reconciliation to GAAP Basis				
To record effect of changes in receivables and other assets and payables and other liabilities			9,247	
Fund Balance, beginning of year			43,544	
Fund Balance, end of year			\$ 70,117	

**MCDUFFIE COUNTY, GEORGIA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –**  
**BUDGET (BUDGETARY BASIS) AND ACTUAL**  
**WIRELESS EMERGENCY TELEPHONE SYSTEM FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Prior year	\$ 7,063	\$ 7,063	\$ -	\$ (7,063)
Total Revenues	7,063	7,063	-	(7,063)
Expenditures				
Capital outlay	7,063	7,063	-	(7,063)
Total Expenditures	7,063	7,063	-	(7,063)
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
Reconciliation to GAAP Basis				
To record effect of changes in receivables and other assets and payables and other liabilities			-	
Fund Balance, beginning of year			51,445	
Fund Balance, end of year			<u>\$ 51,445</u>	

**MCDUFFIE COUNTY, GEORGIA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –**  
**BUDGET (BUDGETARY BASIS) AND ACTUAL**  
**DRUG FORFEITURE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Federal	\$ 1,500	\$ 1,500	\$ -	\$ (1,500)
State	5,000	19,000	18,603	(397)
Interest	10	10	6	(4)
Prior year	<u>15,690</u>	<u>19,999</u>	<u>-</u>	<u>(19,999)</u>
 Total Revenues	 <u>22,200</u>	 <u>40,509</u>	 <u>18,609</u>	 <u>(21,900)</u>
 Expenditures				
Public safety	<u>22,200</u>	<u>40,509</u>	<u>38,309</u>	<u>(2,200)</u>
 Total Expenditures	 <u>22,200</u>	 <u>40,509</u>	 <u>38,309</u>	 <u>(2,200)</u>
 Net Change in Fund Balance	 <u>\$ -</u>	 <u>\$ -</u>	 (19,700)	 <u>\$ (19,700)</u>
Reconciliation to GAAP Basis				
To record effect of changes in receivables and other assets and payables and other liabilities			-	
 Fund Balance, beginning of year			<u>247,925</u>	
 Fund Balance, end of year			<u>\$ 228,225</u>	

**MCDUFFIE COUNTY, GEORGIA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –**  
**BUDGET (BUDGETARY BASIS) AND ACTUAL**  
**LMIG FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Intergovernmental	\$ 465,000	\$ 547,250	\$ 500,696	\$ (46,554)
Total Revenues	<u>465,000</u>	<u>547,250</u>	<u>500,696</u>	<u>(46,554)</u>
Expenditures				
Public works	<u>465,000</u>	<u>547,250</u>	<u>532,476</u>	<u>(14,774)</u>
Total Expenditures	<u>465,000</u>	<u>547,250</u>	<u>532,476</u>	<u>(14,774)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	(31,780)	<u>\$ (31,780)</u>
Reconciliation to GAAP Basis				
To record effect of changes in receivables and other assets and payables and other liabilities			31,780	
Fund Balance, beginning of year			<u>-</u>	
Fund Balance, end of year			<u>\$ -</u>	

**MCDUFFIE COUNTY, GEORGIA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –**  
**BUDGET (BUDGETARY BASIS) AND ACTUAL**  
**DRUG COURT**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Fines and forfeitures	\$ 159,900	\$ 159,900	\$ 101,334	\$ (58,566)
Other	-	-	-	-
Prior year	-	-	-	-
Total Revenues	<u>159,900</u>	<u>159,900</u>	<u>101,334</u>	<u>(58,566)</u>
Expenditures				
Capital outlay	-	-	-	-
Public safety	<u>153,900</u>	<u>153,900</u>	<u>108,432</u>	<u>(45,468)</u>
Total Expenditures	<u>153,900</u>	<u>153,900</u>	<u>108,432</u>	<u>(45,468)</u>
Other Financing Sources				
Transfers	<u>(6,000)</u>	<u>(6,000)</u>	<u>(11,851)</u>	<u>(5,851)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>(18,949)</u>	<u>\$ (18,949)</u>
Reconciliation to GAAP Basis				
To record effect of changes in receivables and other assets and payables and other liabilities			59,826	
Fund Balance, beginning of year			<u>36,584</u>	
Fund Balance, end of year			<u>\$ 77,461</u>	

