

BRYAN COUNTY, GEORGIA

FINANCIAL REPORT

**FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2022**

BRYAN COUNTY, GEORGIA
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

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INDEPENDENT AUDITOR'S REPORT

**Board of Commissioners
of Bryan County, Georgia
Pembroke, Georgia**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of **Bryan County, Georgia** (the "County"), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of 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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County as of December 31, 2022, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund, Unincorporated Services Fund, and American Rescue Plan Act ("ARPA") Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Bryan County Board of Health and the Development Authority of Bryan County, discretely presented component units, which represent 2.1% and 63.4%, respectively, of the assets, 1.6% and 99.5%, respectively, of the net position, and 7.7% and 92.3%, respectively, of the revenues of the aggregate discretely presented component units as of December 31, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinions, insofar as it relates to the amounts included for the Bryan County Board of Health and the Development Authority of Bryan County.

Basis for Opinion

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 ("*Government Auditing Standards*"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle

The County implemented Governmental Accounting Standards Board Statement No. 87, *Leases*, as of January 1, 2022 which significantly changed the reporting of the County's leases. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.

-
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
 - Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis ("MD&A") on pages 5 through 12, Schedule of Changes in the Net Pension Liability and Related Ratios, Schedule of County Contributions for the employee's retirement plan, and Schedule of Changes in the Total OPEB Liability and Related Ratios, on pages 67 through 72 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The comparative statements and schedules and the combining and individual fund statements and schedules as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for the purposes of additional analysis as required by Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements of the County. The accompanying schedules of projects funded with special sales and transportation sales tax proceeds are presented for purposes of additional analysis as required by the Official Code of Georgia Annotated ("O.C.G.A.") §48-8-121 and §48-8-269.5 and are also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit and the report of other auditors, the comparative statements and schedules, the combining and individual fund financial and statements and schedules, the schedules of projects funded with special sales and transportation sales tax proceeds, and the Schedule of Expenditures of Federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2023, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Bryan County, Georgia's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Savannah, Georgia
December 14, 2023

BRYAN COUNTY, GEORGIA

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2022

Within this section of the Bryan County, Georgia (the "County") annual financial report, the County's management is pleased to provide this narrative Management Discussion and Analysis ("MD&A") of the financial activities of the County for the fiscal year ended December 31, 2022. The County's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section. The discussion focuses on the County's primary government and, unless otherwise noted, component units reported separately from the primary government are not included.

Financial Highlights

- The County's assets exceeded its liabilities by \$129,543,471 (net position) for the fiscal year reported.
- Total net position is comprised of the following:
 1. Net investment in capital assets of \$87,382,424 includes property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets.
 2. Net position of \$38,318,330 is restricted by constraints imposed from outside the County such as debt covenants, grantors, laws, or regulations.
 3. Unrestricted net position of \$3,842,717 represents the portion available to maintain the County's continuing obligations to citizens and creditors.
- The County's governmental funds reported total ending fund balance of \$69,064,071 this year. This compares to the prior year ended fund balance of \$43,754,982 showing an increase of \$25,309,089, or 58% during the current year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$29,758,007, or 82% of total General Fund expenditures.
- Overall, the County continues to maintain a strong financial position.

Overview of the Financial Statements

This MD&A document introduces the County's basic financial statements. The basic financial statements include: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. The County also includes in this report additional information to supplement the basic financial statements. Comparative data is presented when available.

Government-wide Financial Statements

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

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

Both government-wide financial statements distinguish governmental activities of the County that are principally supported by fees, charges for services, grants, and property taxes from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. The major governmental activities include general government, judicial, public safety, public works, health and welfare, libraries and recreation, and housing and development. Business-type activities include the water and sewer enterprise fund. The County's fiduciary activities simply hold resources temporarily for others and are not included in the government-wide statements since these assets are not available to fund County programs.

The County's financial reporting includes the funds of the County (primary government) and, additionally, organizations for which the County is accountable (component units). These component units operate independently or provide services directly to the citizens, though the County remains accountable for their activities. These component units are governed by a board of directors that the County Commission has appointed. These organizations, such as the Bryan County Board of Health, Development Authority of Bryan County, and the Bryan County Public Facilities Authority, are reported separately from the primary government though included in the County's overall reporting entity.

The government-wide financial statements are presented on pages 13 and 14 of this report.

Fund Financial Statements

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

The County has three types of funds:

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

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

The basic governmental fund financial statements are presented on pages 15 – 24 of this report.

Individual fund information for nonmajor governmental funds is found in combining statements in a later section of this report.

2. *Proprietary funds* are reported in the fund financial statements and generally report services for which the County charges customers a fee. The County's proprietary fund is classified as an enterprise fund. This enterprise fund essentially encompasses the same functions reported as business-type activities in the government-wide statements. Services are provided to customers external to the County organization for water and sewer services.

The basic fund financial statements are presented on pages 25 – 27 of this report.

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

The basic fiduciary fund financial statements are presented on pages 28 and 29 of this report.

Notes to the Basic Financial Statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 30 of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Supplementary Information

In addition to the basic financial statements and accompanying note disclosures, this report also presents certain required supplementary information concerning the County's budget presentations. The budgetary comparison statement is included as a basic financial statement for the General Fund and Unincorporated Services Special Revenue Fund. Budgetary comparison schedules for all other governmental funds can be found in a later section of this report. These statements and schedules demonstrate compliance with the County's adopted and final revised budget.

As discussed, the County reports major funds and component units in the basic financial statements. Combining and individual statements and schedules for major and nonmajor funds are presented in this section of this report beginning on page 79.

Financial Analysis of the County as a Whole

The County's net position at fiscal year-end is \$129,543,471. The following table provides a summary of the County's net position:

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current and other assets:	\$ 81,357,292	\$ 50,342,491	\$ 33,666,280	\$ 29,470,999	\$ 115,023,572	\$ 79,813,490
Capital assets	86,864,240	77,841,320	35,995,154	16,319,582	122,859,394	94,160,902
Total assets	<u>168,221,532</u>	<u>128,183,811</u>	<u>69,661,434</u>	<u>45,790,581</u>	<u>237,882,966</u>	<u>173,974,392</u>
Deferred outflows of resources	2,574,288	3,192,827	-	-	2,574,288	3,192,827
Current liabilities	15,939,081	9,883,370	9,236,516	3,187,082	25,175,597	13,070,452
Long-term liabilities outstanding	47,974,784	31,195,069	34,480,345	27,072,000	82,455,129	58,267,069
Total liabilities	<u>63,913,865</u>	<u>41,078,439</u>	<u>43,716,861</u>	<u>30,259,082</u>	<u>107,630,726</u>	<u>71,337,521</u>
Deferred inflows of resources	3,283,057	1,701,750	-	-	3,283,057	1,701,750
Net position:						
Net investment in capital assets	63,091,765	64,640,131	24,290,659	12,056,432	87,382,424	76,696,563
Restricted	38,318,330	18,177,319	-	1,377,200	38,318,330	19,554,519
Unrestricted	2,188,803	5,778,999	1,653,914	2,097,867	3,842,717	7,876,866
Total net position	<u>\$ 103,598,898</u>	<u>\$ 88,596,449</u>	<u>\$ 25,944,573</u>	<u>\$ 15,531,499</u>	<u>\$ 129,543,471</u>	<u>\$ 104,127,948</u>

The County continues to maintain a high current ratio. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. For 2022 and 2021, the current ratio was 4.6 and 6.1, respectively.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Note that approximately 67% of the County's net position is invested in capital assets. The County uses these capital assets to provide services to its citizens.

The following table provides a summary of the changes in net position, with comparative data for both 2022 and 2021.

Bryan County's Changes in Net Position						
	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues						
Program revenues:						
Charges for services	\$ 8,974,945	\$ 7,895,098	\$ 2,781,605	\$ 2,216,989	\$ 11,756,550	\$ 10,112,087
Operating grants and contributions	3,278,568	10,466,918	-	-	3,278,568	10,466,918
Capital grants and contributions	977,645	614,856	5,870,131	4,424,182	6,847,776	5,039,038
General revenues:						
Property taxes	21,680,984	21,085,160	-	-	21,680,984	21,085,160
Sales taxes	26,120,799	21,875,548	-	-	26,120,799	21,875,548
Insurance premium tax	2,023,744	1,425,892	-	-	2,023,744	1,425,892
Other taxes	2,976,337	905,734	-	-	2,976,337	905,734
Unrestricted investment earnings	190,932	32,803	154,792	8,618	345,724	41,421
Other revenues	10,397,284	186,795	1,055	-	10,398,339	186,795
Total revenues	76,621,238	64,488,804	8,807,583	6,649,789	85,428,821	71,138,593
Expenses						
General government	11,308,997	8,774,577	-	-	11,308,997	8,774,577
Judicial	4,258,410	3,985,886	-	-	4,258,410	3,985,886
Public safety	16,109,681	15,415,395	-	-	16,109,681	15,415,395
Public works	15,170,590	10,225,236	-	-	15,170,590	10,225,236
Health and welfare	1,132,717	1,102,378	-	-	1,132,717	1,102,378
Libraries and recreation	5,577,106	2,839,905	-	-	5,577,106	2,839,905
Housing and development	2,755,866	11,239,038	-	-	2,755,866	11,239,038
Interest	922,834	833,367	-	-	922,834	833,367
Water and Sewer	-	-	2,777,097	2,244,304	2,777,097	2,244,304
Total expenses	57,236,201	54,415,782	2,777,097	2,244,304	60,013,298	56,660,086
Change in net position before transfers	19,385,037	10,073,022	6,030,486	4,405,485	25,415,523	14,478,507
Transfers	(4,382,588)	1,095,389	4,382,588	(1,095,389)	-	-
Change in net position	15,002,449	11,168,411	10,413,074	3,310,096	25,415,523	14,478,507
Net position, beginning of year	88,596,449	77,428,038	15,531,499	12,221,403	104,127,948	89,649,441
Net position, end of year	\$ 103,598,898	\$ 88,596,449	\$ 25,944,573	\$ 15,531,499	\$ 129,543,471	\$ 104,127,948

Total revenues increased by \$14,290,228, or 20% from the previous year. Property and sales taxes provided 56% of the County's total revenues. Governmental program revenues cover 23% of governmental operating expenses. The increase in the County's net position is the result of increased sales taxes, and other revenues.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Total expenses increased by \$3,353,212, or 6% over the previous year. Total expenses for business-type activities increased by \$532,793, or 24% from the prior year. The public safety function comprises 27% of the County's total expenses. Public works costs represent 25% of the total expenses. Of the total \$60,013,298 in County expenses, \$5,156,450, or 9% consists of depreciation.

Financial Analysis of the County's Funds

Governmental Funds

As discussed, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$69,064,071, compared to \$43,754,982 in 2021. Of this year-end total, \$29,753,377 is unassigned indicating availability for continuing County service requirements.

The total ending fund balances of governmental funds show an increase of \$25,309,089 or 58% from the prior year. In fiscal year 2021, the total ending fund balances of governmental funds increased by \$8,943,107 or 26%.

Major Governmental Funds

The General Fund is the County's primary operating fund and the largest source of day-to-day service delivery. The General Fund's fund balance increased by \$4,831,612, or 19%. In fiscal year 2021, the fund balance increased by \$4,406,878, or 21%.

The General Fund revenues increased by \$3,331,687, or 9%. Taxes increased \$1,979,513, or 9% (primarily sales taxes). Miscellaneous revenue increased \$10,205,978 primarily due to insurance reimbursements for damaged properties incurred from the April 5, 2021 tornado.

The General Fund expenditures increased by \$1,823,129, or 5%. Public works expenditures increased \$7,457,270, or 255% due to damage repairs to County facilities as a result of the April 5, 2021 tornado. Public safety expenditures increased \$1,562,489, or 15%. Housing and development expenditures decreased \$8,999,000, or 92%.

The General Fund's ending fund balance is considered very adequate, representing the equivalent of 82% of annual expenditures and transfers out.

In 2018, the County established the new Unincorporated Services Special Revenue Fund to account for revenues and expenditures for services that are primarily for the benefit of residents and property owners in the unincorporated areas. This fund had total revenues of \$8,954,452 and total expenditures of \$7,294,936 for fiscal year 2022. Ending fund balance was \$4,103,032, an increase of \$1,301,916, or 46%.

MANAGEMENT'S DISCUSSION AND ANALYSIS

In 2021, the County established the new American Rescue Plan Act ("ARPA") Fund to account for monies received from the Coronavirus State and Local Fiscal Recovery Funds program. This fund had total revenues of \$2,338,483 and total expenditures of \$87,286, as well as transfers out to other funds of \$2,251,197 for fiscal year 2022. Ending fund balance was \$3,262.

In the Special Purpose Local Option Sales Tax ("SPLOST") VII and Transportation Special Purpose Local Option Sales Tax ("TSPLOST") Capital Projects Fund, the County recognized \$11,730,973, and \$9,751,190, respectively, in sales tax revenue. Total SPLOST VII revenue increased by \$3,342,572, or 38%. Total expenditures for capital projects and debt service within the SPLOST VII capital projects fund totaled \$19,143,530 for 2022, an increase of \$10,966,946, or 134%, primarily due to capital outlay expenses related to recreation and water/sewer. Total expenditures for capital projects and debt service within the TSPLOST Capital Projects Fund totaled \$7,011,079 for 2022, an increase of \$594,699, or 9%.

The SPLOST VII capital projects fund's ending fund balance increased \$383,301, or 8%, and the TSPLOST capital projects fund's ending fund balance increased \$18,075,088, or 223%.

In 2019, the County established the new Impact Fees Capital Projects Fund to account for the impact fees collected and the related capital improvements to ensure adequate public facilities are available to serve new growth within the County. This fund had total revenues of \$1,082,195 and total expenditures of \$5,460 for fiscal year 2022. Ending fund balance was \$790,887.

General Fund Budgetary Highlights

Total revenues for the General Fund were \$3,788,596 over the amount budgeted. Total expenditures for the General Fund were \$1,323,693 under budget. The total favorable variance for 2022 compared to budget was \$4,831,612.

Capital Assets and Debt Administration

Capital Assets

The County's investment in capital assets, net of accumulated depreciation, for governmental and business-type activities as of December 31, 2022, was \$63,091,765 and \$24,290,659, respectively, for a total of \$87,382,424. Net capital assets for governmental activities decreased \$1,548,366 and net capital assets for business-type activities increased \$12,234,227 from the prior year. Major capital asset additions during the current fiscal year were as follows:

1. Road projects totaling \$3,255,351
2. Gymnasium and turf field totaling \$6,607,016
3. Water and sewer expansion projects totaling \$17,594,875

MANAGEMENT'S DISCUSSION AND ANALYSIS

Bryan County's Capital Assets (net of accumulated depreciation)

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 5,305,037	\$ 5,305,037	\$ 1,381,101	\$ 1,381,101	\$ 6,686,138	\$ 6,686,138
Construction in progress	9,546,311	1,667,553	24,733,593	4,479,321	34,279,904	6,146,874
Buildings	14,070,578	14,622,537	-	-	14,070,578	14,622,537
Improvements other than buildings	5,875,196	6,376,026	-	-	5,875,196	6,376,026
Machinery and equipment	9,246,043	9,115,294	249,722	339,391	9,495,765	9,454,685
Infrastructure	41,889,592	40,754,873	9,630,738	10,119,769	51,520,330	50,874,642
Lease assets	931,483	-	-	-	931,483	-
Total	\$ 86,864,240	\$ 77,841,320	\$ 35,995,154	\$ 16,319,582	\$ 122,859,394	\$ 94,160,902

See Note 5 for additional information about changes in capital assets during the fiscal year.

Long-term Debt

The County's governmental activities reported financed purchases payable of \$24,809,445, leases payable of \$1,060,562, and bonds payable of \$16,399,000. Total long-term debt for governmental activities increased by \$19,187,655, or 81% from the prior year.

Total long-term debt outstanding for business-type activities increased by \$7,441,345 from the prior year due to additional draws of the Georgia Environmental Finance Authority ("GEFA") loan during the year.

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Bonds payable	\$ 16,399,000	\$ 2,402,000	\$ 27,072,000	\$ 29,210,000	\$ 43,471,000	\$ 31,612,000
Notes payable	530,813	653,573	9,579,345	-	10,110,158	653,573
Financed purchases payable	24,809,445	20,556,592	-	-	24,809,445	20,556,592
Leases payable	1,060,562	-	-	-	1,060,562	-
Compensated absences	1,339,664	1,088,545	-	-	1,339,664	1,088,545
Landfill closure and post-closure costs	290,000	270,000	-	-	290,000	270,000
Total	\$ 44,429,484	\$ 24,970,710	\$ 36,651,345	\$ 29,210,000	\$ 81,080,829	\$ 54,180,710

See Note 6 for additional information about the County's long-term debt.

