

DADE COUNTY, GEORGIA

FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED
JUNE 30, 2020



CERTIFIED PUBLIC ACCOUNTANTS

DADE COUNTY, GEORGIA

TABLE OF CONTENTS

JUNE 30, 2020

	PAGE
INTRODUCTORY SECTION COUNTY OFFICIALS	1
FINANCIAL SECTION	
INDEPENDENT AUDITOR'S REPORT	2-4
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)	5-12
BASIC FINANCIAL STATEMENTS GOVERNMENT-WIDE FINANCIAL STATEMENTS –	
STATEMENT OF NET POSITION	13
STATEMENT OF ACTIVITIES	14-15
FUND FINANCIAL STATEMENTS –	
BALANCE SHEET – GOVERNMENTAL FUNDS	16-17
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION	18
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS	19-20
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES	21
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – GAAP BASIS – GENERAL FUND	22-24
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – GAAP BASIS – E-911 FUND	25
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – GAAP BASIS – LAW LIBRARY FUND	26
STATEMENT OF FIDUCIARY NET POSITION – FIDUCIARY FUNDS	27
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – FIDUCIARY FUNDS	28
NOTES TO FINANCIAL STATEMENTS	29-48

(Continued)

DADE COUNTY, GEORGIA

TABLE OF CONTENTS

JUNE 30, 2020

SUPPLEMENTARY INFORMATION

SCHEDULE OF PROPERTY TAX RATES – EACH OF THE LAST FIVE YEARS (UNAUDITED)	49
SCHEDULE OF CAPITAL PROJECTS CONSTRUCTED WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX	50-51
COMPLIANCE SECTION	
INDEPENDENT AUDITOR’S REPORT ON STATE OF GEORGIA GRANT CERTIFICATION FORMS	52
GRANT CERTIFICATION FORM	53
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 <i>GOVERNMENT AUDITING STANDARDS</i>	54-55
SCHEDULE OF PRIOR YEAR FINDINGS	56

DADE COUNTY, GEORGIA

COUNTY OFFICIALS

JUNE 30, 2020

Ted Rumley	Chairperson / County Executive
Robert Goff	Vice Chair / Commissioner
Allan Bradford	Commissioner
Lamar Lowery	Commissioner
Phillip Hartline	Commissioner
Don Townsend	County Clerk & CFO
Robin Rogers	County Attorney



INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Dade County, Georgia
Trenton, Georgia

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. We did not audit the financial statements of the Dade County Health Department (a discretely-presented component unit), whose statements reflect total assets of \$604,128 and total net position of \$135,876 as of June 30, 2020, and total revenues of \$637,977 for the year then ended. Those financial statements were audited by other auditors whose report has been furnished to us and our opinion, insofar as it relates to the amounts included for the Dade County Health Department, is based solely on the report of the other auditors.

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

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

Opinions

In our opinion, based on our audit and the report of the other auditor, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely-presented component units, each major fund, and the aggregate remaining fund information of Dade County, Georgia, as of June 30, 2020, and the respective changes in financial position thereof and the respective budgetary comparisons for the general fund, the E-911 special revenue fund, and the law library special revenue fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5-12 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Dade County, Georgia's basic financial statements. The introductory section, schedule of property tax rates, and schedule of capital projects constructed with special purpose local option sales tax are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedule of capital projects constructed with special purpose local option sales tax 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us. In our opinion, based on our audit, the procedures performed as described above, the schedule of capital projects constructed with special purpose local option sales tax is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and schedule of property tax rates have not been subjected to the audit procedures applied in the audit of basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 6, 2021 on our consideration of Dade County, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Dade County, Georgia's internal control over financial reporting and compliance.

Chattanooga, Tennessee
January 6, 2021

*Henderson Hutcherson
is McCullough, PLLC*

DADE COUNTY, GEORGIA

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

YEAR ENDED JUNE 30, 2020

This section of Dade County's annual financial report presents a narrative overview and analysis of the County's financial performance for the year ended June 30, 2020. Please read it in conjunction with the County's financial statements which follow. This discussion and analysis is intended to serve as an introduction to the County's financial statements. The basic financial statements consist of three parts: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with both long-term and short-term information about the County's overall financial status in a manner similar to private-sector businesses. There are two government-wide financial statements.

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

Statement of activities – presents information showing how the County's net position changed during the most recent fiscal year. All current revenues and expenses are taken into account regardless of the timing of the related cash flows. Thus revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal years.

The government-wide financial statements include not only the County itself (known as the primary government) but also two legally separate entities (known as component units). The Dade County Health Department and the Dade County Industrial Development Authority, although legally separate, are important because the County is financially accountable for them. The Dade County Health Department and the Dade County Industrial Development Authority are included as discretely-presented component units.

Fund financial statements. The fund financial statements provide more detailed information about the most significant funds – not necessarily the County as a whole. Some funds are required by State or Federal law or by bond covenants; other funds are established by the County Commission to help it control and manage money for designated or restricted purposes, or to show that it is meeting legal responsibilities for how certain taxes, grants and other monies are used. All funds of the County can be divided into two fund types: (1) governmental funds and (2) fiduciary funds.

DADE COUNTY, GEORGIA

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

YEAR ENDED JUNE 30, 2020

Governmental funds. The County's basic services are included in governmental funds. The focus of these funds is on (1) how cash and other financial assets, that can be readily converted to cash, were received and used and (2) what remains at the end of the fiscal year for future spending. This detailed short-term view helps in determining whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. Because this information does not include the additional long-term focus of the government-wide financial statements, we provide additional information after the governmental fund statement that explains the difference between the long-term view and the short-term view.

Dade County, Georgia, maintains four governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balance for the general fund, capital projects fund, the E-911 special revenue fund, and the law library special revenue fund, all of which are considered to be major funds. The County adopts an annual budget for the general fund, E-911 special revenue fund and the law library special revenue fund. A project length budget is adopted for the capital projects fund. A budgetary comparison statement has been provided for each fund to demonstrate compliance with these budgets.

Fiduciary funds. The County collects and holds funds for the benefit of other governmental units or private individuals. Funds collected and held by the County for other governments are maintained in agency funds. Funds that are held for the benefit of private individuals are private-purpose trust funds. As these funds are not for the benefit or use of the County, they are excluded from the total government summary.

Notes to financial statements. The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The additional information contained in these notes is essential to a full understanding of the information provided in the government-wide and fund financial statements.

Other information. In addition to the basic financial statements discussed above, this report also presents supplementary information about the enacted tax rates and capital expenditures of special purpose local option sales tax resources for the past several years.

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

Net position. Net position may serve over time as a useful indicator of the government's financial position. In the case of Dade County, assets exceed liabilities by \$14,821,327 at the close of the most recent fiscal period. Over one-half of the County's assets are related to its investment in capital assets such as buildings and equipment. Because capital assets are used to provide services to citizens, the assets are not available for future spending. The remaining balance is available to meet the County's ongoing obligations. A condensed summary of the net position of the County is provided below.

DADE COUNTY, GEORGIA

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

YEAR ENDED JUNE 30, 2020

	Governmental Activities	
	June 30, 2020	June 30, 2019
Current and other assets	\$ 6,169,460	\$ 5,411,049
Capital assets	<u>10,899,528</u>	<u>11,853,649</u>
Total assets	<u>17,068,988</u>	<u>17,264,698</u>
Liabilities		
Other	1,351,406	1,406,507
Long-term	<u>896,255</u>	<u>1,386,151</u>
Total liabilities	<u>2,247,661</u>	<u>2,792,658</u>
Net position		
Net investment in capital assets	9,512,606	9,988,956
Restricted	2,272,675	1,370,391
Unrestricted	<u>3,036,046</u>	<u>3,112,693</u>
Total net position	<u>\$ 14,821,327</u>	<u>\$ 14,472,040</u>

Changes in net position. For the year ending June 30, 2020, net position of the County increased 2.4% or \$349,287.

At the end of the current period, Dade County, Georgia, is able to report a positive balance in net position.