**MCDUFFIE COUNTY, GEORGIA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –**  
**BUDGET (BUDGETARY BASIS) AND ACTUAL**  
**CDBG FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Intergovernmental	\$ 1,000,000	\$ 1,790,958	\$ 770,592	\$ (1,020,366)
Total Revenues	<u>1,000,000</u>	<u>1,790,958</u>	<u>770,592</u>	<u>(1,020,366)</u>
Expenditures				
Capital outlay	<u>1,000,000</u>	<u>1,790,958</u>	<u>809,492</u>	<u>(981,466)</u>
Total Expenditures	<u>1,000,000</u>	<u>1,790,958</u>	<u>809,492</u>	<u>(981,466)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	(38,900)	<u>\$ (38,900)</u>
Reconciliation to GAAP Basis				
To record effect of changes in receivables and other assets and payables and other liabilities			7,351	
Fund Balance, beginning of year			<u>(35,955)</u>	
Fund Balance, end of year			<u>\$ (67,504)</u>	



**MCDUFFIE COUNTY, GEORGIA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –**  
**BUDGET (BUDGETARY BASIS) AND ACTUAL**  
**TRANSPORTATION FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Fees for services	\$ 188,160	\$ 248,198	\$ 269,011	\$ 20,813
Intergovernmental	<u>109,876</u>	<u>64,838</u>	<u>10,158</u>	<u>(54,680)</u>
Total Revenues	<u>298,036</u>	<u>313,036</u>	<u>279,169</u>	<u>(33,867)</u>
Expenditures				
Health and welfare	<u>298,036</u>	<u>313,036</u>	<u>310,280</u>	<u>(2,756)</u>
Total Expenditures	<u>298,036</u>	<u>313,036</u>	<u>310,280</u>	<u>(2,756)</u>
Other Financing Sources				
Transfers from General Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	(31,111)	<u>\$ (31,111)</u>
Reconciliation to GAAP Basis				
To record effect of changes in receivables and other assets and payables and other liabilities			26,172	
Fund Balance, beginning of year			<u>1,884</u>	
Fund Balance, end of year			<u>\$ (3,055)</u>	

**MCDUFFIE COUNTY, GEORGIA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –**  
**BUDGET (BUDGETARY BASIS) AND ACTUAL**  
**MULTIPLE GRANT FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Grant revenues	\$ 49,716	\$ 56,823	\$ 49,409	\$ (7,414)
Total Revenues	49,716	56,823	49,409	(7,414)
Expenditures				
Capital outlay	-	-	-	-
Grant expenditures	49,716	56,823	24,410	(32,413)
Total Expenditures	49,716	56,823	24,410	(32,413)
Net Change in Fund Balance	\$ -	\$ -	24,999	\$ 24,999
Reconciliation to GAAP Basis				
To record effect of changes in receivables and other assets and payables and other liabilities			(11,053)	
Fund Balance, beginning of year			14,074	
Fund Balance, end of year			\$ 28,020	

## **FIDUCIARY FUNDS**

Agency funds are used to account for assets that are held by the government as the agent for individuals, private organizations, other governments and/or other funds.

Clerk of Court – to account for the receipt and disbursement of court ordered fines and fees made on behalf of third parties.

Probate Court – to account for the receipt and disbursement of funds held on behalf of others and fees for services provided under State law.

Sheriff – to account for the receipt and disbursement of fees and services provided under State law.

Tax Commissioner - to account for tax billings, collections, and remittances held by the Tax Commissioner on behalf of other governmental agencies.

Magistrate's Court – to account for the receipt and disbursement of bonds and court ordered fines and fees made on behalf of third parties.