Economic Factors and Next Year's Budget

The General Fund budget for 2023 reflects a \$4,457,200 increase in operational expenditures or a 15% increase from the 2022 original budget.

Contacting the County's Financial Management

This financial report is designed to provide a general overview of the County's finances, comply with finance-related laws and regulations, and demonstrate the County's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the Bryan County Board of Commissioners at P.O. Box 430, Pembroke, Georgia, 31321, or at (912) 653-5252.

BASIC FINANCIAL STATEMENTS

BRYAN COUNTY, GEORGIA

**STATEMENT OF NET POSITION
DECEMBER 31, 2022**

	Primary Government			Component Units		
	Governmental Activities	Business-type Activities	Total	Bryan County Board of Health	Bryan County Public Facilities Authority	Development Authority of Bryan County
ASSETS						
Cash and cash equivalents	\$ 35,935,747	\$ -	\$ 35,935,747	\$ 987,411	\$ 4,214,055	\$ 19,005,844
Restricted cash	19,027,345	1,005,604	20,032,949	-	-	-
Restricted investments	17,367,017	24,104,658	41,471,675	-	-	-
Taxes receivable	762,974	-	762,974	-	-	-
Accounts receivable, net of allowances	596,487	9,900,977	10,497,464	8,377	-	-
Leases receivable	333,212	-	333,212	-	12,806,566	759,791
Due from other governments	3,469,944	-	3,469,944	20,783	-	-
Internal balances	3,375,464	(3,375,464)	-	-	-	-
Inventories	39,281	-	39,281	-	-	-
Prepaid items	449,821	2,030,505	2,480,326	-	-	-
OPEB asset	-	-	-	8,016	-	-
Capital assets, non-depreciable	14,851,348	26,114,694	40,966,042	-	-	10,553,320
Capital assets, depreciable, net	72,012,892	9,880,460	81,893,352	1,257	-	1,001,472
Total assets	<u>168,221,532</u>	<u>69,661,434</u>	<u>237,882,966</u>	<u>1,025,844</u>	<u>17,020,621</u>	<u>31,320,427</u>
DEFERRED OUTFLOWS OF RESOURCES						
Other post-employment benefits	574,445	-	574,445	-	-	-
Pension	1,999,843	-	1,999,843	182,881	-	-
Total deferred outflows of resources	<u>2,574,288</u>	<u>-</u>	<u>2,574,288</u>	<u>182,881</u>	<u>-</u>	<u>-</u>
LIABILITIES						
Accounts payable	2,590,306	6,771,883	9,362,189	158	-	187,668
Performance bonds liability	1,847,247	-	1,847,247	-	-	-
Accrued interest payable	257,203	-	257,203	-	17,106	11,108
Accrued liabilities	2,194,644	140,327	2,334,971	-	-	-
Customer deposits	-	153,306	153,306	-	-	-
Unearned revenue	4,919,175	-	4,919,175	-	-	5,000
Due to other governments	12,071	-	12,071	-	-	-
Financed purchases due within one year	2,197,287	-	2,197,287	-	-	-
Financed purchases due in more than one year	22,612,158	-	22,612,158	-	-	-
Compensated absences due within one year	267,933	-	267,933	11,225	-	-
Compensated absences due in more than one year	1,071,731	-	1,071,731	44,898	-	-
Leases payable due within one year	316,860	-	316,860	-	-	-
Leases payable due in more than one year	743,702	-	743,702	-	-	-
Notes payable due within one year	95,355	-	95,355	-	-	-
Notes payable due in more than one year	435,458	9,579,345	10,014,803	-	-	-
Bonds payable due within one year	1,221,000	2,171,000	3,392,000	-	1,344,000	475,000
Bonds payable due in more than one year	15,178,000	24,901,000	40,079,000	-	15,938,000	6,472,000
Landfill closure and post-closure care due within one year	20,000	-	20,000	-	-	-
Landfill closure and post-closure care costs due in more than one year	270,000	-	270,000	-	-	-
Net pension liability due in more than one year	3,903,903	-	3,903,903	296,789	-	-
OPEB liability due in more than one year	3,759,832	-	3,759,832	-	-	-
Total liabilities	<u>63,913,865</u>	<u>43,716,861</u>	<u>107,630,726</u>	<u>353,070</u>	<u>17,299,106</u>	<u>7,150,776</u>
DEFERRED INFLOWS OF RESOURCES						
Leases	320,982	-	320,982	-	-	751,675
Other post-employment benefits	1,003,908	-	1,003,908	129,641	-	-
Pension	1,958,167	-	1,958,167	337,672	-	-
Total deferred inflows of resources	<u>3,283,057</u>	<u>-</u>	<u>3,283,057</u>	<u>467,313</u>	<u>-</u>	<u>751,675</u>
NET POSITION						
Net investment in capital assets	63,091,765	24,290,659	87,382,424	1,257	-	4,607,792
Restricted for:						
Capital projects	33,363,194	-	33,363,194	-	-	-
Other purposes	4,955,136	-	4,955,136	302,256	-	-
Unrestricted	2,188,803	1,653,914	3,842,717	84,829	(278,485)	18,810,184
Total net position	<u>\$ 103,598,898</u>	<u>\$ 25,944,573</u>	<u>\$ 129,543,471</u>	<u>\$ 388,342</u>	<u>\$ (278,485)</u>	<u>\$ 23,417,976</u>

The accompanying notes are an integral part of these financial statements

BRYAN COUNTY, GEORGIA

**STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022**

Functions/Programs	Program Revenues					Net (Expenses) Revenues and Changes in Net Position				
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Component Units		
								Bryan County Board of Health	Bryan County Public Facilities Authority	Development Authority of Bryan County
Primary government:										
Governmental activities:										
General government	\$ 11,308,997	\$ 5,437,673	\$ 3,278,568	\$ -	\$ (2,592,756)	\$ -	\$ (2,592,756)	\$ -	\$ -	\$ -
Judicial	4,258,410	1,800,140	-	-	(2,458,270)	-	(2,458,270)	-	-	-
Public safety	16,109,681	1,737,132	-	-	(14,372,549)	-	(14,372,549)	-	-	-
Public works	15,170,590	-	-	977,645	(14,192,945)	-	(14,192,945)	-	-	-
Health and welfare	1,132,717	-	-	-	(1,132,717)	-	(1,132,717)	-	-	-
Libraries and recreation	5,577,106	-	-	-	(5,577,106)	-	(5,577,106)	-	-	-
Housing and development	2,755,866	-	-	-	(2,755,866)	-	(2,755,866)	-	-	-
Interest	922,834	-	-	-	(922,834)	-	(922,834)	-	-	-
Total governmental activities	<u>57,236,201</u>	<u>8,974,945</u>	<u>3,278,568</u>	<u>977,645</u>	<u>(44,005,043)</u>	<u>-</u>	<u>(44,005,043)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Business-type activities:										
Water and Sewer	2,777,097	2,781,605	-	5,870,131	-	5,874,639	5,874,639	-	-	-
Total business-type activities	<u>2,777,097</u>	<u>2,781,605</u>	<u>-</u>	<u>5,870,131</u>	<u>-</u>	<u>5,874,639</u>	<u>5,874,639</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 60,013,298</u>	<u>\$ 11,756,550</u>	<u>\$ 3,278,568</u>	<u>\$ 6,847,776</u>	<u>(44,005,043)</u>	<u>5,874,639</u>	<u>(38,130,404)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Component units:										
Bryan County Board of Health	\$ 726,193	\$ 375,327	\$ 389,099	\$ -	-	-	-	38,233	-	-
Bryan County Public Facilities Authority	-	-	-	-	-	-	-	-	47,560	-
Development Authority of Bryan County	2,419,028	115,642	1,607,801	-	-	-	-	-	-	(695,585)
Total component units	<u>\$ 3,145,221</u>	<u>\$ 490,969</u>	<u>\$ 1,996,900</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>38,233</u>	<u>47,560</u>	<u>(695,585)</u>
General revenues:										
Property taxes	-	-	-	-	21,680,984	-	21,680,984	-	-	-
Sales taxes	-	-	-	-	28,144,543	-	28,144,543	-	-	-
Insurance premium tax	-	-	-	-	2,023,744	-	2,023,744	-	-	-
Other taxes	-	-	-	-	952,593	-	952,593	-	-	-
Unrestricted investment earnings	-	-	-	-	190,932	154,792	345,724	-	-	131,978
Gain on sale of capital assets	-	-	-	-	-	-	-	-	-	10,502,836
Miscellaneous	-	-	-	-	10,397,284	1,055	10,398,339	277,855	-	129,688
Transfers	-	-	-	-	(4,382,588)	4,382,588	-	-	-	-
Total general revenues and transfers	-	-	-	-	<u>59,007,492</u>	<u>4,538,435</u>	<u>63,545,927</u>	<u>277,855</u>	<u>-</u>	<u>10,764,502</u>
Change in net position	-	-	-	-	15,002,449	10,413,074	25,415,523	316,088	47,560	10,068,917
Net position, beginning of year	-	-	-	-	88,596,449	15,531,499	104,127,948	72,254	(326,045)	13,349,059
Net position, end of year	-	-	-	-	<u>\$ 103,598,898</u>	<u>\$ 25,944,573</u>	<u>\$ 129,543,471</u>	<u>\$ 388,342</u>	<u>\$ (278,485)</u>	<u>\$ 23,417,976</u>

The accompanying notes are an integral part of these financial statements

BRYAN COUNTY, GEORGIA

**BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2022**

	<u>General</u>	<u>Unincorporated Services</u>	<u>ARPA</u>
ASSETS			
Cash and cash equivalents	\$ 6,060,284	\$ 4,439,403	\$ 5,148,634
Restricted cash	19,027,345	-	-
Investments	2,284,364	-	-
Taxes receivable	477,151	285,823	-
Accounts receivable	427,515	-	-
Lease receivable	333,212	-	-
Due from other governments	1,008,952	-	-
Due from other funds	6,495,618	63,665	-
Inventories	39,281	-	-
Prepaid items	364,957	37,912	-
Total assets	<u>\$ 36,518,679</u>	<u>\$ 4,826,803</u>	<u>\$ 5,148,634</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 1,246,014	\$ 550,451	\$ -
Accrued liabilities	2,194,644	-	-
Performance bonds liability	1,847,247	-	-
Due to other funds	-	-	226,197
Due to other governments	12,071	-	-
Unearned revenue	-	-	4,919,175
Total liabilities	<u>5,299,976</u>	<u>550,451</u>	<u>5,145,372</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenues:			
Property taxes	235,476	173,320	-
Leases	320,982	-	-
Total deferred inflows of resources	<u>556,458</u>	<u>173,320</u>	<u>-</u>
FUND BALANCES			
Fund balances:			
Non-spendable:			
Inventories	39,281	-	-
Prepaid items	364,957	37,912	-
Restricted for:			
Capital projects	-	-	-
Sheriff	-	-	-
Law library	-	-	-
Clerk of courts	-	-	-
Drug education	-	-	-
Jail	-	-	-
Engineering and inspections	-	-	-
Juvenile services	-	-	-
Unincorporated services	-	4,065,120	-
Assigned for:			
Subsequent year budget	500,000	-	-
Public safety	-	-	3,262
Unassigned	29,758,007	-	-
Total fund balances	<u>30,662,245</u>	<u>4,103,032</u>	<u>3,262</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 36,518,679</u>	<u>\$ 4,826,803</u>	<u>\$ 5,148,634</u>

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

<u>SPLOST VII</u>	<u>TSPLOST</u>	<u>Impact Fees</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 6,977,034	\$ 10,268,416	\$ 790,887	\$ 2,251,089	\$ 35,935,747
-	-	-	-	19,027,345
-	15,082,653	-	-	17,367,017
-	-	-	-	762,974
-	-	-	168,972	596,487
-	-	-	-	333,212
1,308,789	1,144,629	-	7,574	3,469,944
-	-	-	-	6,559,283
-	-	-	-	39,281
-	-	-	46,952	449,821
<u>\$ 8,285,823</u>	<u>\$ 26,495,698</u>	<u>\$ 790,887</u>	<u>\$ 2,474,587</u>	<u>\$ 84,541,111</u>
\$ 369,669	\$ 299,397	\$ -	\$ 124,775	\$ 2,590,306
-	-	-	-	2,194,644
-	-	-	-	1,847,247
2,817,076	-	-	140,546	3,183,819
-	-	-	-	12,071
-	-	-	-	4,919,175
<u>3,186,745</u>	<u>299,397</u>	<u>-</u>	<u>265,321</u>	<u>14,747,262</u>
-	-	-	-	408,796
-	-	-	-	320,982
-	-	-	-	729,778
-	-	-	-	39,281
-	-	-	46,952	449,821
5,099,078	26,196,301	790,887	1,276,928	33,363,194
-	-	-	22,805	22,805
-	-	-	101,473	101,473
-	-	-	177,601	177,601
-	-	-	356,246	356,246
-	-	-	153,771	153,771
-	-	-	63,190	63,190
-	-	-	14,930	14,930
-	-	-	-	4,065,120
-	-	-	-	500,000
-	-	-	-	3,262
-	-	-	(4,630)	29,753,377
<u>5,099,078</u>	<u>26,196,301</u>	<u>790,887</u>	<u>2,209,266</u>	<u>69,064,071</u>
<u>\$ 8,285,823</u>	<u>\$ 26,495,698</u>	<u>\$ 790,887</u>	<u>\$ 2,474,587</u>	<u>\$ 84,541,111</u>

BRYAN COUNTY, GEORGIA

RECONCILIATION OF THE STATEMENT OF GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION DECEMBER 31, 2022

Total governmental fund balances:	\$	69,064,071
<p>Amounts reported for governmental activities in the Statement of Net Position are different because of the following:</p> <p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the government funds:</p>		
Cost of assets	\$ 207,017,866	
Accumulated depreciation	<u>(121,085,109)</u>	85,932,757
<p>Lease assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.</p>		
		931,483
<p>Other long-term assets are not available to pay for current period expenditures and, therefore, are unavailable in the funds:</p>		
Property taxes		408,796
<p>Deferred outflows and inflows related to pension and OPEB expense do not consume current financial resources and are, therefore, not reported in the funds:</p>		
Contributions made subsequent to measurement date	\$ 1,453,258	
Differences between expected and actual experience related to pension and OPEB expense	16,470	
Pension and OPEB assumption changes	83,335	
Differences between projected and actual investment earnings	<u>(1,940,850)</u>	(387,787)
<p>Long-term liabilities, including bonds payable and accrued interest, are not due and payable in the current period and, therefore, are not reported in the funds:</p>		
Net pension liability	\$ (3,903,903)	
OPEB liability	(3,759,832)	
Compensated absences payable	(1,339,664)	
Notes payable	(530,813)	
Accrued interest payable	(257,203)	
Leases	(1,060,562)	
Financed purchased	(24,809,445)	
Bonds payable	(16,399,000)	
Landfill postclosure care costs liability	<u>(290,000)</u>	
		<u>(52,350,422)</u>
Net position of governmental activities	\$	<u>103,598,898</u>

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

BRYAN COUNTY, GEORGIA

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022**

	<u>General</u>	<u>Unincorporated Services</u>	<u>ARPA</u>
Revenues			
Taxes	\$ 24,874,410	\$ 6,540,282	\$ -
Licenses and permits	5,608	1,576,318	-
Charges for services	2,865,546	-	-
Fines and forfeitures	1,800,140	-	-
Intergovernmental	905,604	835,553	2,280,816
Interest income	131,684	-	57,667
Miscellaneous	10,390,504	2,299	-
Total revenues	<u>40,973,496</u>	<u>8,954,452</u>	<u>2,338,483</u>
Expenditures			
Current:			
General government	5,906,284	548	-
Judicial	2,803,967	-	-
Public safety	12,241,700	3,173,315	87,286
Public works	10,379,175	1,844,171	-
Health and welfare	1,093,040	51,373	-
Libraries and recreation	3,032,554	-	-
Housing and development	729,897	2,027,660	-
Intergovernmental	-	-	-
Capital outlay	-	190,794	-
Debt service:			
Principal	168,117	7,011	-
Interest and fiscal charges	17,825	64	-
Total expenditures	<u>36,372,559</u>	<u>7,294,936</u>	<u>87,286</u>
Excess (deficiency) of revenues over (under) expenditures	<u>4,600,937</u>	<u>1,659,516</u>	<u>2,251,197</u>
Other financing sources (uses)			
Debt issuance	14,785	-	-
Sale of capital assets	57,299	-	-
Transfers in	1,098,297	257,000	-
Transfers out	(939,706)	(614,600)	(2,251,197)
Total other financing sources (uses)	<u>230,675</u>	<u>(357,600)</u>	<u>(2,251,197)</u>
Net change in fund balances	4,831,612	1,301,916	-
Fund balances (deficit), beginning of year	<u>25,830,633</u>	<u>2,801,116</u>	<u>3,262</u>
Fund balances, end of year	<u>\$ 30,662,245</u>	<u>\$ 4,103,032</u>	<u>\$ 3,262</u>