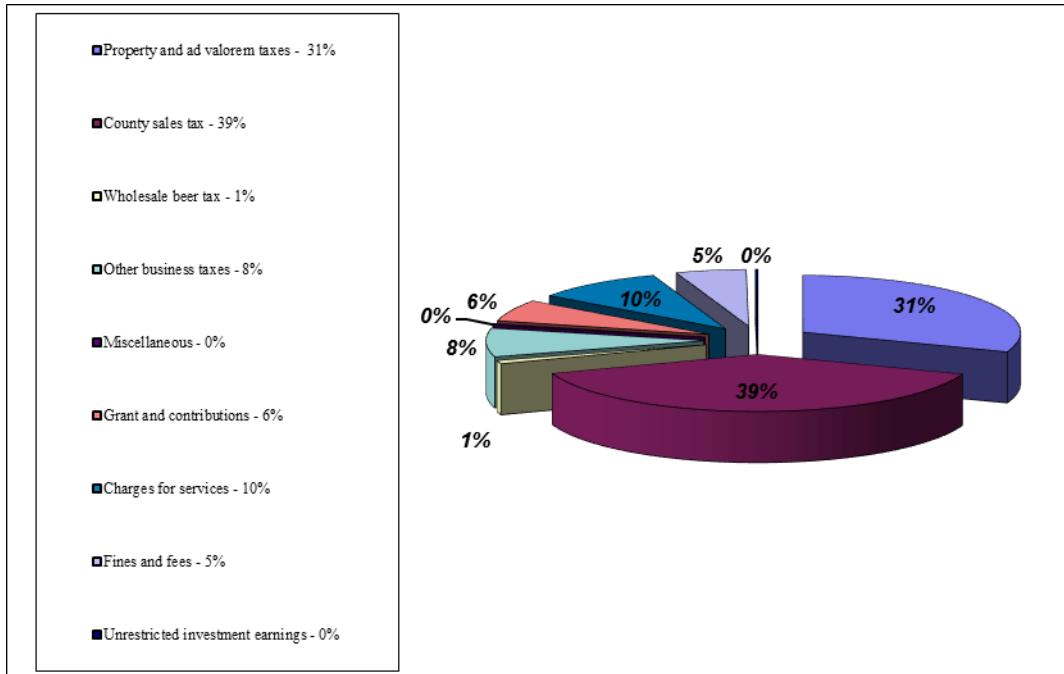
DADE COUNTY, GEORGIA

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

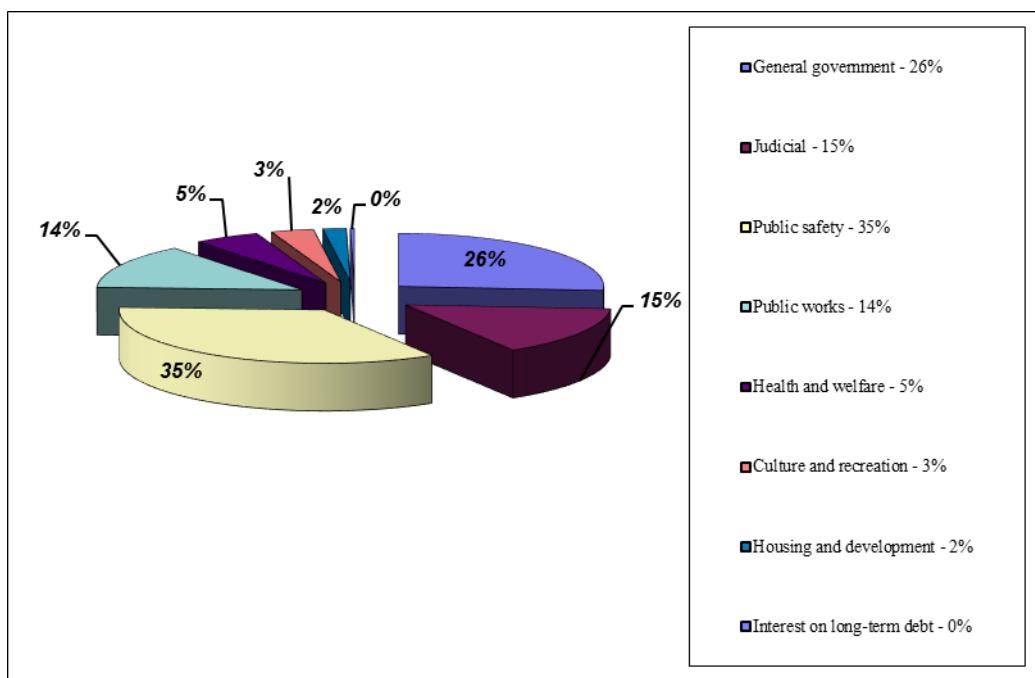
YEAR ENDED JUNE 30, 2020

The graphs below summarize the sources of the County's revenues of \$13,504,144 and total program expenses of \$13,154,857.

Total Revenues by Source



Total Expenses by Function



DADE COUNTY, GEORGIA

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

YEAR ENDED JUNE 30, 2020

A complete picture of the changes in net position of the County is provided in the summary below.

	Governmental Activities	
	Year Ended June 30, 2020	Year Ended June 30, 2019
REVENUES		
Program revenues		
Charges for services	\$ 1,298,425	\$ 735,026
Operating grants	461,684	657,521
Capital grants	367,431	405,411
Fines and fees	704,797	995,261
General revenues		
Property and ad valorem taxes	4,136,500	4,148,295
County sales tax	5,258,141	5,362,022
Wholesale beer tax	119,719	114,918
Other business taxes	1,087,667	1,044,040
Miscellaneous	44,754	223,702
Investment income	<u>25,026</u>	<u>14,722</u>
Total revenue	<u>13,504,144</u>	<u>13,700,918</u>
EXPENSES		
General government	3,448,837	3,383,741
Judicial	1,979,252	1,910,378
Public safety	4,636,280	4,676,051
Public works	1,782,520	1,856,000
Health and welfare	587,349	571,428
Culture and recreation	438,421	452,983
Housing and development	241,021	241,036
Interest on long-term debt	<u>41,177</u>	<u>72,900</u>
Total expenses	<u>13,154,857</u>	<u>13,164,517</u>
Increase in net position	349,287	536,401
Net position – beginning of period	<u>14,472,040</u>	<u>13,935,639</u>
Net position – end of period	<u>\$ 14,821,327</u>	<u>\$ 14,472,040</u>

DADE COUNTY, GEORGIA

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

YEAR ENDED JUNE 30, 2020

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

Dade County, Georgia, uses fund accounting to help it control and manage money for particular purposes or to demonstrate compliance with legal requirements. More detailed analysis is provided below for the County's funds.

Governmental Funds. Governmental funds focus on providing information on the near-term flow of resources. As the County completed the year, its governmental funds reported a fund balance of \$5,122,302. The County has a positive 54.1% unassigned fund balance of \$2,771,791. Information about the County's governmental funds is presented below.

General fund. This fund is the chief operating fund of the County and \$2,993,519 is the current fund balance held in the general fund. The increase in general fund balance of \$298,329 was a 11.1% increase from the beginning of the fiscal period.

E-911 special revenue fund. This fund separately accounts for all the revenues and costs incurred by the County's Emergency Communications District (E-911). The current fund balance of \$0 is the same as in the prior year.

Law library special revenue fund. This fund separately accounts for all the revenues and costs incurred by the County's law library operation. The decrease in fund balance of \$257 was 2.8% from the beginning of the fiscal period.

Capital projects fund. This fund separately accounts for all of the revenues and costs incurred by the County construction or purchase of assets with the Special Purpose Local Option Sales Tax (SPLOST) funds. The current fund balance of \$2,119,808 is an increase from the beginning of the period of \$852,924 or 67.3%. This increase is the result of revenues exceeding planned expenditures of funds for the purchase or construction of capital assets as contemplated by the SPLOST referendum.

Differences between the original budget and the final amended General Fund budget were within the normal course of County business and relate to changes in operations. The final budget reflected a decrease from the original budget in revenues of \$130,000 and an increase from the original budget in appropriations of \$332,500.

DADE COUNTY, GEORGIA

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

YEAR ENDED JUNE 30, 2020

CAPITAL ASSET AND DEBT ADMINISTRATION

At the end of the fiscal year, the County had \$9,512,606, net of accumulated depreciation, invested in capital assets. This investment includes land, buildings and improvements, vehicles, equipment and infrastructure (construction in process) as listed in the table below.

	Beginning Balance	Additions	Retirements/ Disposals	Ending Balance
Land	\$ 855,166	\$ -	\$ -	\$ 855,166
Buildings and improvements	12,759,630	92,352	201	12,851,781
Parks and playgrounds	1,437,647	-	17,849	1,419,798
Machinery and equipment	13,328,357	484,792	28,267	13,784,882
Infrastructure	7,673,564	101,173	1,535	7,773,202
Construction in process	<u>383,468</u>	<u>348,064</u>	<u>85,944</u>	<u>645,588</u>
	36,437,832	1,026,381	133,796	37,330,417
Less accumulated depreciation	<u>24,584,183</u>	<u>1,894,558</u>	<u>47,852</u>	<u>26,430,889</u>
Total capital assets, net of accumulated depreciation	<u>\$11,853,649</u>	<u>\$ (868,177)</u>	<u>\$ 85,944</u>	<u>\$10,899,528</u>

Major additions for the year consisted of machinery and equipment and construction in process. These major additions occurred in various departments for a total of \$1,026,381.

As allowed by Governmental Accounting Standards Board (GASB) Statement No. 34, the County has elected not to record on the books the estimated cost of infrastructure already in place at the time of implementation, thus the total for capital assets does not include existing roads, bridges, sewers or water lines currently in existence.

As of June 30, 2020, Dade County, Georgia, had total long-term debt outstanding of \$1,386,922. This is a \$478,201 or 25.6%, decrease from last year. All of the bonds are secured by SPLOST revenues issued by the County to fund construction and industrial development. The capital leases provide financing for various equipment and an energy efficiency project. No additional debt was taken out during fiscal year 2020.

Governmental Activities

	June 30, 2020	June 30, 2019
General obligation bonds	\$ 660,000	\$ 980,000
Capital leases	<u>726,922</u>	<u>885,123</u>
Total long-term debt	<u>\$ 1,386,922</u>	<u>\$ 1,865,123</u>

Additional information on Dade County's capital assets and long-term debt can be found in the notes to the financial statements.

DADE COUNTY, GEORGIA

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

YEAR ENDED JUNE 30, 2020

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Dade County, Georgia, is situated in the northwest corner of the state and is approximately 20 miles across the state line from Chattanooga, Tennessee, a large urban center. Dade County is a largely rural area of North Georgia devoted to agricultural and recreation activities. Economic activity in the region remains strong considering the lasting effects from the worldwide pandemic that caused such depressed economic conditions to service industries located in many of our urban cities across the Southeast. Dade County has an unemployment rate of 3% compared to Georgia's rate of 14% due primarily to increased availability of jobs located in the County's industrial park. Sales tax revenues continue to hold steady after trending higher over the last two years, showing continued economic growth. Property tax rates have remained constant for several years with any growth in revenue generated primarily in sales tax collections and the modest economic growth in the community.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

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

Ted Rumley, Chairperson/County Executive
Board of Commissioners of
Dade County, Georgia
71 Case Avenue, Suite 243
P.O. Box 370
Trenton, Georgia 30752
706-657-4625

Separately issued financial statements may be obtained for the Dade County Health Department which is presented as a discretely-presented component unit of Dade County at the following address:

Dade County Public Health Department
71 Case Avenue, Suite 101
P.O. Box 446
Trenton, Georgia 30752
706-657-4213

Financial information may be obtained for the Dade County Industrial Development Authority which is presented as a discretely presented component unit of Dade County at the following address:

Dade County Industrial Development Authority
71 Case Avenue, Office 237
P.O. Box 613
Trenton, Georgia 30752
706-657-8300