**MCDUFFIE COUNTY, GEORGIA**  
**COMBINING BALANCE SHEET**  
**FIDUCIARY FUNDS**  
**DECEMBER 31, 2020**

	Agency Funds					
	Clerk of Court	Probate Court	Sheriff	Tax Commissioner	Magistrate Court	Total
<b>Assets</b>						
Assets						
Cash	\$ 398,551	\$ 52,536	\$ 36,541	\$ 317,053	\$ 25,480	\$ 830,161
Total Assets	<u>\$ 398,551</u>	<u>\$ 52,536</u>	<u>\$ 36,541</u>	<u>\$ 317,053</u>	<u>\$ 25,480</u>	<u>\$ 830,161</u>
<b>Liabilities</b>						
Liabilities						
Due to General Fund	\$ 25,545	\$ 25,134	\$ -	\$ 78,287	\$ 4,278	\$ 133,244
Due to others	<u>373,006</u>	<u>27,402</u>	<u>36,541</u>	<u>238,766</u>	<u>21,202</u>	<u>696,917</u>
Total Liabilities	<u>\$ 398,551</u>	<u>\$ 52,536</u>	<u>\$ 36,541</u>	<u>\$ 317,053</u>	<u>\$ 25,480</u>	<u>\$ 830,161</u>

**MCDUFFIE COUNTY, GEORGIA**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**FIDUCIARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	Agency Funds					
	Clerk of Court	Probate Court	Sheriff	Tax Commissioner	Magistrate Court	Total
<b>Assets</b>						
Cash						
Balance at beginning of year	\$ 272,069	\$ 36,661	\$ 53,814	\$ 268,043	\$ 26,531	\$ 657,118
Additions	882,991	704,835	503,254	22,216,146	147,148	24,454,374
Deletions	<u>756,509</u>	<u>688,960</u>	<u>520,527</u>	<u>22,167,136</u>	<u>148,199</u>	<u>24,281,331</u>
Balance at end of year	<u>398,551</u>	<u>52,536</u>	<u>36,541</u>	<u>317,053</u>	<u>25,480</u>	<u>830,161</u>
Total Assets	<u>\$ 398,551</u>	<u>\$ 52,536</u>	<u>\$ 36,541</u>	<u>\$ 317,053</u>	<u>\$ 25,480</u>	<u>\$ 830,161</u>
<b>Liabilities</b>						
Due to others						
Balance at beginning of year	\$ 272,069	\$ 36,661	\$ 53,814	\$ 268,043	\$ 26,531	\$ 657,118
Additions	882,991	704,835	503,254	22,216,146	147,148	24,454,374
Deletions	<u>756,509</u>	<u>688,960</u>	<u>520,527</u>	<u>22,167,136</u>	<u>148,199</u>	<u>24,281,331</u>
Balance at end of year	<u>398,551</u>	<u>52,536</u>	<u>36,541</u>	<u>317,053</u>	<u>25,480</u>	<u>830,161</u>
Total Liabilities	<u>\$ 398,551</u>	<u>\$ 52,536</u>	<u>\$ 36,541</u>	<u>\$ 317,053</u>	<u>\$ 25,480</u>	<u>\$ 830,161</u>

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## **SUPPLEMENTARY INFORMATION**

**MCDUFFIE COUNTY, GEORGIA**  
**SCHEDULE OF SPECIAL PURPOSE LOCAL OPTION SALES TAX 2004-2008**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020**

Project: SPLOST IV  
 McDuffie County/City of Thomson, Georgia  
 Town of Dearing, Georgia  
 Street and Capital Outlay Projects