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

SPLOST VII	TSPLOST	Impact Fees	Nonmajor Governmental Funds	Total Governmental Funds
\$ 11,730,973	\$ 9,751,190	\$ -	\$ -	\$ 52,896,855
-	-	-	22,596	1,604,522
-	-	1,080,858	967,605	4,914,009
-	-	-	312,347	2,112,487
-	-	-	92,148	4,114,121
48,697	89,825	1,337	3,814	333,024
276,775	67,152	-	4,481	10,741,211
<u>12,056,445</u>	<u>9,908,167</u>	<u>1,082,195</u>	<u>1,402,991</u>	<u>76,716,229</u>
-	-	-	-	5,906,832
-	-	-	44,827	2,848,794
-	-	-	1,707,295	17,209,596
-	-	-	-	12,223,346
-	-	-	-	1,144,413
-	-	-	-	3,032,554
-	-	-	-	2,757,557
4,886,471	2,815,054	-	-	7,701,525
11,743,542	2,627,586	5,460	542,492	15,109,874
2,002,960	1,301,482	-	179,064	3,658,634
510,557	266,957	-	15,882	811,285
<u>19,143,530</u>	<u>7,011,079</u>	<u>5,460</u>	<u>2,489,560</u>	<u>72,404,410</u>
<u>(7,087,085)</u>	<u>2,897,088</u>	<u>1,076,735</u>	<u>(1,086,569)</u>	<u>4,311,819</u>
7,470,386	15,178,000	-	-	22,663,171
-	-	-	-	57,299
-	-	-	727,006	2,082,303
-	-	-	-	(3,805,503)
<u>7,470,386</u>	<u>15,178,000</u>	<u>-</u>	<u>727,006</u>	<u>20,997,270</u>
383,301	18,075,088	1,076,735	(359,563)	25,309,089
4,715,777	8,121,213	(285,848)	2,568,829	43,754,982
<u>\$ 5,099,078</u>	<u>\$ 26,196,301</u>	<u>\$ 790,887</u>	<u>\$ 2,209,266</u>	<u>\$ 69,064,071</u>

BRYAN COUNTY, GEORGIA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

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

Net change in fund balances - total governmental funds \$ 25,309,089

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital outlay	15,314,793	
Depreciation expense	<u>(4,563,968)</u>	
		10,750,825

Governmental funds report lease asset additions as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over the shorter of their estimated useful lives or the lease term and reported as amortization expense:

Lease asset additions	\$ 1,095,563	
Amortization expense	<u>(347,197)</u>	
		748,366

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is a decrease in net position. (2,659,388)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. (94,991)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Debt issuance - financed purchases payable	\$ (6,389,608)	
Debt issuance - bonds payable	(15,178,000)	
Debt issuance - leases	(1,095,563)	
Principal payments - bonds payable	1,181,000	
Principal payments - financed purchases payable	2,136,755	
Principal payments - notes payable	122,760	
Principal payments - leases	218,118	
Landfill liability	<u>(20,000)</u>	
		(19,024,538)

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

Compensated absences		(251,119)
Net pension liability, net of pension related deferred outflows and inflows of resources		265,709
Net total OPEB liability, net of pension related deferred outflows and inflows of resources		70,045
Accrued interest		<u>(111,549)</u>

Change in net position of governmental activities \$ 15,002,449

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

BRYAN COUNTY, GEORGIA

**GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022**

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Property taxes	\$ 17,405,500	\$ 17,405,500	\$ 17,738,755	\$ 333,255
Sales taxes	6,143,800	6,143,800	6,662,380	518,580
Other taxes	382,600	382,600	473,275	90,675
Licenses and permits	25,000	25,000	5,608	(19,392)
Charges for services	2,424,300	2,424,300	2,865,546	2,146,046
Fines and forfeitures	2,085,400	2,085,400	1,800,140	(624,160)
Intergovernmental	712,500	719,500	905,604	(1,179,796)
Interest income	30,000	30,000	131,684	101,684
Miscellaneous	877,800	7,968,800	10,390,504	2,421,704
Total revenues	<u>30,086,900</u>	<u>37,184,900</u>	<u>40,973,496</u>	<u>3,788,596</u>
Expenditures				
Current:				
General government:				
County government	3,281,280	3,281,280	3,265,157	16,123
Tax commissioner	882,300	906,600	915,297	(8,697)
Elections	423,850	423,850	384,001	39,849
County buildings maintenance	617,400	629,400	605,654	23,746
Tax assessor	736,762	736,762	736,175	587
Total general government	<u>5,941,592</u>	<u>5,977,892</u>	<u>5,906,284</u>	<u>71,608</u>
Judicial:				
Superior court	417,000	468,500	445,118	23,382
State court	601,300	674,400	673,454	946
Clerk of courts	784,120	788,420	786,224	2,196
Probate court	363,640	363,640	325,456	38,184
Magistrate court	241,380	241,380	208,979	32,401
Juvenile court	297,750	357,750	355,650	2,100
Juvenile justice	10,000	10,000	9,086	914
Total judicial	<u>2,715,190</u>	<u>2,904,090</u>	<u>2,803,967</u>	<u>100,123</u>
Public safety:				
Sheriff	5,211,200	5,515,200	5,252,884	262,316
Emergency medical service	4,956,400	4,956,400	4,764,252	192,148
Coroner	47,900	53,400	52,052	1,348
Emergency management	361,510	361,510	353,825	7,685
Animal control	328,700	335,700	322,835	12,865
Jail	1,507,700	1,507,700	1,494,767	12,933
Other	-	-	1,085	(1,085)
Total public safety	<u>12,413,410</u>	<u>12,729,910</u>	<u>12,241,700</u>	<u>476,362</u>
Public works:				
Roads	3,637,240	10,143,740	9,909,426	234,314
Maintenance shop	530,500	530,500	469,749	60,751
Total public works	<u>4,167,740</u>	<u>10,674,240</u>	<u>10,379,175</u>	<u>295,065</u>

(Continued)

BRYAN COUNTY, GEORGIA

**GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022**

	Budget		Actual	Variance With Final Budget
	Original	Final		
Expenditures (Continued)				
Current (Continued):				
Health and welfare:				
Health department	\$ 182,000	\$ 189,400	\$ 189,289	\$ 111
Family connections	260,880	260,880	198,868	62,012
Family and children services	16,600	21,600	20,627	973
Senior citizens program	612,870	612,870	590,447	22,423
Summer lunch program	102,700	102,700	93,809	8,891
Total health and welfare	<u>1,175,050</u>	<u>1,187,450</u>	<u>1,093,040</u>	<u>94,410</u>
Libraries and recreation:				
Recreation	2,838,500	2,838,500	2,557,861	280,639
Libraries	437,400	474,800	474,693	107
Total libraries and recreation	<u>3,275,900</u>	<u>3,313,300</u>	<u>3,032,554</u>	<u>280,746</u>
Housing and development:				
Extension service	100,320	100,320	93,367	6,953
Forestry commission	55,400	55,400	55,121	279
Economic development	577,650	577,650	581,409	(3,759)
Total housing and development	<u>733,370</u>	<u>733,370</u>	<u>729,897</u>	<u>3,473</u>
Debt service:				
Principal	169,748	169,748	168,117	1,631
Interest and fiscal charges	18,100	18,100	17,825	275
Total debt service	<u>187,848</u>	<u>187,848</u>	<u>185,942</u>	<u>1,906</u>
Total expenditures	<u>30,610,100</u>	<u>37,708,100</u>	<u>36,372,559</u>	<u>1,323,693</u>
Excess (deficit) of revenues over (under) expenditures	<u>(523,200)</u>	<u>(523,200)</u>	<u>4,600,937</u>	<u>5,124,137</u>
Other financing sources (uses)				
Transfers in	1,745,900	1,745,900	1,098,297	(647,603)
Transfers out	(1,222,700)	(1,222,700)	(939,706)	282,994
Debt issuance	-	-	14,785	14,785
Sale of capital assets	-	-	57,299	57,299
Total other financing sources (uses), net	<u>523,200</u>	<u>523,200</u>	<u>230,675</u>	<u>(292,525)</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>4,831,612</u>	<u>4,831,612</u>
Fund balance, beginning of year	<u>25,830,633</u>	<u>25,830,633</u>	<u>25,830,633</u>	<u>-</u>
Fund balance, end of year	<u>\$ 25,830,633</u>	<u>\$ 25,830,633</u>	<u>\$ 30,662,245</u>	<u>\$ 4,831,612</u>

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

BRYAN COUNTY, GEORGIA

**UNINCORPORATED SERVICES FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022**

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Property taxes	\$ 28,500	\$ 28,500	\$ 32,685	\$ 4,185
Insurance premium taxes	1,437,000	1,437,000	2,023,744	586,744
Alcoholic beverage taxes	230,000	230,000	220,097	(9,903)
Fire taxes	2,200,000	2,200,000	2,209,671	9,671
Solid waste taxes	1,780,000	1,780,000	1,794,864	14,864
Other taxes	252,000	252,000	259,221	7,221
Licenses and permits	991,000	991,000	1,576,318	585,318
Intergovernmental	720,000	878,000	835,553	(42,447)
Miscellaneous	-	275,500	2,299	(273,201)
Total revenues	<u>7,638,500</u>	<u>8,072,000</u>	<u>8,954,452</u>	<u>882,452</u>
Expenditures				
Current:				
General government:				
County government	3,200	3,200	548	2,652
Total general government	<u>3,200</u>	<u>3,200</u>	<u>548</u>	<u>2,652</u>
Public safety:				
Fire	3,303,000	3,503,000	3,173,315	329,685
Total public safety	<u>3,303,000</u>	<u>3,503,000</u>	<u>3,173,315</u>	<u>329,685</u>
Public works:				
Solid waste	1,794,000	1,852,000	1,844,171	7,829
Total public works	<u>1,794,000</u>	<u>1,852,000</u>	<u>1,844,171</u>	<u>7,829</u>
Health and welfare:				
Mosquito control	104,200	104,200	51,373	52,827
Total health and welfare	<u>104,200</u>	<u>104,200</u>	<u>51,373</u>	<u>52,827</u>
Housing and development:				
Community development	1,184,300	1,249,300	1,283,489	(34,189)
Engineering and inspections	697,500	773,000	744,171	28,829
Total housing and development	<u>1,881,800</u>	<u>2,022,300</u>	<u>2,027,660</u>	<u>(5,360)</u>
Capital outlay				
Public safety	145,000	145,000	145,376	(376)
Housing and development	33,500	68,500	45,418	23,082
Total capital outlay	<u>178,500</u>	<u>213,500</u>	<u>190,794</u>	<u>22,706</u>
Debt service:				
Principal	7,030	7,030	7,011	19
Interest and fiscal charges	70	70	64	6
Total debt service	<u>7,100</u>	<u>7,100</u>	<u>7,075</u>	<u>25</u>
Total expenditures	<u>7,271,800</u>	<u>7,705,300</u>	<u>7,294,936</u>	<u>410,339</u>
Excess of revenues over expenditures	<u>366,700</u>	<u>366,700</u>	<u>1,659,516</u>	<u>1,292,816</u>
Other financing sources (uses)				
Transfers in	285,500	285,500	257,000	(28,500)
Transfers out	(652,200)	(652,200)	(614,600)	37,600
Total other financing sources (uses), net	<u>(366,700)</u>	<u>(366,700)</u>	<u>(357,600)</u>	<u>9,100</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>1,301,916</u>	<u>1,301,916</u>
Fund balance, beginning of year	<u>2,801,116</u>	<u>2,801,116</u>	<u>2,801,116</u>	<u>-</u>
Fund balance, end of year	<u>\$ 2,801,116</u>	<u>\$ 2,801,116</u>	<u>\$ 4,103,032</u>	<u>\$ 1,301,916</u>

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

BRYAN COUNTY, GEORGIA

**ARPA FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022**

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 2,206,000	\$ 2,206,000	\$ 2,280,816	\$ 74,816
Interest income	6,000	6,000	57,667	51,667
Total revenues	<u>2,212,000</u>	<u>2,212,000</u>	<u>2,338,483</u>	<u>126,483</u>
Expenditures				
Current:				
Public safety:				
Fire	817,300	817,300	87,286	730,014
Total public safety	<u>817,300</u>	<u>817,300</u>	<u>87,286</u>	<u>730,014</u>
Total expenditures	<u>817,300</u>	<u>817,300</u>	<u>87,286</u>	<u>730,014</u>
Excess of revenues over expenditures	<u>1,394,700</u>	<u>1,394,700</u>	<u>2,251,197</u>	<u>856,497</u>
Other financing uses				
Transfers out	(1,394,700)	(1,394,700)	(2,251,197)	(856,497)
Total other financing uses	<u>(1,394,700)</u>	<u>(1,394,700)</u>	<u>(2,251,197)</u>	<u>(856,497)</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, beginning of year	<u>3,262</u>	<u>3,262</u>	<u>3,262</u>	<u>-</u>
Fund balance, end of year	<u>\$ 3,262</u>	<u>\$ 3,262</u>	<u>\$ 3,262</u>	<u>\$ -</u>

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

BRYAN COUNTY, GEORGIA

**STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 DECEMBER 31, 2022**

ASSETS	Water and Sewer Fund
CURRENT ASSETS	
Restricted cash	\$ 1,005,604
Restricted investments	24,104,658
Accounts receivable, net of allowances	9,900,977
Prepaid items	2,030,505
Total current assets	<u>37,041,744</u>
NON-CURRENT ASSETS	
Capital assets:	
Non-depreciable	26,114,694
Depreciable, net of accumulated depreciation	9,880,460
Total capital assets	<u>35,995,154</u>
Total non-current assets	<u>35,995,154</u>
Total assets	<u>73,036,898</u>
LIABILITIES	
CURRENT LIABILITIES	
Accounts payable	6,771,883
Accrued interest payable	140,327
Customer deposits	153,306
Bonds payable, current portion	2,171,000
Due to other funds	3,375,464
Total current liabilities	<u>12,611,980</u>
LONG-TERM LIABILITIES	
Notes payable, net of current portion	9,579,345
Bonds payable, net of current portion	24,901,000
Total long-term liabilities	<u>34,480,345</u>
Total liabilities	<u>47,092,325</u>
NET POSITION	
Net investment in capital assets	24,290,659
Unrestricted	1,653,914
Total net position	<u>\$ 25,944,573</u>

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

BRYAN COUNTY, GEORGIA

**STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022**

	Water and Sewer Fund
Operating revenues	
Water and sewer sales	\$ 2,486,605
Tap and connection fees	295,000
Total operating revenues	<u>2,781,605</u>
Operating expenses	
Personnel services	468,624
Purchased services	570,211
Material and supplies	429,887
Depreciation	592,482
Total operating expenses	<u>2,061,204</u>
Operating income	<u>720,401</u>
Non-operating revenue (expense)	
Interest income	154,792
Interest expense	(715,893)
Claims and fees	1,055
Total non-operating expenses, net	<u>(560,046)</u>
Income before transfers and capital contributions	160,355
Transfers	
Transfers in	2,025,000
Transfers out	(301,800)
Total transfers	<u>1,723,200</u>
Capital contributions	<u>8,529,519</u>
Change in net position	10,413,074
Net position, beginning of year	<u>15,531,499</u>
Net position, end of year	<u>\$ 25,944,573</u>

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

BRYAN COUNTY, GEORGIA

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022**

	Water and Sewer Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and others	\$ (6,774,334)
Payments to suppliers and service providers	6,334,121
Payments to employees	(468,624)
Net cash used in operating activities	<u>(908,837)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
Transfers out	(301,800)
Transfer in	2,025,000
Proceeds for damages	1,055
Net cash provided by non-capital financing activities	<u>1,724,255</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition and construction of capital assets	(17,608,666)
Capital contributions	5,870,131
Proceeds from the issuance of notes	9,579,345
Principal paid on bonds payable	(2,138,000)
Interest paid	(727,527)
Net cash used in capital and related financing activities	<u>(5,024,717)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of investments	(24,104,658)
Interest on investments	154,792
Net cash used in investing activities	<u>(23,949,866)</u>
Net decrease in cash and cash equivalents	(28,159,165)
Cash and cash equivalents	
Beginning of year	<u>29,164,769</u>
End of year	\$ <u>1,005,604</u>
Reconciliation of operating income to net cash used in operating activities:	
Operating income	\$ 720,401
Adjustments to reconcile operating income to net cash used in operating activities:	
Depreciation	592,482
Decrease in accounts receivable	(9,581,142)
Increase in due from other funds	(2,023,691)
Increase in accounts payable	6,002,865
Increase in customer deposits	25,203
Increase in due to other funds	3,355,045
Net cash used in operating activities	\$ <u>(908,837)</u>
NON-CASH INVESTING, CAPITAL AND FINANCING ACTIVITIES	
Transfer of assets from other funds	\$ 2,659,388
Total noncash investing, capital and financing activities	\$ <u>2,659,388</u>

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

BRYAN COUNTY, GEORGIA

**STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
DECEMBER 31, 2022**

ASSETS	Custodial Funds
Cash	\$ 1,012,774
Total assets	<u>\$ 1,012,774</u>
 LIABILITIES	
Due to other governments	\$ 317,488
Due to other entities and individuals	10,199
Total liabilities	<u>\$ 327,687</u>
 NET POSITION	
Restricted for individuals, organizations, and other governments	<u>\$ 685,087</u>

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

BRYAN COUNTY, GEORGIA

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022**

ADDITIONS	Custodial Funds
Taxes collected	\$ 82,640,470
Fines and fees collected	4,313,244
Interest	478
Total additions	<u>86,954,192</u>
 DEDUCTIONS	
Payments to other governments	82,669,771
Payments to other entities and individuals	3,913,323
Total deductions	<u>86,583,094</u>
Change in net position	371,098
Net position, beginning of year	<u>313,989</u>
Net position, end of year	<u><u>\$ 685,087</u></u>

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

NOTES TO FINANCIAL STATEMENTS

BRYAN COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. The Reporting Entity

The County was established under the provisions of an act of the General Assembly of Georgia on December 19, 1793. The County operates under a County Commissioner form of government (six commissioners are elected by the voters of the County) and provides the following services as authorized by state law: general government, judicial, public safety, public works, health and welfare, libraries and recreation, and housing and development services.