DADE COUNTY, GEORGIA

STATEMENT OF NET POSITION

JUNE 30, 2020

	Component Units		
	Governmental Activities	Health Department	IDA
ASSETS			
Cash	\$ 4,493,154	\$ 544,371	\$ 167,909
Property taxes receivable, net	89,218	-	-
Accounts receivables, net	182,609	-	-
Sales tax receivable	749,657	-	-
Due from other governments	576,986	40,519	-
Investments	-	-	141,266
Inventories	23,779	16,182	-
Prepays	54,057	597	1,373
Capital assets -			
Land and other nondepreciable capital assets	1,500,754	-	5,337,885
Capital assets, net of accumulated depreciation	<u>9,398,774</u>	<u>2,459</u>	<u>928,402</u>
Total assets	<u>17,068,988</u>	<u>604,128</u>	<u>6,576,835</u>
DEFERRED OUTFLOWS OF RESOURCES			
	<u>-</u>	<u>99,546</u>	<u>-</u>
LIABILITIES			
Accounts payable	181,781	-	-
Accrued liabilities	261,840	-	-
Due to other governments	-	16,767	-
Compensated absences	417,118	13,759	-
Net pension liability	-	324,345	-
Net other post-employment benefits liability	-	53,666	-
Long-term liabilities, due within one year	490,667	-	378,186
Long-term liabilities, due in more than one year	<u>896,255</u>	<u>-</u>	<u>1,575,000</u>
Total liabilities	<u>2,247,661</u>	<u>408,537</u>	<u>1,953,186</u>
DEFERRED INFLOWS OF RESOURCES			
	<u>-</u>	<u>159,261</u>	<u>-</u>
NET POSITION			
Net investment in capital assets	9,512,606	2,459	4,313,101
Restricted for:			
Public safety	152,867	-	-
Capital projects	2,119,808	-	-
Industrial development	-	-	310,548
Unrestricted	<u>3,036,046</u>	<u>133,417</u>	<u>-</u>
Total net position	<u>\$ 14,821,327</u>	<u>\$ 135,876</u>	<u>\$ 4,623,649</u>

DADE COUNTY, GEORGIA

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2020

Program Revenues				
	Charges for Services and Fines Expenses	Operating Grants and Contributions	Capital Grants and Contributions	
GOVERNMENTAL ACTIVITIES				
General government	\$ 3,448,837	\$ 409,240	\$ 95,122	\$ -
Judicial	1,979,252	361,318	-	-
Public safety	4,538,714	704,797	36,693	-
Public works	1,782,520	304,764	4,258	367,431
Health and welfare	684,915	157,117	325,611	-
Culture and recreation	438,421	65,230	-	-
Housing and development	241,021	756	-	-
Interest on long-term debt	41,177	-	-	-
Total primary government	<u>\$ 13,154,857</u>	<u>\$ 2,003,222</u>	<u>\$ 461,684</u>	<u>\$ 367,431</u>
COMPONENT UNITS				
Health Department	<u>\$ 482,312</u>	<u>\$ 212,317</u>	<u>\$ 249,622</u>	<u>\$ -</u>
IDA	<u>\$ 182,880</u>	<u>\$ 89,294</u>	<u>\$ 236,645</u>	<u>\$ -</u>
General revenues:				
Property and ad valorem taxes				
County sales tax				
Wholesale beer tax				
Other business taxes				
Grants and contributions not restricted to specific programs				
Unrestricted investment earnings				
Gain on sale of capital assets				
Miscellaneous				
Total general revenues and special items				
Changes in net position				
Net position - beginning of period				
Net position - end of period				

**Net (Expense) Revenue and
Changes in Net Position**

Component Units		
Governmental Activities	Health Department	IDA
\$ (2,944,475)		
(1,617,934)		
(3,797,224)		
(1,106,067)		
(202,187)		
(373,191)		
(240,265)		
<u>(41,177)</u>		
 <u>(10,322,520)</u>		
 <u>\$ (20,373)</u>		
 <u>\$ 143,059</u>		
 4,136,500		
5,258,141		
119,719		
1,087,667		
 - 168,000 -		
25,026 5,952 2,159		
5,287 - -		
<u>39,467</u> <u>2,086</u> <u>17,846</u>		
 <u>10,671,807</u> <u>176,038</u> <u>20,005</u>		
 349,287 155,665 163,064		
 <u>14,472,040</u> <u>(19,789)</u> <u>4,460,585</u>		
 <u>\$ 14,821,327</u> <u>\$ 135,876</u> <u>\$ 4,623,649</u>		

DADE COUNTY, GEORGIA

BALANCE SHEET - GOVERNMENTAL FUNDS

JUNE 30, 2020

	General	Capital Projects	E-911
ASSETS			
Cash	\$ 2,758,784	\$ 1,725,395	\$ -
Property taxes receivable, net	89,218	-	-
Due from other governments	326,535	423,122	-
Other receivables	182,609	-	-
Inventory	23,779	-	-
Prepaid items	<u>54,057</u>	-	-
 Total assets	 <u>3,434,982</u>	 <u>2,148,517</u>	 -
LIABILITIES			
Accounts payable	153,072	28,709	-
Accrued liabilities	<u>227,843</u>	-	-
 Total liabilities	 <u>380,915</u>	 <u>28,709</u>	 -
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	<u>60,548</u>	-	-
FUND BALANCES			
Nonspendable			
Inventories and prepaid items	77,836	-	-
Restricted for:			
Public safety	143,892	-	-
Capital projects	-	2,119,808	-
Unassigned	<u>2,771,791</u>	-	-
 Total fund balances	 <u>2,993,519</u>	 <u>2,119,808</u>	 -
 Total liabilities, deferred inflows of resources, and fund balances	 <u>\$ 3,434,982</u>	 <u>\$ 2,148,517</u>	 \$ -

Law Library	Governmental Funds	Total
----------------	-----------------------	-------

\$ 8,975	\$ 4,493,154	
- -	89,218	
- -	749,657	
- -	182,609	
- -	23,779	
- -	54,057	
<hr/>	<hr/>	
8,975	<u>5,592,474</u>	

- -	181,781	
<hr/>	<hr/>	
- -	227,843	
<hr/>	<hr/>	
- -	409,624	

<hr/>	<hr/>	
- -	60,548	

- -	77,836	
8,975	152,867	
- -	2,119,808	
<hr/>	<hr/>	
- -	2,771,791	
<hr/>	<hr/>	
8,975	<u>5,122,302</u>	

<hr/>	<hr/>	
<u>\$ 8,975</u>	<u>\$ 5,592,474</u>	

DADE COUNTY, GEORGIA

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION

YEAR ENDED JUNE 30, 2020

Differences in amounts reported for governmental activities in the statement of net position on page 13:

Fund balances - total governmental funds \$ 5,122,302

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds 10,899,528

Certain revenues will be collected after year end but are not available soon enough to pay for the current period's expenditures and therefore are reported as deferred inflows of resources in the funds 60,548

Long-term assets receivable from other governments are not due until the related long-term liability is due and payable 576,986

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities, both current and long-term, are reported in the statement of net position. This item consists of the following:

General obligation bonds	\$ 660,000
Capital leases	726,922
Compensated absences	<u>417,118</u>
	1,804,040
Accrued interest payable	<u>33,997</u>
	<u>(1,838,037)</u>

Net position of governmental activities \$ 14,821,327

DADE COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2020

	General	Capital Projects	E-911
REVENUES:			
Taxes	\$ 7,846,875	\$ 2,588,629	\$ -
Intergovernmental revenues	1,060,012	-	-
Charges for services	1,074,073	-	307,387
Fines and forfeitures	256,289	-	-
Miscellaneous	361,119	517	7,964
Total revenues	<u>10,598,368</u>	<u>2,589,146</u>	<u>315,351</u>
EXPENDITURES:			
Current:			
General government	2,164,758	33,966	-
Judicial	1,149,657	3,587	-
Public safety	3,849,969	74,769	726,597
Public works	1,428,742	15,452	-
Health and welfare	680,966	-	-
Culture and recreation	376,091	8,997	-
Housing and development	242,221	-	-
Debt service:			
Principal	-	478,201	-
Interest	1,676	45,148	-
Capital outlay	<u>-</u>	<u>1,076,102</u>	<u>-</u>
Total expenditures	<u>9,894,080</u>	<u>1,736,222</u>	<u>726,597</u>
Excess (deficiency) of revenues over (under) expenditures	<u>704,288</u>	<u>852,924</u>	<u>(411,246)</u>
Other financing sources (uses)			
Proceeds from sale of capital assets	5,287	-	-
Proceeds from capital lease	-	-	-
Transfers in	-	-	411,246
Transfers out	<u>(411,246)</u>	<u>-</u>	<u>-</u>
Total other financing services (uses)	<u>(405,959)</u>	<u>-</u>	<u>411,246</u>
Net change in fund balances	298,329	852,924	-
FUND BALANCE - beginning of period	<u>2,695,190</u>	<u>1,266,884</u>	<u>-</u>
FUND BALANCE - end of period	<u>\$ 2,993,519</u>	<u>\$ 2,119,808</u>	<u>\$ -</u>

		Total
Law		Governmental
Library		Funds
\$	-	\$ 10,435,504
	-	1,060,012
	-	1,381,460
	-	256,289
	<u>4,546</u>	<u>374,146</u>
	<u>4,546</u>	<u>13,507,411</u>

		- 2,198,724
4,803		1,158,047
	-	4,651,335
	-	1,444,194
	-	680,966
	-	385,088
	-	242,221
		- 478,201
	-	46,824
	<u>-</u>	<u>1,076,102</u>
	<u>4,803</u>	<u>12,361,702</u>
		(257) 1,145,709

		- 5,287
	-	-
	-	411,246
	<u>-</u>	<u>(411,246)</u>
	<u>-</u>	<u>5,287</u>
		(257) 1,150,996
	<u>9,232</u>	<u>3,971,306</u>
	<u>\$ 8,975</u>	<u>\$ 5,122,302</u>

DADE COUNTY, GEORGIA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2020

Amounts reported for governmental activities in the statement
of activities on pages 14-15 are different because:

Net change in fund balances – total governmental funds	\$ 1,150,996
Capital outlay, reported as expenditures in governmental funds, are shown as capital assets and due from other governments in the statement of net position	940,437
Depreciation expense on governmental capital assets are included in the governmental activities in the statement of activities	(1,894,558)
Certain items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds	
Change in compensated absences	\$ (16,516)
Change in long-term intergovernmental receivable	<u>(320,000)</u> <u>(336,516)</u>
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	5,080
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of premiums and deferred amount on refunding when debt is first used, whereas these amounts are deferred and amortized in the statement of activities. The amount is the net effect of these differences in the treatment on long-term debt and related items.	
Principal paid on debt	478,201
Accrued interest	<u>5,647</u> <u>483,848</u>
Change in net position of governmental activities	\$ <u>349,287</u>