Purpose (in funding sequence)	Estimated Cost	Revised Cost	Prior Years	Current Year	Total	Estimated Percentage of Completion
Funded simultaneously						
<b>City of Thomson</b>						
Ladder truck	517,000	517,000	517,000	-	517,000	100%
Breathing apparatus	65,000	64,242	64,242	-	64,242	100%
T/E Project	260,000	260,000	259,212		259,212	100%
Big Creek	2,515,000	3,370,550	3,370,550		3,370,550	100%
Scada	175,000	143,273	143,273		143,273	100%
Other city water/sewer projects	721,000	130,032	213,469		213,469	164%
<b>Development Authority</b>						
Economic Development	1,900,000	1,710,250	1,369,504		1,369,504	80%
Thomson Company	500,000	689,750	932,966		932,966	135%
<b>McDuffie County</b>						
Boys & Girls Club		117,909	116,894	-	116,894	99%
Water and Sewer	2,906,998	768,145	633,380		633,380	82%
Airport		8,240	10,443		10,443	127%
<b>Road Construction and Improvements</b>	2,721,482	2,795,178	2,748,493		2,748,493	98%
<b>Recreation</b>	2,500,000	2,453,644	2,512,123		2,512,123	102%
Technology	50,000		-		-	-
Land		25,621	25,709		25,709	100%
<b>Public Safety</b>						
Pumpers (2)	243,992	34,440		-	-	0%
Fire Station #1	1,044,114	1,086,477	1,179,433	-	1,179,433	109%
Fire Station #6	-		-	-	-	
Brush trucks (2)	-	61,340	61,340	-	61,340	100%
Rescue Truck	61,340		-	-	-	
Information Technology	50,000		-	-	-	
Gear	520	47,810	59,938		59,938	125%
<b>Government Complex</b>	1,600,000	2,514,038	2,524,871		2,524,871	100%
Government Complex	100,000	101,552	97,255	-	97,255	96%
<b>Senior Citizens Center</b>						
Senior Citizens Center		23,397	23,685		23,685	101%
<b>Department Family &amp; Children</b>						
Improvements		3,999	3,999		3,999	100%
Advertising Costs			1,170	390	1,560	
<b>McDuffie County Hospital</b>						
Ambulances (3)	270,000	234,630	234,630		234,630	100%
Cardiac monitor		41,928	41,928		41,928	100%
Hospital Expansion	1,000,000	1,000,000	1,000,000		1,000,000	100%
<b>Town of Dearing</b>						
Fire Station		25,000	25,000		25,000	100%
Gym Renovations		78,331	78,331		78,331	100%
Totals	\$ 19,201,446	\$ 18,306,776	\$ 18,248,838	\$ 390	\$ 18,249,228	



**MCDUFFIE COUNTY, GEORGIA**  
**SCHEDULE OF SPECIAL PURPOSE LOCAL OPTION SALES TAX 2009-2014**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020**

Purpose (in funding sequence)	Original Estimated Cost	Revised Estimated Cost	Prior Years	Current Year	Total	Estimated Percentage of Completion
Funded simultaneously						
<b><u>City of Thomson</u></b>						
City Street Resurfacing	700,000	630,000	624,385		624,385	99%
City Fire Engine	300,000	283,997	283,997		283,997	100%
City Station #2 improvements	100,000	50,000	-		-	0%
Skate Park	300,000	198,554	198,554		198,554	100%
Walking Track	25,000	23,523	23,523		23,523	100%
<b><u>Water/Sewer</u></b>						
Water Line Replacement	120,000	98,918	98,917		98,917	100%
Sewer Plant Improvement	1,000,000	1,000,468	1,022,409		1,022,409	102%
Usry Pond Improvement	750,000	-	-		-	0%
Augusta Road Plant Project	1,250,000	255,481	224,739		224,739	88%
Raising Usry Pond Dam	690,000	-	-		-	0%
Big Creek		34,590	34,590		34,590	100%
De-watering Project		988,276	988,278		988,278	100%
<b><u>Development Authority</u></b>						
Land Development	250,000	75,000	81,349	27,443	108,792	145%
Land Acquisition	250,000	75,000	-		-	0%
Thomson Company Redevelopment	250,000	150,000	126,430		126,430	84%
Infrastructure	150,000	240,000	293,917		293,917	122%
Information Technology	50,000	50,000	68,174		68,174	136%
Landscaping/Signage	50,000	10,000	-		-	0%
<b><u>McDuffie County</u></b>						
<b><u>Government Center Complex</u></b>						
Government Center	11,510,428	12,229,377	10,189,507		10,189,507	83%
<b><u>Roads &amp; Streets</u></b>						
County Road Resurfacing	1,800,000	1,620,000	1,608,562		1,608,562	99%