As required by GAAP, the financial statements of the reporting entity include those of Bryan County, Georgia (the "Primary Government") and its component units. The component units discussed below are included in the County's reporting entity because of the significance of their operational or financial relationship with the County. In conformity with accounting principles generally accepted in the United States of America, as set forth in GASB Statement No. 14, as amended, the financial statements of the component units are discretely presented in the government-wide financial statements.

Development Authority of Bryan County (the "Authority")

The Authority was created on July 12, 2005 to promote industry, trade, and economic growth in the County. The County appoints the members of the authority's board, assists with its funding and can impose its will on the Authority. The Bryan County-Pembroke Development Authority and Coastal Bryan Development Authority were dissolved as of July 12, 2005 and their net position was transferred to the newly created Development Authority of Bryan County. Complete financial statements for the Authority can be obtained at the Authority's administrative office at 116 Lanier Street, Pembroke, Georgia.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. The Reporting Entity (Continued)

Bryan County Board of Health (the “Health Department”)

The Health Department provides health care services and health education to residents of Bryan County. The Health Department receives financial support from Bryan County, Georgia, the State of Georgia, and the Federal Government. The County Commission appoints a majority of the Board of Directors and can impose its will on the Health Department. The Health Department issued separately audited financial statements with a fiscal year ended June 30, 2022. Copies of these financial statements may be obtained from their administrative office at 430 Ledford Street, Pembroke, Georgia

Bryan County Public Facilities Authority (the “Facilities Authority”) (Continued)

The Facilities Authority was created to finance and provide all building, facilities, and equipment for the efficient operation of the County, the Bryan County School District, or any other political subdivision or municipal corporation of the State located within the County. The County appoints the members of the authority’s board, assists with securing funding, and can impose its will on the Public Facilities Authority. Separate financial statements are not issued for the Facilities Authority.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

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

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

The County reports the following major governmental funds:

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

The **Unincorporated Services Fund** is a Special Revenue Fund that accounts for services that are primarily for the benefit of residents and property owners in the unincorporated areas and tend to include municipal type services.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The ***American Rescue Plan Act (“ARPA”) Fund*** is a Special Revenue Fund that accounts for the revenues and expenditures associated with the U.S. Department of Treasury’s Coronavirus State and Local Recovery Funds established by the American Rescue Plan Act of 2021.

The ***Special Purpose Local Option Sales Tax (“SPLOST”) VII Fund*** is a Capital Projects Fund that accounts for the 1% sales tax proceeds restricted for the acquisition or construction of specific capital projects as approved by voter referendum.

The ***Transportation Special Purpose Local Option Sales Tax (“TSPLOST”) Fund*** is a Capital Projects Fund that accounts for the collection of TSPLOST proceeds. These funds are used for transportation projects as approved by voter referendum.

The ***Impact Fees Fund*** is a Capital Projects Fund that accounts for the impact fees collected and the related capital improvements to ensure adequate public facilities are available to serve new growth within the County.

The County reports the following major proprietary fund:

The ***Water and Sewer Fund*** accounts for the activities associated with the operation of the water and sewer system at the County’s industrial development park and for water and sewer systems in Bryan County.

Additionally, the County reports the following fund types:

The ***Special Revenue Funds*** account for specific revenues that are legally restricted to expenditures for particular purposes.

The ***Capital Projects Fund*** accounts for the 1% sales tax proceeds restricted for the acquisition or construction of specific capital projects as approved by voter referendum.

The ***Custodial Funds*** are used to account for the collection and disbursement of monies by the County on behalf of other governments and individuals, such as cash bonds, traffic fines, support payments and ad valorem and property taxes.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

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

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

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

D. Cash and Cash Equivalents

The County considers all highly liquid investments (including restricted assets) with original maturities of three months or less when purchased and investments in the Georgia Local Government Investment Pool ("Georgia Fund 1") to be cash equivalents. Securities with an initial maturity of more than three months (from when initially purchased) that are not purchased from the Georgia Fund 1 are reported as investments.

E. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2022, are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Inventory

Inventories are presented at the lower of cost or market on a first-in/first-out basis and are expensed when used (i.e., the consumption method).

G. Interfund Balances and Activity

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. For the most part, the effect of interfund activity has been removed from the government-wide Statement of Net Position. In the fund financial statements, these receivables and payables are classified as “due from other funds” or “due to other funds.”

In the government-wide financial statements, any residual balances outstanding between the governmental activities and business-type activities are reported as “internal balances”.

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

Transfers between governmental and business-type activities on the government-wide Statement of Activities are reported as general revenues. Transfers between funds reported in the governmental activities column are eliminated. Transfers between funds reported in the business-type activities column are eliminated. Transfers between governmental and business-type activities are eliminated from the total column.

H. Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in governmental funds. The County reports these assets in the governmental activities column of the government-wide Statement of Net Position but does not report these assets in the County fund financial statements. Capital assets utilized by proprietary funds are reported both in the business-type activities column of the government-wide Statement of Net Position and in proprietary funds' Statement of Net Position.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Capital Assets (Continued)

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition value as of the date received. The County maintains a capitalization threshold of \$5,000. The County's infrastructure consists of roads and bridges. Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed.

All reported capital assets are depreciated except for land, right-of-ways and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the County's historical records of necessary improvements and replacement. Depreciation/amortization is computed using the straight-line method over the following useful lives:

<u>Asset Category</u>	<u>Years</u>
Buildings	15 – 40
Improvements other than buildings	15 – 40
Machinery and equipment	5 – 15
Right to use machinery and equipment	5 – 15
Infrastructure	15 – 50

At the inception of capital leases at the governmental fund reporting level, expenditures and an other financing source of an equal amount are reported at the net present value of future minimum lease payments.

I. Compensated Absences

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

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Long-Term Obligations

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

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

On the government-wide Statement of Net Position and the proprietary fund type Statement of Net Position, debt premiums and discounts are netted against the debt payable. On the government-wide and proprietary fund type Statement of Activities, debt premiums and discounts are amortized over the life of the debt using the effective interest method and debt issuance costs are expensed in the current period.

At the governmental fund reporting level, debt premiums and discounts are reported as other financing sources and uses, separately from the face amount of the debt issued. Debt issuance costs are reported as debt service expenditures.

K. Leases

The County is a lessee for noncancellable leases of vehicles. The County recognizes a lease liability and an intangible right-to-use lease asset in the government-wide financial statements and the proprietary fund level financial statements. The County recognizes lease liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Leases (Continued)

Key estimates and judgments related to leases include how the County determines: 1) the discount rate it uses to discount the expected lease payments to present value, 2) lease term, and 3) lease payments:

- The County uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option prices that the County is reasonably certain to exercise.

The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease asset and liabilities are reported with capital assets and long-term liabilities on the Statement of Net Position.

L. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has more than four items that qualify for reporting in this category. These items, relating to the County's retirement and OPEB plans, qualify for reporting in this category and are combined in the Statement of Net Position under the heading "Pension" and "OPEB". The County reports deferred outflows of resources for assumption changes which are amortized against pension and OPEB expense over time. Experience differences result from periodic studies by the County's actuary, which adjust the net pension and OPEB liabilities for actual experience for certain trend information that was previously assumed, resulting as a deferred outflow of resources and amortized over time. Additionally, any contribution made by the County to the pension plan before year-end, but subsequent to the measurement date of the County's net pension liability, are reported as deferred outflows of resources.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the Statement of Net Position and the governmental funds Balance Sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has three items that qualify for reporting in this category, one of which arises only under the modified accrual basis of accounting. The first item, *unavailable revenue*, is reported only in the governmental funds Balance Sheet. The governmental funds report unavailable revenues from property taxes and these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available. Also, differences between projected investment return on pension investments and actual return on those investments is deferred and amortized over time, resulting in recognition as a deferred inflow of resources. The next item, experience differences, result from periodic studies by the County's actuary, which adjust the net pension and OPEB liabilities for actual experience for certain trend information that was previously assumed, resulting as a deferred outflow of resources and amortized over time. Deferred inflows of resources related to leases are measured as the initial amount of the lease receivable, adjusted for lease payments received at or before lease commencement. These amounts are deferred and recognized as an inflow of resources in the period the amount is earned.

M. Fund Equity

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

Fund Balances – Generally, fund balances represent the difference between the assets and liabilities under the current financial resources measurement focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

- **Nonspendable** – Fund balances are reported as nonspendable when amounts cannot be spent because they are either: (a) not in spendable form (i.e., items that are not expected to be converted to cash), or (b) legally or contractually required to be maintained intact.
- **Restricted** – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Fund Equity (Continued)

Fund Balances (Continued)

- **Committed** – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Commissioners through the adoption of a resolution. Only the Board of Commissioners may modify or rescind the commitment.
- **Assigned** – Fund balances are reported as assigned when amounts are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the Board of Commissioners has authorized the County Administrator or Finance Director to assign fund balances.
- **Unassigned** – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The County reports positive unassigned fund balances only in the General Fund. Negative unassigned fund balances may be reported in all funds.

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

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

The County applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the County, these revenues are charges for services for water and sewer. Operating expenses are necessary costs incurred to provide the goods or service that are the primary activity of each fund and include administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

O. Use of Estimates

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

NOTE 2. LEGAL COMPLIANCE – BUDGETS

A. Budgets and Budgetary Accounting

The County adopts an annual operating budget for the General Fund, each Special Revenue Fund, and each Capital Projects Fund. The budget resolution reflects the total of each department's appropriation in each fund.

All budgets are adopted on a basis consistent with GAAP.

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

The County Administrator may approve budget transfers within departments. Any change in total to a fund or departmental appropriation within a fund requires approval of the Board of Commissioners.

During the year, the Board of Commissioners approved budget revisions.

All unexpended annual appropriations lapse at year-end.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. LEGAL COMPLIANCE – BUDGETS (CONTINUED)

B. Excess Expenditures over Appropriations

For the year ended December 31, 2022, expenditures exceeded budget in the applicable governmental funds, as follows:

Department	Excess
General Fund:	
General government - tax commissioner	\$ 8,697
Public safety- other	1,085
Housing and development - economic development	3,759
Unincorporated Fund:	
Housing and development - community development	34,189
Capital outlay - public safety	376

These over expenditures were funded by additional unanticipated revenues.

NOTE 3. DEPOSITS AND INVESTMENTS

Total deposits and investments as of December 31, 2022 are summarized as follows:

Amounts as presented on the entity-wide Statement of Net Position:	
Cash and cash equivalents	\$ 35,935,747
Investments	41,471,675
Restricted cash and cash equivalents	20,032,949
Amounts as presented on the fiduciary Statement of Net Position:	
Cash and cash equivalents - Custodial Funds	1,012,774
Bryan County Public Facilities Authority - cash and cash equivalents	4,214,055
Total	\$ 102,667,200
Cash deposited with financial institutions	\$ 61,120,668
Cash deposited with Georgia Fund 1	74,857
Certificates of deposit	41,471,675
Total	\$ 102,667,200

NOTES TO FINANCIAL STATEMENTS

NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

Certain cash and cash equivalents of the County are legally restricted for specified purposes. Restrictions at December 31, 2022 represented amounts for unspent bond proceeds for county-wide and water and sewer bonds.

In its investment of public funds, the County follows state statutes and adopted investment policies. As of December 31, 2022, the investments of the County were:

<u>Investments and Cash Equivalent</u>	<u>Average Credit Rating</u>	<u>Fair Value</u>	<u>Maturities</u>
Georgia Fund 1	AAAf	\$ 74,857	23 day weighted average
Certificates of Deposit	N/A	41,471,675	12 months
		<u>\$ 41,546,532</u>	

Under state law, investments of the County’s public funds may be placed in obligations of (or obligations guaranteed by) the U.S. government, obligations of agencies of corporations in the U.S. government, obligations of any state or any political subdivision of any state, certificates of deposit or time deposits of financial institutions with deposits insured by the Federal Deposit Insurance Corporation (“FDIC”), prime bankers’ acceptances, repurchase agreements, and the Georgia Fund 1. During the year, the County invested public funds in the Georgia Fund 1 and in a certificate of deposit.

The investment in the Georgia Fund 1 represents the County’s portion of a pooled investment account operated by the Office of the State Treasurer. The pool consists of U.S. treasury obligations, securities issued or guaranteed by the U.S. government or any of its agencies or instrumentalities, bankers’ acceptances, overnight and term repurchase agreements with highly rated counterparties, and collateralized bank accounts. The investment in the Georgia Fund 1 is valued at fair market value.

Deposit and investment transactions are subject to a variety of risks. The County seeks to promote the safety of principal, provide adequate liquidity for operational needs, earn market rates of return on investments consistent with liquidity needs and investment quality, and conform with legal requirements.

Credit Risk – Investments. State statutes authorize the County to invest in obligations of the State of Georgia or other states; obligations issued by the U.S. government; obligations fully insured or guaranteed by the U.S. government or by a government agency of the United States; obligations of any corporation of the U.S. government; prime bankers’ acceptances; the local government investment pool established by state law (“Georgia Fund 1”); repurchase agreements; and obligations of other political subdivisions of the State of Georgia. It is the County’s policy to limit its investments to those allowed and authorized by state law.

NOTES TO FINANCIAL STATEMENTS

NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

Custodial Credit Risk – Deposits. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of December 31, 2022, the deposits of the County and its component units were properly insured and collateralized as defined by GASB pronouncements and the official code of the State of Georgia.

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

Interest Rate Risk. The County's investment policy is a means of managing its exposure to fair value losses arising from increasing interest rates. As such, they adhere to the following criteria regarding investments as outlined in the County's policies and procedures manual: the investment must always be concerned with the preservation of principal; all investments must be relatively liquid; and there must be a realization of competitive interest rates relative to the risk assumed. The County Administrator is authorized to make all investment decisions on behalf of the County.

Fair Value Measurements. The County categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

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

The Georgia Fund 1 is an investment pool, which does not meet the criteria of GASB Statement No. 79 and is thus valued at fair value in accordance with GASB Statement No. 31. As a result, the County does not disclose its investment in the Georgia Fund 1 within the fair value hierarchy. In addition, certificates of deposit are not subject to level disclosure.

NOTES TO FINANCIAL STATEMENTS

NOTE 4. RECEIVABLES

Receivables at December 31, 2022, consist of the following:

	General Fund	Unincorporated Services Fund	SPLOST VII Fund	TSPLOST Fund	Nonmajor Governmental Funds	Water and Sewer Fund	Total
Receivables:							
Taxes	\$ 477,151	\$ 285,823	\$ -	\$ -	\$ -	\$ -	\$ 762,974
Accounts	803,304	-	-	-	168,972	9,900,977	10,873,253
Lease	333,212	-	-	-	-	-	333,212
Due from other governments	1,008,952	-	1,308,789	1,144,629	7,574	-	3,469,944
Gross receivables	2,622,619	285,823	1,308,789	1,144,629	176,546	9,900,977	15,439,383
Less allowance	(375,789)	-	-	-	-	-	(375,789)
Net receivables	<u>\$ 2,246,830</u>	<u>\$ 285,823</u>	<u>\$ 1,308,789</u>	<u>\$ 1,144,629</u>	<u>\$ 176,546</u>	<u>\$ 9,900,977</u>	<u>\$ 15,063,594</u>

Property taxes attach as an enforceable lien on property as of January 1. Property taxes are billed on or about October 20th of each year and are payable within 60 days. The County bills and collects its own property taxes and also collects property taxes for the Bryan County Board of Education, the Cities of Pembroke and Richmond Hill, and the State of Georgia. Collection of the County's taxes and for the other government agencies is the responsibility of the Tax Commissioner's Office, which is accounted for in a Custodial Fund.