DADE COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GAAP BASIS - GENERAL FUND

YEAR ENDED JUNE 30, 2020

	Budgeted Amounts		Variance with Final Budget	
	Original	Final	Actual Amounts	Final Budget
Revenues				
Taxes	\$ 8,043,240	\$ 7,843,240	\$ 7,846,875	\$ 3,635
Intergovernmental revenues	970,443	1,040,443	1,060,012	19,569
Charges for services	983,980	983,980	1,074,073	90,093
Fines and forfeitures	237,257	237,257	256,289	19,032
Miscellaneous	<u>193,380</u>	<u>193,380</u>	<u>361,119</u>	<u>167,739</u>
Total revenues	<u>10,428,300</u>	<u>10,298,300</u>	<u>10,598,368</u>	<u>300,068</u>
Expenditures				
General government –				
Board of Equalization	7,500	7,500	3,401	4,099
Registrars and elections	171,100	171,100	152,568	18,532
Administrative	782,150	807,150	804,044	3,106
Tax Commissioner	387,700	387,700	371,804	15,896
Tax Assessor	318,500	323,000	321,506	1,494
Building maintenance	430,500	430,500	411,482	19,018
Planning and development	<u>91,900</u>	<u>101,900</u>	<u>99,953</u>	<u>1,947</u>
Total general government	<u>2,189,350</u>	<u>2,228,850</u>	<u>2,164,758</u>	<u>64,092</u>
Judicial –				
Courts and administration	116,600	116,600	95,361	21,239
Superior Court	319,100	319,100	295,047	24,053
District Attorney	135,800	135,800	118,331	17,469
Magistrate Court	164,100	164,100	153,152	10,948
Probate Court	283,100	283,100	277,121	5,979
Juvenile Court	137,800	137,800	98,239	39,561
Public Defender	<u>105,800</u>	<u>113,800</u>	<u>112,406</u>	<u>1,394</u>
Total judicial	<u>1,262,300</u>	<u>1,270,300</u>	<u>1,149,657</u>	<u>120,643</u>

(Continued)

DADE COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GAAP BASIS - GENERAL FUND

YEAR ENDED JUNE 30, 2020

(Continued)

	Budgeted Amounts		Variance with
	Original	Final	Final Budget
Public safety –			
Sheriff	2,083,300	2,083,300	2,042,921
Community watch	8,600	8,600	1,676
Jail	1,267,700	1,267,700	1,201,661
Department of Juvenile Justice	5,400	5,400	5,017
Fire	226,200	247,700	221,382
Ambulance	287,800	287,800	284,382
Coroner	41,800	41,800	32,742
Animal control	2,400	3,900	3,314
Emergency management	<u>71,600</u>	<u>71,600</u>	<u>56,874</u>
Total public safety	<u>3,994,800</u>	<u>4,017,800</u>	<u>3,849,969</u>
			167,831
Public works –			
Highways and streets	665,700	725,700	718,562
Sanitation	429,800	519,800	515,534
Maintenance shop	<u>189,800</u>	<u>195,800</u>	<u>194,646</u>
Total public works	<u>1,285,300</u>	<u>1,441,300</u>	<u>1,428,742</u>
			12,558
Health and welfare –			
Health	182,300	182,300	181,954
Welfare	55,200	55,200	54,873
Senior center	21,900	21,900	19,709
Public transportation	<u>368,850</u>	<u>428,850</u>	<u>424,430</u>
Total health & welfare	<u>628,250</u>	<u>688,250</u>	<u>680,966</u>
			7,284
Culture and recreation –			
Recreation	246,500	292,500	287,553
Library	<u>108,100</u>	<u>108,100</u>	<u>88,538</u>
Total culture and recreation	<u>354,600</u>	<u>400,600</u>	<u>376,091</u>
			24,509

(Continued)

DADE COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GAAP BASIS - GENERAL FUND

YEAR ENDED JUNE 30, 2020

	Budgeted Amounts		Variance with Final Budget	
	Original	Final	Actual Amounts	Final Budget
(Continued)				
Housing and development –				
Soil conservation	58,900	58,900	57,241	1,659
Extension	77,600	77,600	73,095	4,505
Code enforcement officer	800	800	686	114
Economic development	126,500	126,500	111,199	15,301
Total housing and development	263,800	263,800	242,221	21,579
Debt service –				
Interest	- - -	- - -	1,676	(1,676)
Total debt service	- - -	- - -	1,676	(1,676)
Total expenditures	<u>9,978,400</u>	<u>10,310,900</u>	<u>9,894,080</u>	<u>416,820</u>
Excess of revenues over (under) expenditures	<u>449,900</u>	<u>(12,600)</u>	<u>704,288</u>	<u>716,888</u>
Other financing sources (uses)				
Proceeds from sales of assets	24,200	24,200	5,287	(18,913)
Transfers in	- - -	- - -	- - -	- - -
Transfers out	- - -	- - -	(411,246)	(411,246)
Total other financing sources	<u>24,200</u>	<u>24,200</u>	<u>(405,959)</u>	<u>(430,159)</u>
Excess of revenues and other sources (under) expenditures and other uses	<u>\$ 474,100</u>	<u>\$ 11,600</u>	<u>298,329</u>	<u>\$ 286,729</u>
Fund balance - beginning of period			<u>2,695,190</u>	
Fund balance - end of period			<u>\$ 2,993,519</u>	

DADE COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GAAP BASIS - E-911 FUND

YEAR ENDED JUNE 30, 2020

	Budgeted Amounts			Variance with Final Budget	
	Original	Final	Actual Amounts		
Revenues					
Charges for services	\$ 262,500	\$ 262,500	\$ 307,387	\$ 44,887	
Miscellaneous	_____ -	_____ -	\$ 7,964	\$ 7,964	
Total revenues	<u>262,500</u>	<u>262,500</u>	<u>315,351</u>	<u>52,851</u>	
Expenditures					
Public safety –					
Communications	736,600	736,600	726,597	10,003	
Total public safety	<u>736,600</u>	<u>736,600</u>	<u>726,597</u>	<u>10,003</u>	
Total expenditures	<u>736,600</u>	<u>736,600</u>	<u>726,597</u>	<u>10,003</u>	
Excess of revenues over (under) expenditures	<u>(474,100)</u>	<u>(474,100)</u>	<u>(411,246)</u>	<u>62,854</u>	
Other financing sources					
Transfers in	_____ -	_____ -	411,246	411,246	
Excess of revenues and other sources over expenditures and other uses	<u>\$ (474,100)</u>	<u>\$ (474,100)</u>	-	<u>\$ 474,100</u>	
Fund balance - beginning of period				_____ -	
Fund balance - end of period				<u>\$ _____ -</u>	

DADE COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GAAP BASIS - LAW LIBRARY FUND

YEAR ENDED JUNE 30, 2020

	Budgeted Amounts		Variance with Final Budget	
	Original	Final	Actual Amounts	Final Budget
Revenues				
Fines and forfeitures	\$ 7,000	\$ 7,000	\$ 4,546	\$ (2,454)
Total charges for services	<u>7,000</u>	<u>7,000</u>	<u>4,546</u>	<u>(2,454)</u>
Total revenues	<u>7,000</u>	<u>7,000</u>	<u>4,546</u>	<u>(2,454)</u>
Expenditures				
Public safety –				
Law library	<u>7,000</u>	<u>7,000</u>	<u>4,803</u>	<u>2,197</u>
Total public safety	<u>7,000</u>	<u>7,000</u>	<u>4,803</u>	<u>2,197</u>
Total expenditures	<u>7,000</u>	<u>7,000</u>	<u>4,803</u>	<u>2,197</u>
Excess of revenues and other sources over expenditures and other uses	<u>\$ -</u>	<u>\$ -</u>	<u>(257)</u>	<u>\$ (257)</u>
Fund balance - beginning of period			<u>9,232</u>	
Fund balance - end of period			<u>\$ 8,975</u>	

DADE COUNTY, GEORGIA

STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUNDS

JUNE 30, 2020

	Private Purpose Trust Funds	Agency Funds
Assets		
Cash	\$ 21,604	\$ 491,998
Restricted cash	65,325	-
Property taxes receivable	-	-
Total assets	<u>\$ 86,929</u>	<u>\$ 491,998</u>
Liabilities		
Payables to other governments	\$ -	\$ 211,506
Other payables	65,326	280,492
Total liabilities	<u>65,326</u>	<u>491,998</u>
Net Position		
Held in trust for others	<u>21,603</u>	<u>-</u>
Total liabilities and net position	<u>\$ 86,929</u>	<u>\$ 491,998</u>

DADE COUNTY, GEORGIA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - FIDUCIARY FUNDS

YEAR ENDED JUNE 30, 2020

	Private Purpose Trust Funds
Additions	
Sales of commissary goods	\$ 148,754
Total additions	<u>148,754</u>
Deductions	
Supplies purchased for jail commissary	<u>141,556</u>
Total deductions	<u>141,556</u>
Change in Net Position	7,198
Net position - beginning of period	<u>14,405</u>
Net position - end of period	<u>\$ 21,603</u>

DADE COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of Dade County, Georgia, have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board “GASB” is the accepted standard-setting body for establishing governmental accounting and reporting principles. The significant accounting policies of the County are described below.

Reporting Entity

Dade County, Georgia, is a legal subdivision of the State and operates under the laws of the State of Georgia. Effective January 1, 2006, the commission structure changed to an at-large, elected county executive, who serves as the chairperson of the commission, and four part-time district commissioners elected at-large.

The financial statements of the County have been prepared in accordance with GAAP as applied to governmental units. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with the subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units.

In evaluating how to define the government, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GASB Statement No. 61, “*The Financial Reporting Entity: Omnibus – An Amendment of GASB Statements No. 14 and No. 34*,” and GAAP. This statement requires that the financial statements present Dade County, Georgia (the primary government) and any component units. Component units generally are legally separate entities for which a primary government is financially accountable. Financial accountability ordinarily involves meeting one of the following criteria: the primary government is accountable for the component unit (i.e., the primary government appoints the voting majority of the component unit board and the primary government is able to impose its will upon the potential component unit) or there is a possibility that the component unit may provide specific financial benefits or impose specific financial burdens on the primary government. Blended component units, although legally separate entities, are, in substance, part of the government’s operations. Discretely-presented component units are reported in a separate column from the primary government in the government-wide financial statements to emphasize they are legally separate from the County.