**MCDUFFIE COUNTY, GEORGIA**  
**SCHEDULE OF SPECIAL PURPOSE LOCAL OPTION SALES TAX 2009-2014**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020**

(Continued)

Purpose (in funding sequence)	Original Estimated Cost	Revised Estimated Cost	Prior Years	Current Year	Total
<b>Airport</b>					
Runway Overlay	200,000	160,000	169,269	169,269	106%
<b>Recreation</b>					
Restrooms @ Sweetwater Park Football	75,000	71,712	71,712	71,712	100%
Bleachers for Gym @ Sweetwater Park	57,000	42,594	42,594	42,594	100%
Outdoor Bleachers Cover for Shade	75,000			-	0%
Walking Track Improvements @ Sweetwater	60,000	14,709	14,709	14,709	100%
Recreation other	690,000	150,673	167,927	167,927	111%
Land Acquisition for City Parks	108,000	91,081	91,200	91,200	100%
<b>Information Technology</b>					
New Computer Applications & Improvements	500,000	500,000	500,000	500,000	100%
<b>Public Safety</b>					
EMS, 2 Ambulances	225,000	225,000	225,000	225,000	100%
County Fire Engine	300,000	291,621	291,621	291,621	100%
County Brush Truck	100,000	105,452	100,673	100,673	95%
County Fire Service Truck	150,000	59,809	64,588	64,588	108%
County Station #4	150,000	176,622	176,788	176,788	100%
Advertising Costs			1,268	312	1,580
Banking fees			50		50
<b>McDuffie County Hospital</b>					
New Inpatient Unit (Partial for Debt Service)	3,000,000	500,000	500,000	500,000	100%
<b>Town of Dearing</b>					
City Hall Playground Area &		78,816	78,816	78,816	100%
Bill Eubanks Improvement	150,000	5,913	5,913	5,913	100%
Totals	<u>\$ 25,385,428</u>	<u>\$ 20,487,186</u>	<u>\$ 18,369,459</u>	<u>\$ 27,755</u>	<u>\$ 18,397,214</u>

**MCDUFFIE COUNTY, GEORGIA**  
**SCHEDULE OF SPECIAL PURPOSE LOCAL OPTION SALES TAX 2015-2019**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020**

Project: SPLOST VI  
 McDuffie County/City of Thomson, Georgia  
 Town of Dearing, Georgia  
 Street and Capital Outlay Projects

Purpose (in funding sequence)	Original Estimated Cost	Revised Estimated Cost	Prior Years	Current Year	Total	Estimated Percentage of Completion
Funded simultaneously						
<b><u>CITY OF THOMSON</u></b>						
City HVAC, Lighting, Plumbing	96,000	96,000				0%
City shop improvements	150,000	150,000				0%
City fire protection equipment	400,000	400,000				0%
Capital Equipment - City	140,000	140,000				0%
Grant Match for storm water improvements	75,000	75,000				0%
City Street Improvements/Equipment	715,040	715,040	244,406	4,500	248,906	35%
Fire station facilities improvements	350,000	350,000		3,683	3,683	1%
<b>Water/Sewer</b>						
Capital Equipment, Water and Sewer Distribution	80,000	80,000		29,850	29,850	37%
Sewer Main Improvements and Grant Match	250,000	250,000	248,779		248,779	100%
Vacuum Truck for clearing	150,000	150,000		125,142	125,142	83%
Sewer plant improvements						0%
Sludge Dewatering	750,000	750,000				0%
Headworks Improvements	350,000	350,000				0%
Generator	75,000	75,000				0%
<b><u>DEVELOPMENT AUTHORITY</u></b>						
Industrial Capital Improvements	500,000	500,000				0%
Rock House Improvements	450,000	450,000	12,032		12,032	3%
<b><u>MCDUFFIE COUNTY</u></b>						0%
<b>Airport</b>						
Airport Infrastructure improvements and grant match	150,000	150,000	147,250	5,445	152,695	102%
<b>Energy Efficiency Improvement Projects</b>						
County HVAC, Lighting, Plumbing	204,000	204,000	64,200		64,200	31%
<b>Government Center Complex</b>						
Government Center Debt	11,556,151	11,556,151	5,589,324	1,872,600	7,461,924	65%
<b>Information Technology</b>						
SCADA Upgrades	75,000	75,000		1,147	1,147	2%
Computer applications and improvements	100,000	100,000	162,547	11,306	173,853	174%
<b>County Maintenance Shop</b>						
County shop improvements	160,000	160,000				0%