County property tax revenues at the fund reporting level are recognized when levied to the extent that they result in current receivables (i.e., collectible in 60 days). For 2022, property taxes were levied on August 9, 2022 and were due November 15, 2022.

NOTES TO FINANCIAL STATEMENTS

NOTE 5. CAPITAL ASSETS

Capital asset activity for the fiscal year ended December 31, 2022 is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
Governmental activities					
Capital assets, not being depreciated:					
Land	\$ 5,305,037	\$ -	\$ -	\$ -	\$ 5,305,037
Construction in progress	1,667,553	10,538,146	-	(2,659,388)	9,546,311
Total	<u>6,972,590</u>	<u>10,538,146</u>	<u>-</u>	<u>(2,659,388)</u>	<u>14,851,348</u>
Capital assets, being depreciated:					
Buildings	25,399,583	94,061	-	-	25,493,644
Improvements other than buildings	13,048,022	-	-	-	13,048,022
Machinery and equipment	31,365,075	2,351,222	-	-	33,716,297
Infrastructure	117,577,191	2,331,364	-	-	119,908,555
Total	<u>187,389,871</u>	<u>4,776,647</u>	<u>-</u>	<u>-</u>	<u>192,166,518</u>
Less accumulated depreciation for:					
Buildings	(10,777,046)	(646,020)	-	-	(11,423,066)
Improvements other than buildings	(6,671,996)	(500,830)	-	-	(7,172,826)
Machinery and equipment	(22,249,781)	(2,220,473)	-	-	(24,470,254)
Infrastructure	(76,822,318)	(1,196,645)	-	-	(78,018,963)
Total	<u>(116,521,141)</u>	<u>(4,563,968)</u>	<u>-</u>	<u>-</u>	<u>(121,085,109)</u>
Total capital assets, being depreciated, net	<u>70,868,730</u>	<u>212,679</u>	<u>-</u>	<u>-</u>	<u>71,081,409</u>
Governmental activities capital assets, net	<u>\$ 77,841,320</u>	<u>\$ 10,750,825</u>	<u>\$ -</u>	<u>\$ (2,659,388)</u>	85,932,757
Lease Assets					<u>931,483</u>
Governmental activities capital assets, net, as reported on Statement of Net Position					<u>\$ 86,864,240</u>

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

Governmental activities:	
General government	\$ 64,094
Judicial	62,969
Public safety	684,534
Public works	1,188,129
Health and welfare	5,165
Libraries and recreation	2,559,077
Total depreciation expense - governmental activities	<u>\$ 4,563,968</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 5. CAPITAL ASSETS (CONTINUED)

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type activities					
Capital assets, not being depreciated:					
Land	\$ 1,381,101	\$ -	\$ -	\$ -	\$ 1,381,101
Construction in progress	4,479,321	17,594,884	-	2,659,388	24,733,593
Total	<u>5,860,422</u>	<u>17,594,884</u>	<u>-</u>	<u>2,659,388</u>	<u>26,114,694</u>
Capital assets, being depreciated:					
Water and sewer system	14,684,336	-	-	-	14,684,336
Machinery and equipment	580,009	13,782	-	-	593,791
Total	<u>15,264,345</u>	<u>13,782</u>	<u>-</u>	<u>-</u>	<u>15,278,127</u>
Less accumulated depreciation for:					
Water and sewer system	(4,564,567)	(489,031)	-	-	(5,053,598)
Machinery and equipment	(240,618)	(103,451)	-	-	(344,069)
Total	<u>(4,805,185)</u>	<u>(592,482)</u>	<u>-</u>	<u>-</u>	<u>(5,397,667)</u>
Total capital assets, being depreciated, net	<u>10,459,160</u>	<u>(578,700)</u>	<u>-</u>	<u>-</u>	<u>9,880,460</u>
Business-type activities capital assets, net	<u>\$ 16,319,582</u>	<u>\$ 17,016,184</u>	<u>\$ -</u>	<u>\$ 2,659,388</u>	<u>\$ 35,995,154</u>

NOTE 6. LEASE ASSETS

Lease asset activity for the fiscal year ended December 31, 2022 is as follows:

	Beginning Balance	Increases	Decreases	Remeasurements	Ending Balance
Governmental activities					
Lease assets, being amortized:					
Machinery and equipment	\$ 183,117	\$ 1,095,563	\$ -	\$ -	\$ 1,278,680
Total	<u>183,117</u>	<u>1,095,563</u>	<u>-</u>	<u>-</u>	<u>1,278,680</u>
Less accumulated amortization for:					
Machinery and equipment	-	(347,197)	-	-	(347,197)
Total	<u>-</u>	<u>(347,197)</u>	<u>-</u>	<u>-</u>	<u>(347,197)</u>
Total leased assets, being amortized, net	<u>183,117</u>	<u>748,366</u>	<u>-</u>	<u>-</u>	<u>931,483</u>
Governmental activities leased assets, net	<u>\$ 183,117</u>	<u>\$ 748,366</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 931,483</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 6. LEASE ASSETS (CONTINUED)

The County implemented the provisions of GASB Statement No. 87, *Leases*, as of January 1, 2021. Beginning balances were restated as a result of this implementation. As the lease liability and leased asset were the same, there was no effect on net position.

NOTE 7. LONG-TERM DEBT

The following is a summary of long-term debt activity for the County for the year ended December 31, 2022:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
Bonds payable	\$ 2,402,000	\$ 15,178,000	\$ (1,181,000)	\$ 16,399,000	\$ 1,221,000
Finance purchases payable	20,556,592	6,389,608	(2,136,755)	24,809,445	2,197,287
Leases	183,117	1,095,563	(218,118)	1,060,562	316,860
Notes payable - direct borrowings	653,573	-	(122,760)	530,813	95,355
Compensated absences	1,088,545	806,425	(555,306)	1,339,664	267,933
Accrued landfill post-closure care costs	270,000	42,234	(22,234)	290,000	20,000
Net pension liability	5,204,795	2,587,098	(3,887,990)	3,903,903	-
Total OPEB liability	<u>4,673,558</u>	<u>207,818</u>	<u>(1,121,544)</u>	<u>3,759,832</u>	<u>-</u>
Governmental activities Long-term liabilities	<u>\$ 35,032,180</u>	<u>\$ 26,306,746</u>	<u>\$ (9,245,707)</u>	<u>\$ 52,093,219</u>	<u>\$ 4,118,435</u>
Business-type activities:					
Bonds payable	\$ 29,210,000	\$ -	\$ (2,138,000)	\$ 27,072,000	\$ 2,171,000
Notes payable - direct borrowings	<u>-</u>	<u>9,579,345</u>	<u>-</u>	<u>9,579,345</u>	<u>-</u>
Business-type activities Long-term liabilities	<u>\$ 29,210,000</u>	<u>\$ 9,579,345</u>	<u>\$ (2,138,000)</u>	<u>\$ 36,651,345</u>	<u>\$ 2,171,000</u>

The accrued landfill post-closure care costs will be paid from the General Fund. The compensated absences liability will be paid from the governmental fund from which the employees' salaries are paid, which is primarily the General Fund. The financed purchases obligations will be paid from the Emergency Telephone, SPLOST VII, and TSPLOST Funds. The leases liability will be paid from General, Unincorporated Services, Emergency Telephone and SPLOST VII Funds. The notes payable will be paid from the General Fund. The bonds payable will be paid from the TSPLOST Capital Projects Fund using funds allocated to the City of Richmond Hill. The note payable and bonds payable for business-type activities will be paid from the Water and Sewer Enterprise Fund.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

Landfill Closure and Post-closure Costs

State and federal laws and regulations required the County to place a final cover on its two closed landfill sites and to perform certain maintenance and monitoring functions at the sites for 5 to 30 years after closure. The County reports a liability for these post-closure care costs in its government-wide Statement of Net Position. The accrued landfill post-closure care costs at December 31, 2022, are based on what it would cost to perform all post-closure care in 2022. Actual costs may be higher due to inflation, unexpected mitigation requirements, changes in technology, or changes in regulations.

A. Primary Government

Bonds Payable

Governmental Activities

In November 2018, the County issued \$4,650,000 in general obligation transportation sales tax bonds to prepay TSPLOST allocations to the City of Richmond Hill. Series 2018 bonds were issued with an interest rate of 3.365% and a maturity date of November 1, 2023. The bonds require semi-annual interest payments and annual principal payments. The outstanding balance of the bonds was \$1,221,000 as of December 31, 2022.

In November 2022, the County issued \$15,178,000 in general obligation transportation sales tax bonds to provide money for certain transportation projects for Bryan County. Series 2022 bonds were issued with an interest rate of 3.75% and a maturity date of October 1, 2027. The bonds require semi-annual interest payments and annual principal payments. The outstanding balance of the bonds was \$15,178,000 as of December 31, 2022.

The County's Governmental bonds outstanding at December 31, 2022, are as follows:

Series 2018 \$4,650,000 General Obligation Bonds, due in annual installments of \$1,105,000 to \$1,221,000 through November 1, 2023, plus interest at 3.75%	\$ 1,221,000
Series 2022 \$15,178,000 Revenue Bonds, due in annual installments of \$30,000 to \$1,531,000 through October 1, 2027, plus interest at 3.75%	<u>15,178,000</u>
Total Governmental General Obligation Bonds Outstanding	<u><u>\$ 16,399,000</u></u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

Bonds Payable (Continued)

Governmental Activities (Continued)

The annual requirements for debt service on the bonds at December 31, 2022 are as follows:

<u>Fiscal Year Payable</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 1,221,000	\$ 550,182	\$ 1,771,182
2024	3,588,000	569,175	4,157,175
2025	3,722,000	434,625	4,156,625
2026	3,862,000	295,050	4,157,050
2027	4,006,000	150,225	4,156,225
	<u>\$ 16,399,000</u>	<u>\$ 1,999,257</u>	<u>\$ 18,398,257</u>

Business-type Activities

In March 2021, the County issued \$29,500,000 in Series 2021 refunding and improvement revenue bonds to refinance the County's Georgia Environmental Finance Authority note in full, refund and redeem the outstanding Water and Sewer revenue bonds, Series 2013A and Series 2013C, fund the acquisition construction, and equipping of certain additions and improvements to the water and sewer system of the County and cover all costs incurred with the issuance of the bonds. The bonds have an interest rate of 1.62% and a maturity date March 1, 2036. The bonds require annual principal payments beginning December 31, 2021, and interest is payable semi-annually on March and September 1st each year.

The annual requirements for debt service on the bonds at December 31, 2022 are as follows:

<u>Fiscal Year Payable</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 2,171,000	\$ 420,981	\$ 2,591,981
2024	2,068,000	386,645	2,454,645
2025	1,983,000	353,832	2,336,832
2026	2,016,000	321,440	2,337,440
2027	2,049,000	288,514	2,337,514
2028 – 2032	9,126,000	987,325	10,113,325
2033 – 2036	7,659,000	250,638	7,909,638
	<u>\$ 27,072,000</u>	<u>\$ 3,009,376</u>	<u>\$ 30,081,376</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

Financed Purchases

Governmental Activities

The County has entered into financed purchase agreements for the acquisition of various equipment, buildings, and improvements. These agreements qualify as finance purchases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of inception. Depreciation of the cost of these capital assets is included in depreciation expense in the government-wide financial statements. The outstanding balance of the finance purchase was \$24,809,445 as of December 31, 2022.

Annual requirements for payments on finance purchases at December 31, 2022 are as follows:

<u>Fiscal Year Payable</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 2,197,287	\$ 507,913	\$ 2,705,200
2024	2,145,501	458,469	2,603,970
2025	2,122,565	421,558	2,544,123
2026	2,153,491	386,648	2,540,139
2027	2,213,040	361,762	2,574,802
2028 – 2032	10,566,339	1,188,221	11,754,560
2033 and 2034	3,411,222	141,880	3,553,102
	<u>\$ 24,809,445</u>	<u>\$ 3,466,451</u>	<u>\$ 28,275,896</u>

Notes Payable From Direct Borrowings

Governmental Activities

The County has issued a note payable to Zoll Medical Corporation for the financing of cardiac monitors for various buildings throughout the County, payable in monthly installments of \$3,926 at 0% interest through June 24, 2022. The outstanding balance was fully paid during the fiscal year 2022.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

Notes Payable From Direct Borrowings (Continued)

Governmental Activities (Continued)

The County has issued a note payable to Ameris Bank for the refinancing of the Bryan County Department of Family and Children Services building, secured by real estate, payable in 180 monthly installments of \$7,960 including interest at 3.09% through September 20, 2030. The outstanding balance of the note was \$502,013 as of December 31, 2022.

The County has issued a note payable to Axon Enterprise, Inc. for the financing of equipment for the police department, payable in annual installments of \$14,400 at 0% interest through January 17, 2024. The outstanding balance of the note was \$28,800 as of December 31, 2022.

As of December 31, 2022, annual debt service requirements to maturity for notes payable are as follows:

<u>Fiscal Year Payable</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 95,355	\$ 14,750	\$ 110,105
2024	97,892	12,033	109,925
2025	86,182	9,343	95,525
2026	88,921	6,604	95,525
2027	91,747	3,778	95,525
2028	70,716	929	71,645
	<u>\$ 530,813</u>	<u>\$ 47,437</u>	<u>\$ 578,250</u>

Leases

The County has entered into various lease agreements as a lessee for financing vehicles and equipment. The leases have been recorded at the present value of the future minimum lease payments as of the date the vehicles and equipment are received. The County uses the implicit interest rate to compute the net present value which ranges from 2-4.5%. Lease terms on the leases range from three to five years.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

Leases (Continued)

Lease payments to maturity for the governmental activities leases are as follows:

<u>Fiscal Year Payable</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 316,860	\$ 14,075	\$ 330,935
2024	318,017	9,579	327,596
2025	306,798	5,001	311,799
2026	118,887	971	119,858
	<u>\$ 1,060,562</u>	<u>\$ 29,626</u>	<u>\$ 1,090,188</u>

B. Component Units

Bonds Payable

The following is a summary of long-term debt activity for the Bryan County Public Facilities Authority, a discretely presented component unit of the County, for the year ended December 31, 2022:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Bonds payable	<u>\$ 18,597,000</u>	<u>\$ -</u>	<u>\$ (1,315,000)</u>	<u>\$ 17,282,000</u>	<u>\$ 1,344,000</u>

In November 2019, the Bryan County Public Facilities Authority issued \$21,000,000 in Series 2019 revenue bonds to finance the County's current and future acquisition and improvement of their facilities and equipment. The bonds have an interest rate of 2.19% and a maturity date of December 1, 2034. The bonds require annual principal payments beginning December 1, 2020, and interest is payable semiannually on June 1 and December 1 each year.