Discretely-Presented Component Unit - Dade County Health Department

The Dade County Health Department provides health care services and health education to the residents of Dade County, Georgia. The Board of the Health Department is composed of seven members, four of which are appointed by the Dade County Commission. The Board of Commissioners has authority over the supplement used to fund the budget of the local Health Department and is responsible for setting fee rates for services the Health Department provides. Complete financial statements may be obtained at the Dade County Health Department’s administrative office at: Dade County Health Department, 71 Case Avenue, Trenton, Georgia 30752.

(Continued)

DADE COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Reporting Entity (Continued)

Discretely Presented Component Unit - Dade County Industrial Development Authority

The Dade County Industrial Development Authority (Authority) was created on March 17, 1967, by the General Assembly of the State of Georgia under Article XIII, Section I, Paragraph I of the Constitution of Georgia of 1945, as amended. The Authority was created for the purpose of encouraging and promoting the expansion and development of industrial and commercial facilities in Dade County. The Authority's primary function is to relieve insofar as possible unemployment within the boundaries of Dade County, and to that end may acquire by purchase or gift any building or structure within the limits of Dade County suitable for use as a factory, mill, shop, processing plant, assembly plant, or fabricating plant, including all necessary and appurtenant lands, and all necessary or useful furnishings, machinery and equipment. The sources of revenue for the Authority are proceeds from the sale of land, rental income, and fees and payments received from new and existing industries and commercial facilities as part of tax abatement agreements. The Authority does not issue separate financial statements.

Other Organizations

The following related organizations are excluded from the financial reporting entity because the County is not financially accountable for them:

Primary Health Care of Dade County
Dade County Department of Family and Children's Services
Cherokee Regional Library System
Limestone Valley Resource Conservation and Development Council, Inc.
Northwest Georgia Regional Commission
Northwest Georgia Joint Development Authority

The County appoints a voting majority of the Dade County Department of Family and Children's Services' board.

The following organizations are not related and did not meet the criteria for inclusion in these financial statements:

Dade County Board of Education
Dade County Water and Sewer Authority

(Continued)

DADE COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting and Basis of Presentation

The accounts of the County are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenue and expenditures or expenses as appropriate. Governmental resources are allocated to and accounted for in individual funds based on the purpose for which they are to be spent and the means by which spending activities are controlled.

The basic financial statements of the County are composed of the following:

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

Government-wide Financial Statements

The County's government-wide financial statements include a Statement of Net Position and a Statement of Activities that report information on all nonfiduciary activities of the primary government and its component units. The effect of interfund activity has been removed from these statements. These statements present a summary of governmental activities for the County. They also include separate columns for information on the County's discretely-presented component units.

These statements are presented on an "economic resources measurement focus" and the accrual basis of accounting, as are the fiduciary fund financial statements. Accordingly, all of the County's assets and liabilities, including capital assets as well as infrastructure assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. The types of transactions reported as program revenues for the County are reported in three categories 1) charges for services; 2) operating grants and contributions; and 3) capital grants and contributions. Expenses are classified by function for governmental activities. Administrative overhead charges are made to various functions and are included in direct expenses. When an expense is incurred for which both restricted and unrestricted net position are available, restricted resources are applied first.

The financial statements of the County have been prepared in accordance with GAAP as applied to governmental units. The GASB is the standard-setting body for governmental accounting and financial reporting.

(Continued)

DADE COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government Fund Financial Statements

Government fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds. An accompanying schedule is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the government-wide financial statements. The County has presented all major funds that met those qualifications.

All governmental funds are accounted for on a spending or “current financial resources” measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in the current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available for financial expenditures of the current period. Accordingly, revenues are recognized when received in cash, except that revenues subject to accrual (generally sixty days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the County, are property tax and sales tax. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

Dade County, Georgia reports the following major governmental funds:

General Fund. 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.

Capital Projects Fund. This fund accounts for the accumulation of resources provided by the SPLOST, approved by the voters of Dade County, for use in the purchase or construction of capital assets such as buildings, equipment, vehicles, roads, bridges or sewers.

Special Revenue Funds. The E-911 fund accounts for the revenues and costs incurred by the County’s Emergency Communications District (E-911). Separate accounting is required due to legal, regulatory, or administrative action. The Law Library Fund is established according to official Code of Georgia Annotated (O.C.G.A.) Title 36-15. Revenue is collected from court costs and must be spent on books, periodicals, etc.

(Continued)

DADE COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government Fund Financial Statements (Continued)

Additionally, the County reports the following fund types:

The private-purpose trust fund is used to account for resources held in trust for the following:

Inmate Trust. This fund accounts for inmates' funds to be used on concessions. The concession profits are to be spent on inmate maintenance.

The agency funds account for the accumulation and distribution of funds performed by officers of the County for the benefit of other governments.

Tax Commissioner. This fund accounts for the collection of property taxes and other local taxes levied by the County Commission, County School Board and the State. Taxes collected are remitted on a monthly basis to the respective taxing authority.

Clerk of Superior Court, Magistrate Court, Probate Court and Juvenile Court. These funds account for the collection of court fines and costs levied within the jurisdictional powers of the elected officials. Amounts collected are disbursed on a monthly basis as prescribed by state law.

Budgets and budgetary accounting. Budgets are adopted on a basis consistent with generally accepted accounting principles. An annual appropriated budget is adopted for the general fund, E-911 special revenue fund, and the law library special revenue fund. All annual appropriations lapse at fiscal year-end. Budgeted amounts are as originally adopted, or as amended by Board resolution.

Cash and cash equivalents. Cash and cash equivalents for balance sheet purposes, consist of demand deposits and certificates of deposits with an original maturity of three months or less, and short term investments.

Restricted cash. In the Fiduciary Funds, restricted cash balances are composed of amounts held by the Clerk of Superior Court for the Indigent Defense Council, as well as cash bonds held in the Inmate Trust Fund.

Inventories and prepaid items. Inventories are valued at cost, which approximates market value using the first-in, first-out (FIFO) method. Inventories consist of expendable supplies held for consumption. The costs are recorded as expenditures at the time individual inventory items are used (consumption method).

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

(Continued)

DADE COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property taxes. Under State law, a subdivision of the State may levy a property tax. Property tax revenues are recognized on the modified accrual basis. Real and personal property taxes are levied after acceptance of the County's tax digest by the State of Georgia Department of Revenue. Property taxes were levied then mailed on September 10, 2020. The taxes were based on January 1, 2020, assessed values and were due November 15, 2020, after which date liens can be attached. Motor vehicle taxes are assessed January 1, based on values on January 1; due dates are based on the birth date of the registered owner.

The property tax calendar applicable to the current fiscal year is as follows:

Lien date	May 15
Levy date	December 18
Tax bills mailed	September 10
Payment due dates	November 15
Delinquency date	November 16

The overall County unincorporated and incorporated property tax rate per \$1,000 assessed value for the 2019 levy was \$23.563 and \$26.278, respectively. Both rates include the separately assessed County school tax of \$15.330 and the County government unincorporated and incorporated rate of \$8.233 and \$10.948, respectively. The assessed value of property is approximately forty percent of the appraised (or estimated market) value. The allowance for uncollectible taxes at June 30, 2020, was \$7,000.

Compensated absences. The County's policy permits the accumulation of unused vacation benefits that have been earned. Vacation pay is accrued when incurred in the government-wide financial statements. A liability for this amount is reported in governmental funds only if it has matured. The County's sick time policy does not allow for the accumulation of sick time benefits.

Capital assets. Capital assets, including infrastructure additions are recorded at historical cost. General infrastructure assets acquired prior to July 1, 2003, are not reported in the basic financial statements. Contributed capital assets are recorded at their estimated fair market value on the date contributed. Capital assets include public domain infrastructure assets consisting of roads, bridges, streets and sidewalks, sewers, lighting systems and drainage systems. The County defines capital assets as assets with an initial, individual cost of more than \$5,000 (\$10,000 for infrastructure assets) and an estimated useful life of three years or more.

Additions, improvements, capital assets resulting from capital leases and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on capital assets is calculated on the straight-line basis over the following estimated useful lives:

	Useful Life
Building, improvements, parks and playgrounds	10-50 years
Infrastructure	50 years
Equipment	5-20 years
Vehicles	5 years

(Continued)

DADE COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Long-term obligations. In the Government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Similarly, long-term debt and other obligations of the County are recorded as liabilities in the appropriate fund. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bond issuance costs are expensed as incurred.

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

Fund Financial Statements. The County follows GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

In the fund financial statements, fund balance consists of nonspendable fund balance which includes amounts that cannot be spent because they are not in spendable form, or they are legally or contractually required to be maintained intact. Restricted fund balances are amounts restricted to specific purposes. The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The County Commission is the highest level of decision-making authority for the government that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation. Assigned fund balances are amounts the County intends to use for a specific purpose but is neither restricted nor committed. The County Commission has authority to assign fund balance. Unassigned fund balance represents fund balance that has not been assigned to other funds and has not been restricted, committed, or assigned to specific purposes within the General Fund. When restricted and other fund balance resources are available for use, it is the County's policy to use restricted resources first, followed by committed, assigned, and unassigned amounts.

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

NOTE 2 – CASH DEPOSITS AND INVESTMENTS

The County has defined cash and cash equivalents to include cash on hand, demand deposits, cash with fiscal agent, and certificates of deposits. Investments are stated at cost, which approximates fair value. State statutes authorize the County to invest in obligations guaranteed by the U.S. Government and agencies of the U.S. Government; obligations of any political subdivision of any state; certificates of deposit or time deposits of any national state bank or savings and loan which have deposits insured by the Federal Deposit Insurance Corporation (FDIC) or Federal Savings and Loan Insurance Corporation (FSLIC); prime bankers acceptances; repurchase agreements; and the Georgia fund 1.