**MCDUFFIE COUNTY, GEORGIA**  
**SCHEDULE OF SPECIAL PURPOSE LOCAL OPTION SALES TAX 2015-2019**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020**

**Public Safety**

Law enforcement center improvements	1,900,000	1,900,000	1,900,000		1,900,000	100%
Fire stations	100,000	100,000	100,000		100,000	100%
County Fire Protection equipment	800,000	800,000		386,860	386,860	48%
Ambulances (2)	250,000	250,000	210,454		210,454	84%
Animal Shelter	40,000	40,000				0%
Air Compressor	45,000	45,000				0%

**Recreation**

Recreation Facilities	400,000	400,000	412,660		412,660	103%
Recreation Equipment	215,000	215,000	44,073		44,073	20%

**Roads/Streets**

Capital Equipment - County	300,000	300,000				0%
County Road Improvements/Equipment	1,781,960	1,781,960	143,781	285,021	428,802	24%

**Solid Waste**

Current station replacement	100,000	100,000				0%
Inert landfill improvements	200,000	200,000				0%

**TOWN OF DEARING**

Dearing fire equipment	15,000	15,000				0%
Dearing recreation	77,000	77,000				0%

Advertising Costs			1,370	351	1,721	
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TOTALS	<u>\$ 23,000,151</u>	<u>\$ 23,000,151</u>	<u>\$ 9,280,876</u>	<u>\$ 2,725,904</u>	<u>\$ 12,006,781</u>	
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**MCDUFFIE COUNTY, GEORGIA**  
**SCHEDULE OF SPECIAL PURPOSE LOCAL OPTION SALES TAX 2015-2019**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020**

Project: Community Development Block Grant  
Public Facilities: Community Housing Investment Program  
Grant Number: CH16YMCDU-05  
Commencement of Project : September 2008

<u>Purpose</u>	<u>Original Estimated Cost</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>	<u>Estimated Percentage of Completion</u>
Improvements	<u>\$ 45,000</u>	<u>\$ -</u>	<u>\$ 30,534</u>	<u>\$ 30,534</u>	68%

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## INDEPENDENT AUDITORS' 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  
McDuffie 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 business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of McDuffie County, Georgia, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise McDuffie County, Georgia's basic financial statements and have issued our report thereon dated June 18, 2021. Our report includes a reference to other auditors who audited the financial statements of McDuffie County Health Department, as described in our report on the McDuffie 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.

### **Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered McDuffie 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 McDuffie County, Georgia's internal control. Accordingly, we do not express an opinion on the effectiveness of the McDuffie 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.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether McDuffie County, Georgia's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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*.

McDuffie County, Georgia

Page 2

**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.

A handwritten signature in black ink that reads "Baird Audit Group, LLC". The script is cursive and fluid.