In June 2020, the Bryan County Public Facilities Authority issued \$16,500,000 in Series 2020 revenue bonds to refinance a portion of the Authority's Series 2019 revenue bonds. The bonds have an interest rate of 1.13% and a maturity date of December 1, 2034. The bonds require annual principal payments beginning December 1, 2020, and interest is payable semi-annually on June 1 and December 1 each year.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT (CONTINUED)

B. Component Units (Continued)

Bonds Payable (Continued)

The annual requirements for debt service on the bonds at December 31, 2022 are as follows:

<u>Fiscal Year Payable</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 1,344,000	\$ 205,272	\$ 1,549,272
2024	1,368,000	180,099	1,548,099
2025	1,384,000	164,641	1,548,641
2026	1,400,000	149,002	1,549,002
2027	1,416,000	133,182	1,549,182
2028 – 2032	7,324,000	422,247	7,746,247
2033 and 2034	3,046,000	51,720	3,097,720
	<u>\$ 17,282,000</u>	<u>\$ 1,306,163</u>	<u>\$ 18,588,163</u>

NOTE 8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund receivable and payable balances as of December 31, 2022 are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	ARPA Fund	\$ 203,697
General Fund	Water and Sewer Fund	3,334,299
General Fund	Nonmajor Governmental Funds	140,546
Unincorporated Services Fund	ARPA Fund	22,500
Unincorporated Services Fund	Water and Sewer Fund	41,165
General Fund	SPLOST VII	2,817,076
		<u>\$ 6,559,283</u>

These balances resulted from the time lag between the dates that: 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system, and 3) payments between funds are made.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)

Interfund transfers as of December 31, 2022 are as follows:

Transfers In	Transfers Out	Amount
General Fund	ARPA	\$ 203,697
General Fund	Unincorporated	614,600
General Fund	Water and Sewer Fund	280,000
Unincorporated Services Fund	General Fund	212,700
Unincorporated Services Fund	ARPA	22,500
Unincorporated Services Fund	Water and Sewer Fund	21,800
Water and Sewer Fund	ARPA	2,025,000
Nonmajor Governmental Funds	General Fund	727,006
		\$ 4,107,303

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

NOTES TO FINANCIAL STATEMENTS

NOTE 9. RETIREMENT PLANS

Plan Description

The County, as authorized by the County Commission, has established a non-contributory defined benefit pension plan, the Bryan County Defined Benefit Plan (the "Plan"), covering substantially all of the County's employees. The County's pension plan is administered through the Association County Commissioners of Georgia Third Restated Defined Benefit Plan (the "ACCG Plan"), an agent multiple-employer pension plan administered by GEBCorp and affiliated with the Association of County Commissioners of Georgia ("ACCG"). The plan provides retirement, disability, and death benefits to plan members and beneficiaries. The plan benefits are provided for plan participants who were participants in the plan before January 1, 2004 whereby retirees receive between 1% and 1.75% multiplied by the average of the highest five consecutive years of earnings multiplied by the total credited years of service. The plan benefits are provided for plan participants who were participants in the Plan on or after January 1, 2004 whereby retirees receive 1% multiplied by the average of the highest five consecutive years of earnings multiplied by the total credited years of service. The ACCG, in its role as the Plan sponsor, has the sole authority to establish and amend the benefit provisions and the contribution rates of the County related to the Plan, as provided in 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 County Commission retains this authority. The ACCG Plan issues a publicly available financial report that includes financial statements and required supplementary information for the pension trust. That report may be obtained at www.gebcorp.com or by writing to Association County Commissioners of Georgia, Retirement Services, 191 Peachtree Street, NE, Atlanta, Georgia 30303 or by calling (800) 736-7166.

Plan Membership

As of January 1, 2021, the date of the most recent actuarial valuation, pension plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	96
Inactive plan members entitled to but not receiving benefits	136
Active plan members	<u>294</u>
Total	<u><u>526</u></u>

NOTES TO FINANCIAL STATEMENTS

NOTE 9. RETIREMENT PLANS (CONTINUED)

Contributions

The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The Board of Trustees of the ACCG Plan has adopted a recommended actuarial funding policy for the Plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the Plan. The funding policy for the Plan, as adopted by the County Commission, is to contribute an amount equal to or greater than the actuarially recommended contribution rate. This rate is based on the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. No contributions are made by plan participants. For the year ended December 31, 2022, the County's contribution rate was 15.8% of annual payroll. County contributions to the Plan were \$1,453,258 for the year ended December 31, 2022.

Net Pension Liability of the County

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

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

Inflation	2.00%
Salary increases	2.50% – 5.50% per year, adjusted for age
Investment rate of return	7.00%

Mortality rates were based on Pub-2010 GE (50%) and PS (50%) Amt-Weighted with Scale AA to 2022.

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. RETIREMENT PLANS (CONTINUED)

Net Pension Liability of the County (Continued)

Actuarial Assumptions (Continued). Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Fixed Income	30%	25.0%-35.0%
Large Cap	30%	25.0%-35.0%
Mid Cap	5%	2.5%-10.0%
Small Cap	5%	2.5%-10.0%
REIT	5%	2.5%-10.0%
International	15%	10.0%-20.0%
Multi Cap	5%	2.5%-10.0%
Global Allocation	5%	2.5%-10.0%
Total	<u>100%</u>	

Discount Rate. The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that County contributions will be made based on the average County contribution made to the Plan over the prior five years. Based on this assumption, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all of the projected benefit payments to determine the total pension liability.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. RETIREMENT PLANS (CONTINUED)

Net Pension Liability of the County (Continued)

Changes in the Net Pension Liability of the County. The changes in the components of the net pension liability of the County for the year ended December 31, 2022, were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Beginning Balance	\$ 21,687,170	\$ 16,482,375	\$ 5,204,795
<i>Changes for the year:</i>			
Service cost	613,401	-	613,401
Interest	1,484,785	-	1,484,785
Liability experience (gain)/loss	216,811	-	216,811
Assumption change	33,981	-	33,981
Contributions - employer	-	1,362,056	(1,362,056)
Net investment income	-	2,525,934	(2,525,934)
Benefit payments, including refunds of employee contributions	(951,912)	(951,912)	-
Administrative expense	-	(55,969)	55,969
Other changes	-	(182,151)	182,151
<i>Net changes</i>	<u>1,397,066</u>	<u>2,697,958</u>	<u>(1,300,892)</u>
Ending Balance	<u>\$ 23,084,236</u>	<u>\$ 19,180,333</u>	<u>\$ 3,903,903</u>

The required Schedule of Changes in the County's Net Pension Liability and Related Ratios immediately following the notes to the financial statements presents multi-year trend information about whether the value of plan assets is increasing or decreasing over time relative to the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate. The following presents the net pension liability of the County, calculated using the discount rate of 7.00%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
County's net pension liability	\$ 6,961,683	\$ 3,903,903	\$ 1,364,229

NOTES TO FINANCIAL STATEMENTS

NOTE 9. RETIREMENT PLANS (CONTINUED)

Net Pension Liability of the County (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate (Continued). Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of December 31, 2022, and the current sharing pattern of costs between employer and employee.

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

For the year ended December 31, 2022, the County recognized pension expense of \$1,187,549. At December 31, 2022, the County reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Investment earnings difference	\$ -	\$ 1,940,850
Contributions subsequent to the measurement date	1,453,258	-
Assumption changes	242,988	-
Experience differences	303,597	17,317
Total	\$ 1,999,843	\$ 1,958,167

County contributions subsequent to the measurement date of \$1,453,258 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ending December 31, 2023. Other amounts reported as deferred outflows and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Year ending December 31,</u>	
2023	\$ (157,625)
2024	(622,260)
2025	(371,112)
2026	(260,585)
Total	\$ (1,411,582)

NOTES TO FINANCIAL STATEMENTS

NOTE 10. OTHER POST-EMPLOYMENT BENEFITS (“OPEB”)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued Employees’ Retirement Systems of Georgia Financial Report which is publicly available at www.ersga.com.

Plan Description

The County’s defined benefit OPEB plan provides medical, prescription, and death benefits to eligible retirees and their spouses. The plan is a single-employer defined benefit OPEB plan administered by the County. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Eligibility and Benefits Provided

Any employee who retires at age 60 may remain on the County’s medical insurance plan. Employees hired on or after May 1, 2014 are unable to continue to receive the benefits after reaching Medicare eligibility. Employees must have 10 or more years of service. Employees with 30 years of service may retire and be eligible for insurance benefits regardless of age. Spouse coverage is also provided.

Any retired employee whose spouse is younger than the employee may continue to cover the spouse on the County’s medical insurance plan at the single coverage premium until the spouse qualifies for Medicare coverage.

The County will cover 20% of the health insurance premium for eligible employees. Dental and vision coverage is offered, but the premium is paid completely by the retiree.

Employees Covered by Benefits Terms

At December 31, 2022, the following employees were covered by the benefit terms:

Retirees and beneficiaries receiving benefits	48
Active plan participants	<u>63</u>
Total	<u><u>111</u></u>
Covered Compensation	<u><u>\$ 3,414,849</u></u>

Total OPEB Liability

The County’s total OPEB liability of \$3,759,832 was measured as of December 31, 2022 and was determined by an actuarial valuation performed as of December 31, 2022.

NOTES TO FINANCIAL STATEMENTS

NOTE 10. OTHER POST-EMPLOYMENT BENEFITS (“OPEB”) (CONTINUED)

Actuarial Assumptions

The total OPEB liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Discount rate	4.31%
Healthcare cost trend rates	7.50%, graded by 0.25% per year to an ultimate rate of 4.50%
Utilization rate	75.00%
Actuarial cost method	Entry Age Normal
Salary scale	5.50% based on February 2019 experience study
Measurement date	December 31, 2022

The discount rate used to measure the total OPEB liability was 4.31%. Because the plan is unfunded, the plan's projected benefits are discounted back using rates equivalent to AA 20-year municipal bonds. The GO Bond Buyer Index was used to approximate those yields as of December 31, 2022. The prior valuation used 2.06%.

Mortality rates were based on the Pub-2010 50% Public Safety/50% General Employees Headcount-Weighted Mortality with Scale AA to 2021.

Changes in the Total OPEB Liability

	Total OPEB Liability
	(a)
Beginning Balance	<u>\$ 4,673,558</u>
<i>Changes for the year:</i>	
Service cost	112,883
Interest	94,935
Assumption changes	(990,775)
Benefit Payments	(130,769)
<i>Net changes</i>	<u>(913,726)</u>
Ending Balance	<u><u>\$ 3,759,832</u></u>

NOTES TO FINANCIAL STATEMENTS

NOTE 10. OTHER POST-EMPLOYMENT BENEFITS (“OPEB”) (CONTINUED)

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

The following presents the total OPEB liability of the County, calculated using the discounted rate of 4.31%, as well as what the County’s OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.31%) or one percentage point higher (5.31%) than the current rate:

	1% Decrease (5.31%)	Current Discount Rate (4.31%)	1% Increase (3.31%)
County's net OPEB liability	\$ 4,236,373	\$ 3,759,832	\$ 3,361,625

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

The following presents the total OPEB liability of the County, calculated using the healthcare cost trend rates of 7.5 to 4.5%, as well as what the County’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower (6.5 to 3.5%) or one percentage point higher (8.5 to 5.5%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
County's net OPEB liability	\$ 3,308,502	\$ 3,759,832	\$ 4,307,517

OPEB Expense

For the year ended December 31, 2022, the County recognized OPEB expense of \$60,724.

Deferred Outflows of Resources Related to OPEB

At December, 31, 2022, the County reported deferred outflows of resources from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Assumption changes	\$ 574,445	\$ 734,098
Experience differences	-	269,810
Total	\$ 574,445	\$ 1,003,908

NOTES TO FINANCIAL STATEMENTS

NOTE 10. OTHER POST-EMPLOYMENT BENEFITS (“OPEB”) (CONTINUED)

Deferred Outflows of Resources Related to OPEB (Continued)

Amounts reported as deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year ending December 31,</u>	
2023	\$ (147,194)
2024	(139,933)
2025	(150,175)
2026	7,839
Total	<u>\$ (429,463)</u>

NOTE 11. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has joined together with other counties in the state as part of the Association of County Commissioners of Georgia (“ACCG”) Interlocal Risk Management Agency Property and Liability Insurance Fund and the ACCG Group Self-Insurance Workers Compensation Fund, a public entity risk pool currently operating as a common risk management insurance program for member local governments.

As part of these risk pools, the County is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pool’s agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all 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 the members of the funds against liability or loss as prescribed in the member government contract and in accordance with the worker’s compensation law of Georgia. The funds are to pay all cost taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgement, and all expenses incurred for investigation, negotiation or defense.

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

NOTES TO FINANCIAL STATEMENTS

NOTE 12. CONTINGENCIES AND COMMITMENTS

Grant Contingencies: The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their representatives. Such audits could lead to the disallowance of certain expenditures previously reimbursed by those agencies. Based upon prior experience, County management believes such disallowances, if any, will not be significant.

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

NOTE 13. JOINT VENTURE

Under Georgia law, the County, in conjunction with other cities and counties in the ten county Southeast Georgia areas, is a member of the Coastal Regional Commission of Georgia (“RC”) and is required to pay annual dues thereto. During its year ended December 31, 2022, the County paid \$33,270 in such dues. Membership in an RC is required by the Official Code of Georgia Annotated (“O.C.G.A.”) §50-8-33 which provides for the organizational structure of the RC in Georgia. The RC Regional Council membership includes the chief elected official of each county and municipality of the area. O.C.G.A. §50-8-39 provides that the member governments are liable for any debts or obligations of an RC. Separate financial statements may be obtained from Coastal Regional Commission of Georgia, 1181 Coastal Drive SW, Darien, Georgia 31305

NOTE 14. TAX ABATEMENTS

The Development Authority of Bryan County (the “Authority”) can enter into agreements for industrial projects to encourage the creation of jobs and new capital investment through an “Investment Assistance Program.” Georgia case law and statutory provisions, including the Development Authorities Law (Title 36 Chapter 62 of the Georgia Code Annotated), provide the Authority with the power to enter into such agreements with companies.

The Authority may accept title to real property (land and building) and personal property (machinery and equipment) assets from a company in return for job creation and/or capital investment and provide a tax benefit to the company through a lease agreement with the Authority. Agreements with respect to taxation of such assets under the lease provide the terms and conditions of any tax abatement. In general, failure to create jobs and/or investments as set forth in the agreements would result in a reduction (or claw back) of any tax abatements. The Authority monitors compliance with performance and accountability agreements to ensure the companies meet their commitments.

NOTES TO FINANCIAL STATEMENTS

NOTE 14. TAX ABATEMENTS (CONTINUED)

For Bryan County's fiscal year ended December 31, 2022, the estimated property tax not collected by Bryan County due to incentive agreements was \$439,643. Such agreements in effect for Bryan County resulted in an estimated \$389,000,000 in capital investment and approximately 895 jobs.

REQUIRED SUPPLEMENTARY INFORMATION

BRYAN COUNTY, GEORGIA

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY
AND RELATED RATIOS
FOR THE FISCAL YEARS ENDED DECEMBER 31,**

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Total pension liability			
Service cost	\$ 613,401	\$ 564,526	\$ 489,813
Interest on total pension liability	1,518,102	1,386,764	1,259,789
Liability experience (gain)/loss	216,811	272,685	(75,034)
Assumption change	33,981	32,466	869,556
Benefit payments, including refunds of employee contributions	(985,229)	(760,369)	(679,695)
Service credit transfer	-	-	(20,328)
Net change in total pension liability	1,397,066	1,496,072	1,844,101
Total pension liability - beginning	21,687,170	20,191,098	18,346,997
Total pension liability - ending (a)	\$ 23,084,236	\$ 21,687,170	\$ 20,191,098
Plan fiduciary net position			
Contributions - employer	\$ 1,362,056	\$ 1,276,403	\$ 992,783
Net investment income	2,525,934	1,897,658	2,454,651
Benefit payments, including refunds of employee contributions	(951,912)	(760,369)	(679,695)
Administrative expenses	(55,969)	(52,025)	(48,392)
Service credit transfer	-	-	(20,328)
Other	(182,151)	(76,827)	(71,637)
Net change in fiduciary net position	2,697,958	2,284,840	2,627,382
Plan fiduciary net position - beginning	16,482,375	14,197,535	11,570,153
Plan fiduciary net position - ending (b)	\$ 19,180,333	\$ 16,482,375	\$ 14,197,535
County's net pension liability - ending (a) - (b)	\$ 3,903,903	\$ 5,204,795	\$ 5,993,563
Plan fiduciary net position as a percentage of total pension liability	83.1%	76.0%	70.3%
Covered payroll	\$ 8,260,886	\$ 7,471,947	\$ 6,784,322
County's net pension liability as a percentage of covered payroll	47.3%	69.7%	88.3%

Notes to the Schedule:

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

2019	2018	2017	2016	2015
\$ 414,781	\$ 356,904	\$ 335,194	\$ 311,647	\$ 317,967
1,121,498	1,027,163	998,032	893,162	838,487
529,618	490,105	(338,678)	257,412	-
1,120,195	29,583	437,905	428,088	-
(616,062)	(589,124)	(554,441)	(429,632)	(425,275)
-	-	-	-	-
2,570,030	1,314,631	878,012	1,460,677	731,179
15,776,967	14,462,336	13,584,324	12,123,647	11,392,468
<u>\$ 18,346,997</u>	<u>\$ 15,776,967</u>	<u>\$ 14,462,336</u>	<u>\$ 13,584,324</u>	<u>\$ 12,123,647</u>
\$ 996,648	\$ 893,224	\$ 831,798	\$ 819,004	\$ 796,173
(521,531)	1,598,560	655,899	74,425	580,839
(616,062)	(589,124)	(554,441)	(429,632)	(425,275)
(36,448)	(30,685)	(32,711)	(30,204)	(29,342)
-	-	-	-	-
(69,184)	(121,223)	(102,335)	(110,675)	(104,032)
(246,577)	1,750,752	798,210	322,918	818,363
11,816,730	10,065,978	9,267,768	8,944,850	8,126,487
<u>\$ 11,570,153</u>	<u>\$ 11,816,730</u>	<u>\$ 10,065,978</u>	<u>\$ 9,267,768</u>	<u>\$ 8,944,850</u>
<u>\$ 6,776,844</u>	<u>\$ 3,960,237</u>	<u>\$ 4,396,358</u>	<u>\$ 4,316,556</u>	<u>\$ 3,178,797</u>
63.1%	74.9%	69.6%	68.2%	73.8%
\$ 6,610,608	\$ 5,812,122	\$ 5,458,515	\$ 5,541,240	\$ 5,361,450
102.5%	68.1%	80.5%	77.9%	59.3%