(Continued)

DADE COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 2 – CASH DEPOSITS AND INVESTMENTS (Continued)

The County, during the period, invested funds in certificate of deposits. At June 30, 2020, the carrying amount of the County's deposits was \$4,493,154 and the bank balance was \$4,450,949. The bank balance is categorized below as to credit risk. Category 1 includes deposits either covered by federal depository insurance, by collateral held by the County's agent in the County's name or by the Federal Reserve Banks acting as third-party agents. Category 2 includes deposits covered by collateral held by the pledging bank's agent in the County's name. Category 3 includes deposits either uninsured, uncollateralized, or covered by collateral held by the pledging bank or its agent, but not in the County's name. All the County's deposits were category 1 and insured.

Fair value investments classified at Level 1 of the fair value hierarchy are valued using process quoted in active markets for those securities. Fair value investments classified as Level 2 of the fair value hierarchy are valued using the active market rates for the underlying securities. Fair value investments classified as Level 3 of the fair value hierarchy are valued using non-observable inputs. All the County's investments are considered Level 1 investments.

NOTE 3 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2020, is as follows:

	Balance June 30, 2019	Additions	Retirements	Balance June 30, 2020
Primary Government:				
Non-depreciable assets				
Land	\$ 855,166	\$ -	\$ -	\$ 855,166
Construction-in-process	<u>383,468</u>	<u>348,064</u>	<u>85,944</u>	<u>645,588</u>
Total non-depreciable assets	<u>1,238,634</u>	<u>348,064</u>	<u>85,944</u>	<u>1,500,754</u>
Depreciable assets				
Building and improvements	12,759,630	92,352	201	12,851,781
Machinery and equipment	13,328,357	484,792	28,267	13,784,882
Roads, bridges, and infrastructure	7,673,564	101,173	1,535	7,773,202
Parks and playgrounds	<u>1,437,647</u>	<u>-</u>	<u>17,849</u>	<u>1,419,798</u>
Total depreciable assets	<u>35,199,198</u>	<u>678,317</u>	<u>47,852</u>	<u>35,829,663</u>
Less accumulated depreciation for:				
Buildings and improvements	10,059,266	726,613	201	10,785,678
Machinery and equipment	9,745,003	633,865	28,267	10,350,601
Roads, bridges and infrastructure	3,880,851	500,437	1,535	4,379,753
Parks and playgrounds	<u>899,063</u>	<u>33,643</u>	<u>17,849</u>	<u>914,857</u>
Total accumulated depreciation	<u>24,584,183</u>	<u>1,894,558</u>	<u>47,852</u>	<u>26,430,889</u>
Total depreciable assets	<u>10,615,015</u>	<u>(1,216,240)</u>	<u>-</u>	<u>9,398,774</u>
Capital assets, net	<u>\$ 11,853,649</u>	<u>\$ (868,177)</u>	<u>\$ 85,944</u>	<u>\$ 10,899,528</u>

(Continued)

DADE COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 3 – CAPITAL ASSETS (Continued)

	Balance June 30, 2019	Additions	Retirements	Balance June 30, 2020
Industrial Development Authority:				
Non-depreciable assets				
Land	\$ 5,337,885	\$ -	\$ -	\$ 5,337,885
Construction-in-process	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total non-depreciable assets	<u>5,337,885</u>	<u>-</u>	<u>-</u>	<u>5,337,885</u>
Depreciable assets				
Buildings	356,182	-	-	356,182
Roads	<u>797,584</u>	<u>-</u>	<u>-</u>	<u>797,584</u>
Total depreciable assets	<u>1,153,766</u>	<u>-</u>	<u>-</u>	<u>1,153,766</u>
Less accumulated depreciation for:				
Buildings	35,009	9,133	-	44,142
Roads	<u>127,573</u>	<u>53,649</u>	<u>-</u>	<u>181,222</u>
Total accumulated depreciation	<u>162,582</u>	<u>62,782</u>	<u>-</u>	<u>225,364</u>
Total depreciable assets	<u>991,184</u>	<u>(62,782)</u>	<u>-</u>	<u>928,402</u>
Capital assets, net	<u><u>\$ 6,329,069</u></u>	<u><u>\$ (62,782)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 6,266,287</u></u>
 Dade County Health Department:				
Depreciable assets				
Machinery and equipment	\$ 6,500	\$ -	\$ -	\$ 6,500
Total depreciable assets	<u>6,500</u>	<u>-</u>	<u>-</u>	<u>6,500</u>
Less accumulated depreciation for:				
Machinery and equipment	3,608	433	-	4,041
Total accumulated depreciation	<u>3,608</u>	<u>433</u>	<u>-</u>	<u>4,041</u>
Total depreciable assets	<u>2,892</u>	<u>(433)</u>	<u>-</u>	<u>2,459</u>
Capital assets, net	<u><u>\$ 2,892</u></u>	<u><u>\$ (433)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,459</u></u>

Depreciation expense is charged to functions as follows:

Primary Government - Governmental Activities:

General government	\$ 672,343
Public safety	825,702
Public works	338,326
Health and welfare	3,949
Culture and recreation	<u>54,238</u>
	<u><u>\$ 1,894,558</u></u>

Industrial Development Authority \$ 62,782

Dade County Health Department \$ 433

DADE COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 4 – RETIREMENT PLAN – DEFINED CONTRIBUTION PLAN

The County has adopted a deferred compensation plan with the assets being held in trust for the exclusive benefit of participants and their beneficiaries and is being administered by ACCG Retirement Services. The Plan was created in accordance with Internal Revenue Code Section 457(b) and is considered a defined contribution plan. The County has no fiduciary relationship with the trust and the plan's assets are not reported in the County's financial statements. All full-time employees of the County that have completed six months of service to the County are eligible to participate.

In accordance with Dade County's policies and procedures manual, the Plan requires that the County matches 100% of the first 3% of the employee's salary deferral. The Dade County Commission acts as the trustee for the plan and can amend the Plan provisions and contribution requirements at any time. Vesting in the plan follows a six-year graduated schedule.

For year ended June 30, 2020, the County (employer) and employees contributed \$233,135.

NOTE 5 – LONG-TERM OBLIGATIONS

Primary Government:

Debt related to governmental activities as of June 30, 2020, consisted of the following:

General Obligation Bonds

The County periodically issues general obligation bonds for the acquisition and construction of major capital facilities. These bonds are direct obligations and are backed by the full faith and credit of the County. These bonds are generally issued as 5 to 15-year serial bonds. General obligation bonds are summarized by issue as follows:

Series	Original Principal	Interest Rates	Final Maturity	Principal June 30, 2020
Series 2015	\$ 1,900,000	2.23%	10/01/21	\$ 660,000
Total	<u>\$ 1,900,000</u>			<u>\$ 660,000</u>

Debt service requirements to maturity for the general obligation bonds of the County are as follows:

	Principal	Interest	Total
2021	\$ 325,000	\$ 11,094	\$ 336,094
2022	<u>\$ 335,000</u>	<u>3,735</u>	<u>\$ 338,735</u>
	<u>\$ 660,000</u>	<u>\$ 14,829</u>	<u>\$ 674,829</u>

Interest expense for year ended June 30, 2020, charged to governmental activities expense, for bond interest only, was \$18,286.

(Continued)

DADE COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 5 – LONG-TERM OBLIGATIONS (Continued)

Capital Lease Payable

On March 1, 2013, the County entered into a capital lease agreement with SunTrust Equipment Finance & Leasing Corp to purchase and refinance energy efficient/energy consumption savings equipment. The County is obligated under the agreement to repay the lease in installments consisting of principal repayments and interest payable annually for a 13 year term in certain amounts and on certain dates as specified in the agreement. The economic substance of the lease is that the County is financing the equipment through the lease in the amount of \$700,894 at an interest rate of 3.06%.

On June 30, 2017, the County entered into a capital lease agreement with Axon Enterprises, Inc. to purchase tasers. The County is obligated under the agreement to repay the lease in installments consisting of principal repayments annually for a 5-year term in certain amounts and on certain dates as specified in the agreement. The equipment may be purchased at the end of the lease term for one dollar. The economic substance of the lease is that the County is financing the equipment through the lease in the amount of \$20,247 with no interest.

On July 17, 2018, the County entered into a capital lease agreement with MUSCO Finance to purchase soccer field lighting. The County is obligated under the agreement to repay the lease in installments consisting of principal repayments annually for a 5-year term in certain amounts and on certain dates as specified in the agreement. The equipment title is passed to the County at the end of the lease term for no further consideration. The economic substance of the lease is that the County is financing the lighting through the lease in the amount of \$274,000 at an interest rate of 3.95%.

On July 30, 2018, the County entered into a capital lease agreement with BancorpSouth Equipment Finance to purchase a mower. The County is obligated under the agreement to repay the lease in installments consisting of principal repayments annually for a 4-year term in certain amounts and on certain dates as specified in the agreement. The equipment title is passed to the County at the end of the lease term for no further consideration. The economic substance of the lease is that the County is financing the mower through the lease in the amount of \$144,000 at an interest rate of 3.74%.

On October 8, 2018, the County entered into a capital lease agreement with Stryker Equipment Finance to purchase emergency services equipment. The County is obligated under the agreement to repay the lease in installments consisting of principal repayments annually for a 5-year term in certain amounts and on certain dates as specified in the agreement. The equipment may be purchased at the end of the lease term for one dollar. The economic substance of the lease is that the County is financing the equipment through the lease in the amount of \$115,198 with no interest.

(Continued)

DADE COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 5 – LONG-TERM OBLIGATIONS (Continued)

Capital Lease Payable (Continued)

Total assets acquired through capital leases at June 30, 2020 include machinery and equipment at a cost of \$1,442,229, and accumulated depreciation of \$680,029. This year, \$125,115 was included in depreciation expense.