The Baird Audit Group, LLC  
Certified Public Accountants

Augusta, Georgia  
June 18, 2021



## **COMPLIANCE SECTION**

**MCDUFFIE COUNTY**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

<b>Federal Grantor/ Pass Thru Grantor/ Program Title</b>	<b>Federal CFDA Number</b>	<b>Grantor/ Contract Number</b>	<b>Expenditures</b>	<b>Expenditures</b>
<u>U.S. Department of Transportation</u>				
(Passed through Georgia Department of Transportation)				
Transit Operating Assistance	20.509	2086-00-25-8202.0452		\$166,195
Transit Operating Assistance	20.509	2086-00-25-8202.0452		\$139,708
				<u>\$305,903</u>
Transportation Services	20.509	T0066181- FY20		\$6,348
Transportation Services	20.509	T0066181- FY21		\$0
				<u>\$6,348</u>
<b>Total U.S. Department of Transportation</b>				<u>\$312,251</u>
<u>U.S. Department of Health &amp; Human Services</u>				
(Passed through CSRA Regional Development Center)				
Title III/Social Service Block Grant	93.044	19-08-0452		\$7,778
				<u>\$7,778</u>
(Passed through Economic Opportunities Authority)				
Community Block Grant/EOA Nutrition	93.569	FY21		\$5,916
Community Block Grant/EOA Nutrition	93.569	FY20		\$8,195
				<u>\$14,111</u>
COVID 19 - CARES Act	21.019	14816-CRF-2020		\$666,446
COVID 19 - CARES Act Provider Relief Fund	93.498	P3-36730975999		\$45,412
				<u>\$711,858</u>
Total U.S. Department of Health & Human Services				<u>\$733,747</u>
(Passed through Department of Housing & Urban Development)				
Special Project Appropriations	14.239	CH16YMCDU-05		\$30,534
Total U.S. Department of Housing & Urban Development				<u>\$30,534</u>
				<u><u>\$1,076,532</u></u>
Total Expenditures of Federal Awards				

**MCDUFFIE COUNTY**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 30, 2020**

**NOTE 1 BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of McDuffie County, Georgia (the County) under programs of the federal government for the year ended December 31, 2020. The information in the schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

**NOTE 3 NON-CASH AWARDS**

The County did not receive any non-cash federal awards during the year ended December 31, 2020.

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Commissioners  
McDuffie County, Georgia

**Report on Compliance for Each Major Federal Program**

We have audited McDuffie County, Georgia's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of McDuffie County, Georgia's major federal programs for the year ended December 31, 2020. McDuffie County, Georgia's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditors' Responsibility***

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

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

***Opinion on Each Major Federal Program***

In our opinion, McDuffie County, Georgia complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2020.

**Report on Internal Control over Compliance**

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

McDuffie County, Georgia

Page 2

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink that reads "Baird Audit Group, LLC". The script is cursive and fluid.

The Baird Audit Group, LLC  
Certified Public Accountants

Augusta, Georgia  
June 18, 2021

**MCDUFFIE COUNTY, GEORGIA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

**I. Summary of Auditors' Results**

- A. The auditors' report expresses an unmodified opinion on the financial statements of McDuffie County, Georgia.
- B. No significant deficiencies were disclosed during the audit of the financial statements.
- C. No instances of noncompliance material to the financial statements of McDuffie County, Georgia, which would be required to be reported in accordance with Government Auditing Standards, were disclosed during the audit.
- D. No significant deficiencies in internal controls over major federal award programs were disclosed during the audit.
- E. The auditors' report on compliance for the major federal award programs for McDuffie County, Georgia expresses an unmodified opinion on all major federal programs.
- F. Audit findings that are required to be reported in accordance with the Uniform Guidance are reported in this schedule.
- G. Major federal program for McDuffie County, Georgia for the fiscal year ended December 31, 2020, are:

<u>Program Name</u>
Covid 19 - Cares Act

<u>CFDA#</u>
21.019

- H. The threshold for determining Type A programs for McDuffie County, Georgia is \$750,000. The program listed above was a type B program.
- I. McDuffie County qualified as a low- risk auditee but high-risk auditee for the major federal program.