BRYAN COUNTY, GEORGIA

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
FOR THE YEARS ENDED DECEMBER 31,**

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Actuarially determined contribution	\$ 1,142,855	\$ 1,160,959	\$ 1,179,722
Contributions in relation to the actuarially determined contribution	<u>1,453,258</u>	<u>1,362,056</u>	<u>1,276,403</u>
Contribution deficiency (excess)	<u>\$ (310,403)</u>	<u>\$ (201,097)</u>	<u>\$ (96,681)</u>
Covered payroll	\$ 9,175,685	\$ 8,260,886	\$ 7,471,947
Contributions as a percentage of covered payroll	15.8%	16.5%	17.1%

Notes to the Schedule:

Valuation Date	January 1, 2022
Cost Method	Entry age normal
Actuarial Asset Valuation Method	Smoothed market value with a five-year smoothing period
Assumed Rate of Return	
On Investments	7.00%
Projected Salary Increases	2.50% - 5.50%
Amortization Method	Level percent of compensation basis
Remaining Amortization Period	13 years

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

2019	2018	2017	2016	2015
\$ 1,085,781	\$ 920,247	\$ 908,604	\$ 831,955	\$ 822,367
992,783	996,648	893,224	831,798	819,004
<u>\$ 92,998</u>	<u>\$ (76,401)</u>	<u>\$ 15,380</u>	<u>\$ 157</u>	<u>\$ 3,363</u>
\$ 6,784,322	\$ 6,610,608	\$ 5,812,122	\$ 5,458,515	\$ 5,541,240
14.6%	15.1%	15.4%	15.2%	14.8%

BRYAN COUNTY, GEORGIA

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS
FOR THE YEARS ENDED DECEMBER 31,**

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Total OPEB liability			
Service cost	\$ 112,883	\$ 141,079	\$ 126,489
Difference between expected and actual experience	-	(559,930)	-
Interest on total OPEB liability	94,935	99,576	115,920
Changes of assumptions	(990,775)	365,331	343,911
Benefit payments	<u>(130,769)</u>	<u>(138,251)</u>	<u>(101,767)</u>
Net change in total OPEB liability	(913,726)	(92,195)	484,553
Total OPEB liability - beginning	<u>4,673,558</u>	<u>4,765,753</u>	<u>4,281,200</u>
Total OPEB liability - ending	<u>\$ 3,759,832</u>	<u>\$ 4,673,558</u>	<u>\$ 4,765,753</u>
Covered employee payroll	\$ 3,414,849	\$ 3,517,226	\$ 4,380,494
County's total OPEB liability as a percentage of covered employee payroll	110.1%	132.9%	108.8%

Notes to the Schedule:

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

	2019	2018
\$	122,720	\$ 112,284
	-	-
	140,187	133,812
	638,473	-
	<u>(94,501)</u>	<u>(86,055)</u>
	806,879	160,041
	<u>3,474,321</u>	<u>3,314,280</u>
\$	<u><u>4,281,200</u></u>	<u><u>\$ 3,474,321</u></u>
\$	7,739,432	\$ 7,739,432
	55.3%	44.9%

SUPPLEMENTARY INFORMATION

BRYAN COUNTY, GEORGIA

**GENERAL FUND
COMPARATIVE BALANCE SHEETS
DECEMBER 31,**

	ASSETS	<u>2022</u>	<u>2021</u>
Cash and cash equivalents		\$ 25,087,629	\$ 25,076,945
Investments		2,284,364	2,285,974
Taxes receivable		477,151	470,423
Accounts receivable		427,515	368,447
Lease receivable		333,212	-
Due from other governments		1,008,952	868,870
Due from other funds		6,495,618	117,659
Advances to other funds		-	700,000
Inventories		39,281	36,118
Prepaid items		364,957	743,037
Total assets		<u>\$ 36,518,679</u>	<u>\$ 30,667,473</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts payable		\$ 1,246,014	\$ 376,574
Accrued liabilities		2,194,644	628,515
Performance bonds		1,847,247	873,830
Due to other funds		-	2,687,654
Due to other governments		12,071	-
Total liabilities		<u>5,299,976</u>	<u>4,566,573</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes		235,476	270,267
Unavailable revenue - leases		320,982	-
Total deferred inflows of resources		<u>556,458</u>	<u>270,267</u>
FUND BALANCES			
Non-spendable		404,238	779,155
Assigned		500,000	693,600
Unassigned		29,758,007	24,357,878
Total fund balances		<u>30,662,245</u>	<u>25,830,633</u>
Total liabilities, deferred inflows of resources and fund balances		<u>\$ 36,518,679</u>	<u>\$ 30,667,473</u>

BRYAN COUNTY, GEORGIA

GENERAL FUND COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE FISCAL YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022	2021
Revenues		
Taxes	\$ 24,874,410	\$ 22,894,897
Licenses and permits	5,608	30,858
Charges for services	2,865,546	2,787,798
Fines and forfeitures	1,800,140	1,827,264
Intergovernmental	905,604	9,887,949
Interest income	131,684	28,517
Miscellaneous	10,390,504	184,526
Total revenues	40,973,496	37,641,809
Expenditures		
Current:		
General government	5,906,284	4,756,053
Judicial	2,803,967	2,406,436
Public safety	12,241,700	10,679,211
Public works	10,379,175	2,921,905
Health and welfare	1,093,040	1,026,457
Libraries and recreation	3,032,554	2,874,193
Housing and development	729,897	9,728,897
Debt Service:		
Principal	168,117	136,797
Interest	17,825	19,481
Total expenditures	36,372,559	34,549,430
Excess of revenues over expenditures	4,600,937	3,092,379
Other financing sources (uses)		
Debt issuance	14,785	57,600
Sale of capital assets	57,299	23,692
Transfers in	1,098,297	1,862,907
Transfers out	(939,706)	(629,700)
Total other financing sources (uses), net	230,675	1,314,499
Net change in fund balances	4,831,612	4,406,878
Fund balances, beginning of year, as restated	25,830,633	21,423,755
Fund balances, end of year	\$ 30,662,245	\$ 25,830,633

BRYAN COUNTY, GEORGIA
UNINCORPORATED SERVICES FUND
COMPARATIVE BALANCE SHEETS
FOR THE FISCAL YEARS ENDED DECEMBER 31, 2022 AND 2021

ASSETS	2022	2021
Cash and cash equivalents	\$ 4,439,403	\$ 108,664
Taxes receivable	285,823	324,790
Due from other governments	-	93,143
Due from other funds	63,665	2,724,456
Prepaid items	37,912	25,635
Total assets	<u>\$ 4,826,803</u>	<u>\$ 3,276,688</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES		
LIABILITIES		
Accounts payable	\$ 550,451	\$ 242,052
Total liabilities	<u>550,451</u>	<u>242,052</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue - property taxes	<u>173,320</u>	<u>233,520</u>
FUND BALANCES		
Non-spendable	37,912	25,635
Restricted	4,065,120	2,775,481
Total fund balances	<u>4,103,032</u>	<u>2,801,116</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 4,826,803</u>	<u>\$ 3,276,688</u>

BRYAN COUNTY, GEORGIA

**UNINCORPORATED SERVICES FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEARS ENDED DECEMBER 31, 2022 AND 2021**

	2022	2021
Revenues		
Taxes	\$ 6,540,282	\$ 5,911,142
Licenses and permits	1,576,318	1,001,750
Intergovernmental	835,553	597,937
Miscellaneous	2,299	185
Total revenues	<u>8,954,452</u>	<u>7,511,014</u>
Expenditures		
Current:		
General government	548	-
Public safety	3,173,315	2,827,757
Public works	1,844,171	1,794,837
Health and welfare	51,373	64,309
Housing and development	2,027,660	1,501,533
Capital outlay	190,794	216,647
Debt Service:		
Principal	7,011	-
Interest	64	-
Total expenditures	<u>7,294,936</u>	<u>6,405,083</u>
Excess of revenues over expenditures	<u>1,659,516</u>	<u>1,105,931</u>
Other financing sources (uses)		
Transfers in	257,000	241,685
Transfers out	(614,600)	(590,600)
Total other financing sources (uses), net	<u>(357,600)</u>	<u>(348,915)</u>
Net change in fund balances	1,301,916	757,016
Fund balances, beginning of year	<u>2,801,116</u>	<u>2,044,100</u>
Fund balances, end of year	<u>\$ 4,103,032</u>	<u>\$ 2,801,116</u>

BRYAN COUNTY, GEORGIA

**WATER AND SEWER ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
FOR THE FISCAL YEARS ENDED DECEMBER 31, 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ -	\$ 4,209,300
Restricted cash	1,005,604	24,955,469
Investments	24,104,658	-
Accounts receivable, net of allowance	9,900,977	319,835
Prepaid items	2,030,505	6,814
Total current assets	<u>37,041,744</u>	<u>29,491,418</u>
NON-CURRENT ASSETS		
Capital assets:		
Non-depreciable	26,114,694	5,860,422
Depreciable, net of accumulated depreciation	9,880,460	10,459,160
Total capital assets	<u>35,995,154</u>	<u>16,319,582</u>
Total non-current assets	<u>35,995,154</u>	<u>16,319,582</u>
Total assets	<u>73,036,898</u>	<u>45,811,000</u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable	6,771,883	769,018
Accrued interest payable	140,327	151,961
Customer deposits	153,306	128,103
Bonds payable, current portion	2,171,000	2,138,000
Due to other funds	3,375,464	20,419
Total current liabilities	<u>12,611,980</u>	<u>3,207,501</u>
LONG-TERM LIABILITIES		
Notes payable, net of current portion	9,579,345	-
Bonds payable, net of current portion	24,901,000	27,072,000
Total long-term liabilities	<u>34,480,345</u>	<u>27,072,000</u>
Total liabilities	<u>47,092,325</u>	<u>30,279,501</u>
NET POSITION		
Net investment in capital assets	24,290,659	12,056,432
Restricted for debt service	-	1,377,200
Unrestricted	1,653,914	2,097,867
Total net position	<u>\$ 25,944,573</u>	<u>\$ 15,531,499</u>

BRYAN COUNTY, GEORGIA

**WATER AND SEWER ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
FOR THE FISCAL YEARS ENDED DECEMBER 31, 2022 AND 2021**

	2022	2021
Operating revenues		
Water and sewer sales	\$ 2,486,605	\$ 2,102,989
Tap and connection fees	295,000	114,000
Total operating revenues	<u>2,781,605</u>	<u>2,216,989</u>
Operating expenses		
Personnel services	468,624	332,113
Purchased services	570,211	320,033
Material and supplies	429,887	275,554
Depreciation	592,482	575,307
Total operating expenses	<u>2,061,204</u>	<u>1,503,007</u>
Operating income	<u>720,401</u>	<u>713,982</u>
Non-operating revenue (expense)		
Interest income	154,792	8,618
Interest expense	(715,893)	(369,437)
Issuance costs	-	(371,860)
Claims and fees	1,055	-
Total non-operating expenses, net	<u>(560,046)</u>	<u>(732,679)</u>
Income (loss) before transfers and capital contributions	160,355	(18,697)
Transfers		
Transfers in	2,025,000	-
Transfers out	(301,800)	(1,214,970)
Total transfers	<u>1,723,200</u>	<u>(1,214,970)</u>
Capital contributions	<u>8,529,519</u>	<u>4,543,763</u>
Change in net position	10,413,074	3,310,096
Net position, beginning of year	<u>15,531,499</u>	<u>12,221,403</u>
Net position, end of year	<u>\$ 25,944,573</u>	<u>\$ 15,531,499</u>

**COMBINING AND INDIVIDUAL
FUND STATEMENTS AND SCHEDULES**

BRYAN COUNTY, GEORGIA
NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Emergency Telephone Fund is used to account for the cost of operating and maintaining the County E-911 System. Financing is provided by a charge to each telephone subscriber whose exchange access lines are in the areas served by the County's E-911 system and by a transfer from the General Fund.

Jail Fund is used to account for the expenditures made towards maintenance and operations of the County jail.

Sheriff Forfeiture Fund is used to account for funds seized by law enforcement.

Law Library Fund is used to account for costs of operating and maintaining the County Law Library. Financing is provided from a charge added to and collected on all costs in civil and criminal cases.

Inmate Telephone Commission Fund is used to account for funds acquired through vendor commissions for inmate telephone service.

NPDES Permit Fees Fund is used to account for the collection of national pollutant discharge permit fees.

Jail Commissary Fund is used to account for proceeds from jail inmate commissary sales.

Superior Court General Purpose Fund is used to account for the collection of costs and fees related to imaging services provided by the Court.

Drug Abuse Treatment and Education Fund is used to account for collection of additional penalties for certain drug related crimes and for expenditure of those funds solely and exclusively for drug abuse treatment and education programs.

Juvenile Supplemental Services Fund is used to account for monies collected under Georgia law for probation services to juvenile offenders. Such monies are restricted to providing treatment to juvenile offenders.

CAPITAL PROJECTS FUND

The ***Special Purpose Local Option Sales Tax ("SPLOST") VI Fund*** is used to account for the 1% sales tax proceeds restricted for the acquisition or construction of specific capital projects as approved by voter referendum.

BRYAN COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2022

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund - SPLOST VI	Total Nonmajor Governmental Funds
ASSETS			
Cash	\$ 947,334	\$ 1,303,755	\$ 2,251,089
Accounts receivable	168,972	-	168,972
Due from other governments	7,574	-	7,574
Prepaid items	46,952	-	46,952
Total assets	<u>\$ 1,170,832</u>	<u>\$ 1,303,755</u>	<u>\$ 2,474,587</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 97,948	\$ 26,827	\$ 124,775
Due to other funds	140,546	-	140,546
Total liabilities	<u>238,494</u>	<u>26,827</u>	<u>265,321</u>
FUND BALANCES			
Non-spendable for:			
Prepaid items	46,952	-	46,952
Restricted for:			
Capital projects	-	1,276,928	1,276,928
Sheriff	22,805	-	22,805
Law library	101,473	-	101,473
Clerk of courts	177,601	-	177,601
Drug education	356,246	-	356,246
Jail	153,771	-	153,771
Engineering and inspections	63,190	-	63,190
Juvenile services	14,930	-	14,930
Total fund balances	<u>932,338</u>	<u>1,276,928</u>	<u>2,209,266</u>
Total liabilities and fund balances	<u>\$ 1,170,832</u>	<u>\$ 1,303,755</u>	<u>\$ 2,474,587</u>

BRYAN COUNTY, GEORGIA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022**

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund - SPLOST VI	Total Nonmajor Governmental Funds
Revenues			
Licenses and permits	\$ 22,596	\$ -	\$ 22,596
Charges for services	967,605	-	967,605
Fines and forfeitures	312,347	-	312,347
Intergovernmental	92,148	-	92,148
Interest income	244	3,570	3,814
Miscellaneous	4,481	-	4,481
Total revenues	<u>1,399,421</u>	<u>3,570</u>	<u>1,402,991</u>
Expenditures			
Current:			
Judicial	44,827	-	44,827
Public safety	1,707,295	-	1,707,295
Capital outlay	296,065	246,427	542,492
Debt Service:			
Principal	130,851	48,213	179,064
Interest	8,661	7,221	15,882
Total expenditures	<u>2,187,699</u>	<u>301,861</u>	<u>2,489,560</u>
Ddeficiency of revenues under expenditures	<u>(788,278)</u>	<u>(298,291)</u>	<u>(1,086,569)</u>
Other financing sources			
Transfers in	727,006	-	727,006
Total other financing sources	<u>727,006</u>	<u>-</u>	<u>727,006</u>
Net change in fund balances	(61,272)	(298,291)	(359,563)
Fund balances, beginning of year	<u>993,610</u>	<u>1,575,219</u>	<u>2,568,829</u>
Fund balances, end of year	<u>\$ 932,338</u>	<u>\$ 1,276,928</u>	<u>\$ 2,209,266</u>