Minimum future lease payments required to maturity for the capital lease payables of the County are as follows:

2021	\$ 188,017
2022	184,818
2023	186,930
2024	74,997
2025	76,997
2026	<u>78,997</u>
	790,756
Less imputed interest	<u>63,834</u>
Present value of minimum future lease payments	<u><u>\$ 726,922</u></u>

Industrial Development Authority:

Debt related to the Industrial Development Authority as of June 30, 2020, consisted of the following:

General Obligation Bonds

The County periodically issues general obligation bonds for the acquisition and construction of major capital facilities. These bonds are direct obligations and are backed by the full faith and credit of the County. These bonds are generally issued as 5 to 15-year serial bonds. General obligation bonds are summarized by issue as follows:

Series	Original Principal	Interest Rates	Final Maturity	Principal June 30, 2020
Series 2013A	\$ 645,000	6.10%	10/01/28	\$ 450,000
Series 2013B	<u>1,935,000</u>	3.95%	10/01/28	<u>1,285,000</u>
Total	<u><u>\$ 2,580,000</u></u>			<u><u>\$ 1,735,000</u></u>

(Continued)

DADE COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 5 – LONG-TERM OBLIGATIONS (Continued)

General Obligation Bonds (Continued)

Debt service requirements to maturity for the general obligation bonds of the County are as follows:

	Principal	Interest	Total
2021	\$ 160,000	\$ 123,005	\$ 283,005
2022	165,000	110,887	275,887
2023	175,000	98,222	273,222
2024	180,000	85,010	265,010
2025	195,000	71,052	266,052
2026-2029	<u>860,000</u>	<u>127,841</u>	<u>987,841</u>
	<u><u>\$ 1,735,000</u></u>	<u><u>\$ 616,017</u></u>	<u><u>\$ 2,351,017</u></u>

Conduit Debt Obligations

From time to time, the Industrial Development Authority of Dade County has issued bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the County, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

The Industrial Development Authority currently has three (3) outstanding bond issues, the original amounts of which were \$57,500,000. Industrial Development Authority has no means of determining the outstanding amount of these bonds.

Notes and Loans Payable

Bank of Dade - In September 2015, the Industrial Development Authority entered into an agreement with the Bank of Dade for the purpose of purchasing a building. The original loan balance was \$371,198 with an interest rate of 4.25%. Monthly payments of \$3,803 are payable over a two-year period commencing on October 17, 2015 and ending on August 17, 2017. The loan was modified effective September 1, 2017 to extend the maturity date to September 17, 2020. The balance is \$218,186 at June 30, 2020.

(Continued)

DADE COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 5 – LONG-TERM OBLIGATIONS (Continued)

Changes in long-term liabilities. During the year ended June 30, 2020, the following changes occurred in long-term liabilities:

Primary Government:

	Balance June 30, 2019	Additions	Reductions	Balance June 30, 2020	Due Within One Year
General obligation bonds	\$ 980,000	\$ -	\$ 320,000	\$ 660,000	\$ 325,000
Capital lease	885,123	-	158,201	726,922	165,667
Compensated absences	<u>400,602</u>	<u>417,118</u>	<u>400,602</u>	<u>417,118</u>	<u>417,118</u>
	<u><u>\$ 2,265,725</u></u>	<u><u>\$ 417,118</u></u>	<u><u>\$ 878,803</u></u>	<u><u>\$ 1,804,040</u></u>	<u><u>\$ 907,785</u></u>

Debt service requirements for general obligation bonds, notes payable and other debt are met by the General Fund and Capital Projects Fund. Compensated absences are liquidated by the General Fund.

Industrial Development Authority:

	Balance June 30, 2019	Additions	Reductions	Balance June 30, 2020	Due Within One Year
General obligation bonds	\$ 1,890,000	\$ -	\$ 155,000	\$ 1,735,000	\$ 160,000
Notes and loans payable	<u>253,285</u>	<u>-</u>	<u>35,099</u>	<u>218,186</u>	<u>218,186</u>
	<u><u>\$ 2,143,285</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 190,099</u></u>	<u><u>\$ 1,953,186</u></u>	<u><u>\$ 378,186</u></u>

DADE COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 6 – FUND BALANCE

Restrictions of fund balance of governmental funds are created to either satisfy legal covenants that require that a portion of the fund balance be segregated or identify the portion of the fund balance that is not appropriated for future expenditures. Specific restrictions of fund balance accounts are as follows:

General Fund. Restricted fund balance totals \$143,892 which is restricted for public safety purposes. The detail of general fund restrictions is summarized below.

Restricted for Jail Operations. This restriction was created for unexpended fines which are required to be used for jail staffing and operations. The amount restricted at June 30, 2020, totals \$25,225.

Restricted for Drug Awareness. This restriction was established for portions of fines which are required to be used for establishing a community program for counseling or education regarding drug and substance abuse. The amount restricted at June 30, 2020, totals \$82,853.

Restricted for Juvenile Services. This restriction was established for funds required to be used for providing various juvenile services in the County. The amount restricted at June 30, 2020, totals \$25,852.

Restricted Sheriff and Victim Assistance. This restriction was established for portion of fines which are required to be used for the Sheriff's Department in establishing and operating a victim's assistance program. The amount restricted at June 30, 2020, totals \$9,962.

Capital Projects Fund. Fund balance totals \$2,119,808 which is restricted for special purpose local option sales tax capital projects as required by O.C.G.A. 48-8-121.

Law Library Fund. Fund balance totals \$8,975 which is restricted for the operation of the County's law library activity.

NOTE 7 – CONTINGENT LIABILITIES

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

The County is presently involved in a number of matters involving pending litigation, overtly threatened litigation, claims or assessments. While the County intends to defend these actions, the ultimate outcome is uncertain at this time. The County's management and legal counsel are of the opinion that any unfavorable outcome would not materially affect the financial statements or any expected liability will not exceed the County's insurance policy limits.

DADE COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 8 – RISK MANAGEMENT

Dade County, Georgia, is exposed to various risks of losses related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Significant losses are covered by a public entity risk pool for all major programs. There have been no significant reductions in coverage. Settlement amounts have not exceeded coverage for the current year or the three prior years. All risk management activities are accounted for in the General Fund. Expenditures and claims are recognized when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. In determining claims, events that might create claims, but for which none have been reported, are considered.

The County contracts with the Association County Commissioners of Georgia-Interlocal Risk Management Agency (ACCG-IRMA) for combined automobile, crime, liability and property coverage. As a public entity risk pool, ACCG-IRMA is obligated to Dade County, as well as approximately sixty other Georgia County Members, to cover casualty and property losses as follows:

- To establish and administer a risk management service;
- To prevent or lessen the incidence and severity of casualty and property losses occurring in the operation of county government; and
- To defend and protect, in accordance with this contract and related coverage descriptions, any Member of ACCG-IRMA against liability or losses stated in such documents. The activities of ACCG-IRMA shall not constitute conduct of an insurance business.

As a Member of ACCG-IRMA, Dade County is obligated as follows:

- To participate at all times in at least one Fund which is established by the Board of Trustees of ACCG-IRMA;
- To pay all contributions, assessments or other sums due to such times and in such amounts as shall be established by the Board;
- To select a person to serve as a Member representative;
- To allow the Board and its agents reasonable access to all facilities of the Member and all records, including but not limited to financial records, which related to the purposes of ACCG-IRMA;
- To allow attorneys appointed by ACCG-IRMA to represent the Member in investigation, settlement discussions and all levels of litigation arising out of any claim made against a Member within the scope of loss protection furnished by the Fund or Funds established by ACCG-IRMA;
- To assist and cooperate in the defense and settlement of claims against a Member;

(Continued)

DADE COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 8 – RISK MANAGEMENT (Continued)

- To furnish full cooperation to ACCG-IRMA's attorneys, claims adjusters, service companies and any agent, employee, officer or independent contractor of ACCG-IRMA relating to the purposes of ACCG-IRMA;
- To follow all loss reduction and prevention procedures established by ACCG-IRMA;
- To furnish ACCG-IRMA such budget, operating and underwriting information as may be requested by the Board; and
- To report as promptly as possible, and in accordance with any Coverage Descriptions issued, all incidents which could result in ACCG-IRMA or any Fund established by ACCG-IRMA being required to pay a claim or claims for loss or injuries to county property or injuries to persons or property when such loss or injury is within the scope of the protection of a Fund or Funds in which the Member participates.

Pursuant to Title 34, Chapter 9, Article 5 of the Official Code of Georgia Annotated, the County became a Member of the Association County Commissioners of Georgia-Group Self Insurance Workers' Compensation Fund (ACCG-GSIWCF). The liability of the Fund to the employees of any employer is specifically limited to such obligations as are imposed by applicable state laws against the employer for workers' compensation and/or employer's liability. The Fund is to defend, in the name of and on behalf of the Members, any suits or other proceedings which may at any time be instituted against them on account of injuries or death with the preview of the Workers' Compensation Law of Georgia, or on the basis of employer's liability, including suits or other proceedings alleging such injuries and demanding compensation, therefore, although such suits, other proceedings, allegations or demands be wholly groundless, false or fraudulent. The Fund is to pay all costs taxed against Members in any legal proceeding defended by the Members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense.

Dade County's responsibilities as a Member of the ACCG-GSIWCF are as follows:

- To pay all contributions, assessments or other sums due to ACCG-GSIWCF at such times and in such amounts as shall be established by the ACCG-GSIWCF. To select a person to serve as a contact person and safety representative;
- To allow ACCG-GSIWCF and its agents reasonable access to all facilities of the County and all records, including, but not limited to financial records, which related to the purposes of ACCG-GSIWCF;
- To allow attorneys appointed by ACCG-GSIWCF 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 prevention furnished by ACCG-GSIWCF;

(Continued)

DADE COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 8 – RISK MANAGEMENT (Continued)

- To assist and cooperate in the defense and settlement of claims against the County;
- To furnish full cooperation to ACCG-GSIWCF attorneys, claims adjusters, Service Company, and any agent, employee, officer or independent contractor of ACCG-GSIWCF relating to the purpose of ACCG-GSIWCF;
- To follow all loss reduction and prevention procedures established by ACCG-GSIWCF. To furnish to ACCG-GSIWCF such remuneration and underwriting information as may be requested; and
- To report as promptly as possible, all incidents which could result in ACCG-GSIWCF being required to pay workers' compensation on behalf of the County.