BRYAN COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2022

	Emergency Telephone	Jail Fund	Sheriff Forfeiture Fund	Law Library	Inmate Telephone Commission Fund
ASSETS					
Cash	\$ -	\$ 90,911	\$ 22,805	\$ 101,473	\$ 33,859
Accounts receivable	168,972	-	-	-	-
Due from other governments	-	7,574	-	-	-
Prepaid items	45,629	1,323	-	-	-
Total assets	<u>\$ 214,601</u>	<u>\$ 99,808</u>	<u>\$ 22,805</u>	<u>\$ 101,473</u>	<u>\$ 33,859</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 33,056	\$ 62,092	\$ -	\$ -	\$ -
Due to other funds	140,546	-	-	-	-
Total liabilities	<u>173,602</u>	<u>62,092</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Non-spendable for:					
Prepaid items	45,629	1,323	-	-	-
Restricted for:					
Sheriff	-	-	22,805	-	-
Law library	-	-	-	101,473	-
Clerk of courts	-	-	-	-	-
Drug education	-	-	-	-	-
Jail	-	36,393	-	-	33,859
Engineering and inspections	-	-	-	-	-
Juvenile services	-	-	-	-	-
Unassigned	(4,630)	-	-	-	-
Total fund balances	<u>40,999</u>	<u>37,716</u>	<u>22,805</u>	<u>101,473</u>	<u>33,859</u>
Total liabilities and fund balances	<u>\$ 214,601</u>	<u>\$ 99,808</u>	<u>\$ 22,805</u>	<u>\$ 101,473</u>	<u>\$ 33,859</u>

NPDES Permit Fees Fund	Jail Commissary Fund	Superior Court General Purpose Fund	Drug Abuse Treatment and Education Fund	Juvenile Supplemental Services Fund	Total Nonmajor Special Revenue Funds
\$ 63,190	\$ 83,519	\$ 177,601	\$ 359,046	\$ 14,930	\$ 947,334
-	-	-	-	-	168,972
-	-	-	-	-	7,574
-	-	-	-	-	46,952
<u>\$ 63,190</u>	<u>\$ 83,519</u>	<u>\$ 177,601</u>	<u>\$ 359,046</u>	<u>\$ 14,930</u>	<u>\$ 1,170,832</u>
\$ -	\$ -	\$ -	\$ 2,800	\$ -	\$ 97,948
-	-	-	-	-	140,546
-	-	-	2,800	-	238,494
-	-	-	-	-	46,952
-	-	-	-	-	22,805
-	-	-	-	-	101,473
-	-	177,601	-	-	177,601
-	-	-	356,246	-	356,246
-	83,519	-	-	-	153,771
63,190	-	-	-	-	63,190
-	-	-	-	14,930	14,930
-	-	-	-	-	(4,630)
<u>63,190</u>	<u>83,519</u>	<u>177,601</u>	<u>356,246</u>	<u>14,930</u>	<u>932,338</u>
<u>\$ 63,190</u>	<u>\$ 83,519</u>	<u>\$ 177,601</u>	<u>\$ 359,046</u>	<u>\$ 14,930</u>	<u>\$ 1,170,832</u>

BRYAN COUNTY, GEORGIA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022**

	Emergency Telephone	Jail Fund	Sheriff Forfeiture Fund	Law Library	Inmate Telephone Commission Fund
Revenues					
Licenses and permits	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	956,694	-	-	-	7,589
Fines and forfeitures	-	89,417	167,850	23,119	-
Intergovernmental	12,652	-	-	-	-
Interest income	-	-	12	56	21
Miscellaneous	4,481	-	-	-	-
Total revenues	<u>973,827</u>	<u>89,417</u>	<u>167,862</u>	<u>23,175</u>	<u>7,610</u>
Expenditures					
Current:					
Judicial	-	-	-	1,370	-
Public safety	1,322,434	114,108	233,751	-	2,176
Capital outlay	239,376	56,689	-	-	-
Debt Service					
Principal	130,851	-	-	-	-
Interest	8,661	-	-	-	-
Total expenditures	<u>1,701,322</u>	<u>170,797</u>	<u>233,751</u>	<u>1,370</u>	<u>2,176</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(727,495)</u>	<u>(81,380)</u>	<u>(65,889)</u>	<u>21,805</u>	<u>5,434</u>
Other financing sources					
Transfers in	727,006	-	-	-	-
Total other financing sources	<u>727,006</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(489)	(81,380)	(65,889)	21,805	5,434
Fund balances, beginning of year	<u>41,488</u>	<u>119,096</u>	<u>88,694</u>	<u>79,668</u>	<u>28,425</u>
Fund balances, end of year	<u>\$ 40,999</u>	<u>\$ 37,716</u>	<u>\$ 22,805</u>	<u>\$ 101,473</u>	<u>\$ 33,859</u>

NPDES Permit Fees Fund	Jail Commissary Fund	Superior Court General Purpose Fund	Drug Abuse Treatment and Education Fund	Juvenile Supplemental Services Fund	Total Nonmajor Special Revenue Funds
\$ 22,596	\$ -	\$ -	\$ -	\$ -	\$ 22,596
-	3,322	-	-	-	967,605
-	-	-	31,961	-	312,347
-	-	79,496	-	-	92,148
-	54	101	-	-	244
-	-	-	-	-	4,481
<u>22,596</u>	<u>3,376</u>	<u>79,597</u>	<u>31,961</u>	<u>-</u>	<u>1,399,421</u>
-	-	43,457	-	-	44,827
-	13,010	-	21,816	-	1,707,295
-	-	-	-	-	296,065
-	-	-	-	-	130,851
-	-	-	-	-	8,661
<u>-</u>	<u>13,010</u>	<u>43,457</u>	<u>21,816</u>	<u>-</u>	<u>2,187,699</u>
<u>22,596</u>	<u>(9,634)</u>	<u>36,140</u>	<u>10,145</u>	<u>-</u>	<u>(788,278)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>727,006</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>727,006</u>
22,596	(9,634)	36,140	10,145	-	(61,272)
<u>40,594</u>	<u>93,153</u>	<u>141,461</u>	<u>346,101</u>	<u>14,930</u>	<u>993,610</u>
<u>\$ 63,190</u>	<u>\$ 83,519</u>	<u>\$ 177,601</u>	<u>\$ 356,246</u>	<u>\$ 14,930</u>	<u>\$ 932,338</u>

BRYAN COUNTY, GEORGIA

CUSTODIAL FUNDS

Tax Commissioner – To account for the collection and payment to the County and other taxing units of the property taxes levied, billed, and collected by the Tax Commissioner on behalf of the County and other taxing units.

Probate Court – To account for all monies received by the Probate Court on behalf of individuals, private organizations, other governmental units, and other funds.

Clerk of Court – To account for all monies received by the Clerk of Superior Court on behalf of individuals, private organizations, other governmental units, and other funds.

Magistrate Court – To account for all monies received by the Magistrate Court on behalf of individuals, private organizations, other governmental units, and other funds.

Sheriff – To account for all monies received by the Sheriff's Department on behalf of individuals, private organizations, other governmental units, and other funds.

Victims Assistance – To account for the LVA fine add-on's collected by the County to be distributed to other governmental and nonprofit entities.

BRYAN COUNTY, GEORGIA

**COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022**

ASSETS	Tax Commissioner	Probate Court	Clerk of Courts	Magistrate Court	Sheriff	Victims Assistance Fund	Total
Cash	\$ 125,071	\$ 15,948	\$ 700,452	\$ 18,038	\$ 149,531	\$ 3,734	\$ 1,012,774
Total assets	<u>\$ 125,071</u>	<u>\$ 15,948</u>	<u>\$ 700,452</u>	<u>\$ 18,038</u>	<u>\$ 149,531</u>	<u>\$ 3,734</u>	<u>\$ 1,012,774</u>
LIABILITIES							
Due to other governments	\$ 125,071	\$ -	\$ 174,379	\$ 18,038	\$ -	\$ -	\$ 317,488
Due to other entities and individuals	-	-	9,098	-	1,101	-	10,199
Total liabilities	<u>\$ 125,071</u>	<u>\$ -</u>	<u>\$ 183,477</u>	<u>\$ 18,038</u>	<u>\$ 1,101</u>	<u>\$ -</u>	<u>\$ 327,687</u>
NET POSITION							
Restricted for individuals, organizations and other governments	<u>\$ -</u>	<u>\$ 15,948</u>	<u>\$ 516,975</u>	<u>\$ -</u>	<u>\$ 148,430</u>	<u>\$ 3,734</u>	<u>\$ 685,087</u>

BRYAN COUNTY, GEORGIA

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022**

ADDITIONS	Tax Commissioner	Probate Court	Clerk of Courts	Magistrate Court	Sheriff	Victims Assistance	Total
Taxes collected	\$ 82,640,470	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 82,640,470
Fines and fees collected	-	210,561	3,656,377	136,812	223,619	85,875	4,313,244
Interest	-	5	382	7	84	-	478
Total additions	82,640,470	210,566	3,656,759	136,819	223,703	85,875	86,954,192
DEDUCTIONS							
Payments to other governments	82,640,470	-	-	-	-	29,301	82,669,771
Other custodial disbursements	-	200,027	3,333,684	136,819	183,937	58,856	3,913,323
Total deductions	82,640,470	200,027	3,333,684	136,819	183,937	88,157	86,583,094
Change in net position	-	10,539	323,075	-	39,766	(2,282)	371,098
Net position, beginning of year	-	5,409	193,900	-	108,664	6,016	313,989
Net position, end of year	\$ -	\$ 15,948	\$ 516,975	\$ -	\$ 148,430	\$ 3,734	\$ 685,087

BRYAN COUNTY, GEORGIA

**SCHEDULE OF EXPENDITURES OF
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS - SPLOST VI
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022**

<u>Project Description</u>	<u>Original Estimated Cost</u>	<u>Current Estimated Cost</u>	<u>Expenditures</u>		
			<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Library	\$ 1,500,000	\$ 1,500,000	\$ 157,205	\$ 246,427	\$ 403,632
Recreation projects	5,105,000	5,535,856	5,535,856	-	5,535,856
Building renovations	1,185,000	1,185,000	615,185	-	615,185
911 upgrades (debt servicing)	1,000,000	1,000,000	976,337	55,434	1,031,771
Emergency services equipment/firehouse	800,000	1,632,158	1,632,158	-	1,632,158
Roads, streets and bridges	2,500,000	2,589,132	2,589,132	-	2,589,132
Water and sewer	2,500,000	2,703,125	2,703,125	-	2,703,125
Public works equipment	300,000	635,846	635,846	-	635,846
Development Authority	3,300,000	3,300,000	3,300,000	-	3,300,000
Public safety (Sheriff vehicles)	360,000	416,472	416,472	-	416,472
Animal control	250,000	505,652	505,652	-	505,652
City of Richmond Hill	11,000,000	10,658,274	10,658,274	-	10,658,274
City of Pembroke	<u>3,200,000</u>	<u>3,102,166</u>	<u>3,102,166</u>	<u>-</u>	<u>3,102,166</u>
Total	<u>\$ 33,000,000</u>	<u>\$ 34,763,681</u>	<u>\$ 32,827,408</u>	<u>\$ 301,861</u>	<u>\$ 33,129,269</u>

BRYAN COUNTY, GEORGIA

**SCHEDULE OF EXPENDITURES OF
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS - SPLOST VII
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022**

<u>Project Description</u>	<u>Original Estimated Cost</u>	<u>Current Estimated Cost</u>	<u>Expenditures</u>		
			<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Recreation projects	\$ 3,250,000	\$ 3,250,000	\$ 1,183,256	\$ 7,769,801	\$ 8,953,057
County buildings	4,750,000	4,750,000	3,959,717	2,604,667	6,564,384
Roads, streets and bridges	2,740,000	2,740,000	1,112,732	182,707	1,295,439
Water and sewer	1,700,000	1,700,000	668,416	2,659,388	3,327,804
Equipment	3,060,000	2,674,139	3,090,824	490,496	3,581,320
Development Authority	3,300,000	3,300,000	1,970,833	550,000	2,520,833
City of Richmond Hill	11,000,000	11,000,000	8,891,316	3,784,943	12,676,259
City of Pembroke	3,200,000	3,200,000	2,587,630	1,101,528	3,689,158
Total	<u>\$ 33,000,000</u>	<u>\$ 32,614,139</u>	<u>\$ 23,464,724</u>	<u>\$ 19,143,530</u>	<u>\$ 42,608,254</u>

BRYAN COUNTY, GEORGIA

**SCHEDULE OF EXPENDITURES OF TRANSPORTATION
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022**

Project Description	Original Estimated Cost	Current Estimated Cost	Expenditures		
			Prior Years	Current Year	Total
Roads, streets and bridges	\$ 15,666,750	\$ 9,910,000	\$ 4,577,432	\$ 2,624,895	\$ 7,202,327
Public works equipment	-	590,000	1,159,959	342,920	1,502,879
City of Richmond Hill	9,165,750	9,165,750	5,974,815	3,131,815	9,106,630
City of Pembroke	2,667,500	2,667,500	1,970,276	911,449	2,881,725
Total	<u>\$ 27,500,000</u>	<u>\$ 22,333,250</u>	<u>\$ 13,682,482</u>	<u>\$ 7,011,079</u>	<u>\$ 20,693,561</u>

COMPLIANCE SECTION



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

**Board of Commissioners
of Bryan County, Georgia
Pembroke, Georgia**

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (“Government Auditing Standards”), the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Bryan County, Georgia (the “County”) as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the County’s basic financial statements, and have issued our report thereon dated December 14, 2023. Our report includes a reference to other auditors who audited the financial statements of the Bryan County Board of Health (the “Board of Health”) and the Bryan County Development Authority (the “Development Authority”), as described in our report on the County’s financial statements. This report does not include the results of 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 the County’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 the County’s internal control. Accordingly, we do not express an opinion on the effectiveness of the County’s internal control.

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

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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result 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.

Mauldin & Jenkins, LLC

Savannah, Georgia
December 14, 2023



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

**Board of Commissioners
of Bryan County, Georgia
Pembroke, Georgia**

Report on Compliance for Each Major Federal Program

We have audited Bryan County, Georgia's (the "County") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2022. The County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, Bryan 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, 2022.

Basis for Opinion on Each Major Federal Program

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"). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the County federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Bryan County, Georgia's compliance based on our audit. Reasonable assurance is a high level of assurance, but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Bryan County, Georgia's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

Savannah, Georgia
December 14, 2023

Mauldin & Jenkins, LLC

BRYAN COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

Federal Grantor/Pass-Through Grantor/Program Title	Federal AL Number	Contract or Project Number	Total Expenditures
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:			
Nutrition Services under Title III, Part C of the Older Americans Act	93.045	N/A	\$ 72,921
Total U.S. Department of Health and Human Services			72,921
U.S. DEPARTMENT OF HOMELAND SECURITY:			
Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	EMW-2019-FF-00859	702,298
Passed through Georgia Emergency Management Agency: Emergency Management Performance Grants	97.004	2003-MU-T3-0010	9,070
Disaster Grants - Public Assistance	97.051	EMA-2002-GR-5072	13,397
Total U.S. Department of Homeland Security			724,765
U.S. DEPARTMENT OF AGRICULTURE:			
Passed through program from Georgia Department of Early Care and Learning: Child Nutrition Cluster: Summer Food Service Program for Children	10.559	N/A	47,274
Total U.S. Department of Agriculture			47,274
U.S. DEPARTMENT OF TREASURY:			
Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	2,223,149
Public Safety Officials and First Responders Supplement Grant	21.027	N/A	165,905
Total U.S. Department of Treasury			2,389,054
Total Federal Financial Assistance			\$ 3,234,014

BRYAN COUNTY, GEORGIA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

NOTE 1. BASIS OF PRESENTATION

The Schedule of Expenditures of Federal Awards includes the federal grant activity of Bryan County, Georgia (the "County") and is presented on the accrual basis of accounting.

The information in this schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations ("CFR") Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in the schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 2. DE MINIMIS INDIRECT COST RATE

The County chose not to use the 10% de minimis cost rate for the fiscal year ended December 31, 2022.

NOTE 3. NON-CASH AWARDS

The County did not receive non-cash federal awards during the year ended December 31, 2022.

NOTE 4. SUBRECIPIENTS

The County did not pass any federal funding through to subrecipients during the year ended December 31, 2022.

BRYAN COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

SECTION I SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

Material weaknesses identified?

Yes None Reported

Significant deficiencies identified not considered to be material weaknesses?

Yes None Reported

Noncompliance material to financial statements noted?

Yes No

Federal Awards

Internal control over major programs:

Material weaknesses identified?

Yes None Reported

Significant deficiencies identified not considered to be material weaknesses?

Yes None Reported

Type of auditor's report issued on compliance for major programs

Unmodified

Any audit findings disclosed that are required to be Reported in accordance with the 2 CFR 200.516(A)?

Yes No

Identification of major programs:

AL #21.027

Name of Federal Program or Cluster

U.S. Department of Treasury

Coronavirus State & Local Fiscal Recovery Funds

Dollar threshold used to distinguish between Type A and Type B programs:

\$750,000

Auditee qualified as low-risk auditee

Yes No

BRYAN COUNTY, GEORGIA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022**

**SECTION II
FINANCIAL STATEMENT FINDINGS**

None Reported

**SECTION III
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

None Reported

BRYAN COUNTY, GEORGIA
SUMMARY OF PRIOR YEAR FINDINGS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

None Reported