NOTE 9 – SPECIAL PURPOSE LOCAL OPTION SALES TAX

The County passed a special one percent (1%) retail sales and use tax on May 20, 2014, to be collected within Dade County for the purpose of financing certain capital outlay projects. A maximum cost of \$18,500,000 for the projects are as follows: (i) Dade County road, street, and bridge purposes, which purposes may include sidewalks, bicycle paths and capital equipment; acquiring, constructing, and equipping a new court facility, including any necessary capital costs for the relocation of governmental offices or services; public safety facilities and equipment including fire department, mountain rescue, emergency 911, and other county emergency services; installation of new water lines and fire hydrants by the Dade County Water and Sewer Authority; vehicles and equipment for the road department, sheriff's department, recreation department, and the extension agency; adding to, remodeling and renovating county facilities and acquiring any property, both real and personal, and equipment necessary including the transfer station, county jail, recreation facilities, animal control, the old courthouse, a community building at Davis, a walking track at New Home; and, purchasing new books, computers and other technology for the Dade County Library, (ii) for the Dade County Industrial Development Authority, acquisition of land and construction of related infrastructure for future industrial development, and (iii) for the City of Trenton, public safety facilities, vehicles and equipment for police and fire departments; equipment and renovation of facilities for waste water treatment and utilities; road, street, and bridge purposes, which purposes may include sidewalks, bicycle paths and capital equipment; new construction, renovations and equipment for parks and recreation; city animal control facilities and renovations and equipment for city hall and city administration. The tax began on July 1, 2015 and is to remain in effect for twenty-four (24) calendar quarters or until the \$18,500,000 is exceeded, whichever occurs first.

DADE COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 10 – JOINT VENTURE

Under Georgia law, the County, in conjunction with other cities and counties in the ten-county northwest Georgia area, is a member of the Northwest Georgia Regional Commission and is required to pay annual dues thereto. During its year ended June 30, 2020, the County paid \$14,075 in such dues. Membership in a Regional Commission is required by the Official Code of Georgia Annotated (O.C.G.A.) Section 50-8-34 which provides for the organizational structure of the Regional Commission in Georgia. The Regional Commission board membership includes the chief elected official of each county and municipality in the area. O.C.G.A. 50-8-39.1 provides that member governments are liable for any debts or obligations of a RDC. Separate financial statements may be obtained from: Northwest Georgia Regional Commission, P.O. Box 1798, Rome, GA 30162-1798.

NOTE 11 – OPERATING LEASE

The County leases a portion of its administration building to the State of Georgia's Department of Family and Children's Services under a cancelable operating lease that expires June 30, 2026. In addition, a ratable portion of shared expenses, such as utilities, are billed to the State by the County and included in the amounts reported as rental income to the County.

Rental revenue received for the year ended June 30, 2020, was \$120,945.

NOTE 12 – INTERFUND TRANSFERS

The County transfers resources from the General Fund to subsidize the cost of operations for the E-911 Emergency Fund.

The County transfer to capital projects was to replace funds transferred out in previous year.

Transfers in Primary Government	Transfers out Primary Government	Amount
E-911 Fund	General Fund	\$ 411,246

NOTE 13 – INTERFUND RECEIVABLES AND PAYABLES

During the course of normal operations, the County has numerous transactions between funds. Generally, outstanding balances between funds reported as "due to/from other funds" include outstanding charges by one fund to another for services or goods, or other miscellaneous receivables/payables between funds. Interfund receivables/payables are transactions reimbursing a fund for expenditures made for the benefit of another fund. Such transactions are recorded as an interfund receivable in the disbursing fund. On the governmental funds balance sheet, receivables and payables resulting from short-term interfund loans are classified as "interfund loan receivables/payables." These amounts are eliminated on the statement of net position. As June 30, 2020, the County had no outstanding interfund balances.

DADE COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2020

NOTE 14 – RISKS AND UNCERTAINTIES

During 2020, local, U.S., and world governments have encouraged self-isolation to curtail the spread of the global pandemic, coronavirus disease (COVID-19), by mandating temporary work stoppage in many sectors and imposing limitations on travel, size, and duration of group meetings. Many sectors are experiencing disruption to business operations and the impact of reduced customer spending. There is unprecedented uncertainty surrounding the duration of the pandemic, its potential economic ramifications, and any government actions to mitigate them. If the pandemic continues, it may have an adverse effect on the County's future operations, financial position, and liquidity.

NOTE 15 – SUBSEQUENT EVENTS

Management has evaluated events and transactions subsequent to the balance sheet date through the date of the auditor's report (the date the financial statements were available to be issued) for potential recognition or disclosure in the financial statements. Except as noted below, management has not identified any items requiring recognition or disclosure.

On June 9, 2020, during the general primary election Dade County citizens voted in favor of reimposing the 1% sales and use tax for the next six years beginning July 1, 2021. The special purpose local option sales tax is estimated to raise \$16,000,000 for the purpose of funding capital outlay projects for Dade County, the Dade County Industrial Development Authority, the Dade County Water and Sewer Authority and the City of Trenton.

DADE COUNTY, GEORGIA

SCHEDULE OF PROPERTY TAX RATES

EACH OF THE LAST FIVE YEARS (UNAUDITED)

FOR CURRENT YEAR ENDED JUNE 30, 2020
AND FOUR PRIOR YEARS ENDED JUNE 30

Tax Year	Tax Status	State of Georgia	Dade County	Dade County School Board	Total
2020	Unincorporated	\$.00	\$ 8.01	\$ 15.33	\$23.34
	Incorporated	.00	10.80	15.33	26.13
2019	Unincorporated	.00	8.23	15.33	23.56
	Incorporated	.00	10.95	15.33	26.28
2018	Unincorporated	.00	8.48	15.32	23.80
	Incorporated	.00	10.95	15.32	26.27
2017	Unincorporated	.00	8.48	15.51	23.99
	Incorporated	.00	10.83	15.51	26.34
2016	Unincorporated	.00	8.39	15.51	23.90
	Incorporated	.00	10.67	15.51	26.18

DADE COUNTY, GEORGIA

SCHEDULE OF CAPITAL PROJECTS CONSTRUCTED WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX

YEAR ENDED JUNE 30, 2020

2015 Referendum

Project	Original Estimated Costs	Revised Estimated Costs	Prior Year Expenditures	Current Period Expenditures
County	\$ 18,500,000	\$ 18,500,000		
Parks and recreation		\$ 598,554	\$ 17,179	
County projects - other		876,921	187,341	
Roads and bridges		1,946,475	114,525	
Fire / Emergency services		832,683	414,826	
Public works		203,692	2,100	
Sheriff's department		989,522	197,299	
Library		18,342	8,996	
Water & Sewer Authority		193,437	33,966	
Payments to:				
IDA	<u> </u>	<u> </u>	1,027,391	236,641
	<u>\$ 18,500,000</u>	<u>\$ 18,500,000</u>	<u>6,687,017</u>	<u>1,212,873</u>
Reconciling Items				
Debt Service				
Principal		2,758,031	478,201	
Interest		<u>264,736</u>	<u>45,148</u>	
Total Expenditures Per Financial Statement				
Including Transfers Out		<u>\$ 9,709,784</u>	<u>\$ 1,736,222</u>	

Total Expenditures	Completion Percentage
-------------------------------	----------------------------------

	43%
\$ 615,733	
1,064,262	
2,061,000	
1,247,509	
205,792	
1,186,821	
27,338	
227,403	
	<hr/>
	1,264,032
	<hr/>
	7,899,890

3,236,232
<hr/>
309,884

\$ 11,446,006



INDEPENDENT AUDITOR'S REPORT ON STATE OF GEORGIA GRANT CERTIFICATION FORMS

To the Board of Commissioners
Dade County, Georgia
Trenton, Georgia

We have examined management's assertion included in the accompanying State of Georgia Grant Certification Form about Dade County, Georgia's compliance during the year ended June 30, 2020, with requirements to use grant proceeds solely for the purpose for which the grant was made for the following grant awards:

Lookout Mountain Community Services Board – Transportation Grant – FY 2020

Management is responsible for Dade County, Georgia's compliance with this requirement. Our responsibility is to express an opinion on management's assertion about Dade County, Georgia's compliance based on our examination.

Our examination was made in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about Dade County, Georgia's compliance with this requirement and performing such other procedure as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on Dade County, Georgia's compliance with the specified requirement.

In our opinion, management's assertion that Dade County, Georgia, complied with the aforementioned requirement for the year ended June 30, 2020, is fairly stated, in all material respects.

This report is intended solely for the information and use of the Georgia Department of Audits and Accounts and the State grantor agency identified on the Grant Certification Form and is not intended to be and should not be used by anyone other than the specified parties.

Chattanooga, Tennessee
January 6, 2021

*Henderson Hutcherson
& McCullough, PLLC*

State of Georgia Grant Certification Form

Local Government Recipient (with no subrecipient)

A	Local Government	Dade County, Georgia
B	State Awarding Agency	Lookout Mountain Community Services Board
C	Grant Identification Number	FY 2020
D	Grant Title	Transportation Grant
E	Grant Award Date	July 3, 2019
F	Grant Amount	\$33,100.00

COLUMN 1	COLUMN 2
Current Year Activity	Cumulative Grant Activity

For the Year Ended: Through the Year Ended:
June 30, 2020 June 30, 2020

G	Balance - Prior Year (Cash or Accrued or Deferred Revenue)	\$0.00	
H	Grant Receipts or Revenue Recognized	\$23,374.00	\$23,374.00
I	Grant Disbursements or Expenditures EXCLUDING AUDIT FEES	\$23,374.00	\$23,374.00
J	Disbursements or Expenditures for Audit Fees	\$0.00	\$0.00
K	Balance - Current Year (Cash or Accrued or Deferred Revenue) [Line H (col 1 only) + Line I - Line J - Line K]	\$0.00	\$0.00

Certification of Local Government Officials

I have reviewed the information presented above and certify that it is accurate and correct. I further certify that the proceeds of the grant award identified above were used solely for the express purpose or purposes for which the grant was made.

Signature of Chief Financial Officer

Date: December 31, 2020

Signature of Chief Financial Officer

Date: December 31, 2020



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

To the Board of Commissioners
Dade County, Georgia
Trenton, Georgia

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the discretely-presented component units, each major fund, and the aggregate remaining fund information of Dade County, Georgia, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Dade County, Georgia's basic financial statements, and have issued our report thereon dated January 6, 2021. Our report includes a reference to other auditors who audited the financial statements of the Dade County Health Department (a component unit), as described in our report on the County's financial statements. This report does not include the results of the other auditors testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Dade County, Georgia's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of 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 over financial reporting 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 financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

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

Chattanooga, Tennessee
January 6, 2021

*Henderson Hutcherson
& McCullough, PLLC*

DADE COUNTY, GEORGIA

SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED JUNE 30, 2020

None reported