

DADE COUNTY, GEORGIA

FINANCIAL STATEMENTS

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2022**



CERTIFIED PUBLIC ACCOUNTANTS

DADE COUNTY, GEORGIA

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JUNE 30, 2022

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DADE COUNTY, GEORGIA

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DADE COUNTY, GEORGIA

COUNTY OFFICIALS

JUNE 30, 2022

Ted Rumley	Chairperson / County Executive
Robert Goff	Vice Chair / Commissioner
Lamar Lowery	Commissioner
Phillip Hartline	Commissioner
Melissa Christiansen Bradford	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 Audit of the Financial Statements

Opinions

We have audited the financial statements of 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, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements 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, 2022, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Dade County Health Department, which represent one-hundred percent of the assets, net position, and revenues of the discretely presented component units. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for Dade County Health Department, is based solely on the report of the other auditors.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

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

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

Other Information

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 March 31, 2023 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Chattanooga, Tennessee
March 31, 2023

*Henderson Hutcherson
& McCullough, PLLC*

DADE COUNTY, GEORGIA

MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED)

YEAR ENDED JUNE 30, 2022

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, 2022. 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.

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, deferred outflows of resources, liabilities, and deferred inflows of resources, with the net difference 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 considered component units because the County is financially accountable for them. The Dade County Health Department is included as a discretely-presented component unit and the Dade County Industrial Development Authority is included as a blended component unit. A blended component unit is included in the primary government financial statements as a special revenue fund.

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, 2022

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 seven 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, Industrial Development Authority special revenue fund, and the American Rescue Plan Act special revenue fund, all of which are considered to be major funds. The County adopts an annual budget for the general fund. A project length budget is adopted for the capital projects fund. A budgetary comparison statement has been provided for those funds 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 custodial 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 and deferred inflows by \$26,388,599 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, 2022

	Governmental Activities	
	June 30, 2022	June 30, 2021
Current and other assets	\$ 9,193,232	\$ 6,862,283
Lease receivable – due in more than one year	390,440	-
Capital assets	<u>20,013,498</u>	<u>13,049,027</u>
Total assets	<u>29,597,170</u>	<u>19,911,310</u>
Liabilities		
Other	3,733,657	3,369,212
Long-term	<u>1,904,307</u>	<u>395,838</u>
Total liabilities	<u>5,637,964</u>	<u>3,765,050</u>
Deferred inflows of resource	<u>516,385</u>	<u>-</u>
Net position		
Net investment in capital assets	18,207,151	12,150,609
Restricted	2,054,644	1,218,697
Unrestricted	<u>3,181,026</u>	<u>2,776,954</u>
Total net position	<u>\$ 23,442,821</u>	<u>\$ 16,146,260</u>

Changes in net position. For the year ending June 30, 2022, net position of the County increased 12% or \$2,499,935. The net position also increased during the year due to the blending of the component unit and the prior year net position was added to the governmental funds beginning net position on page 15.

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

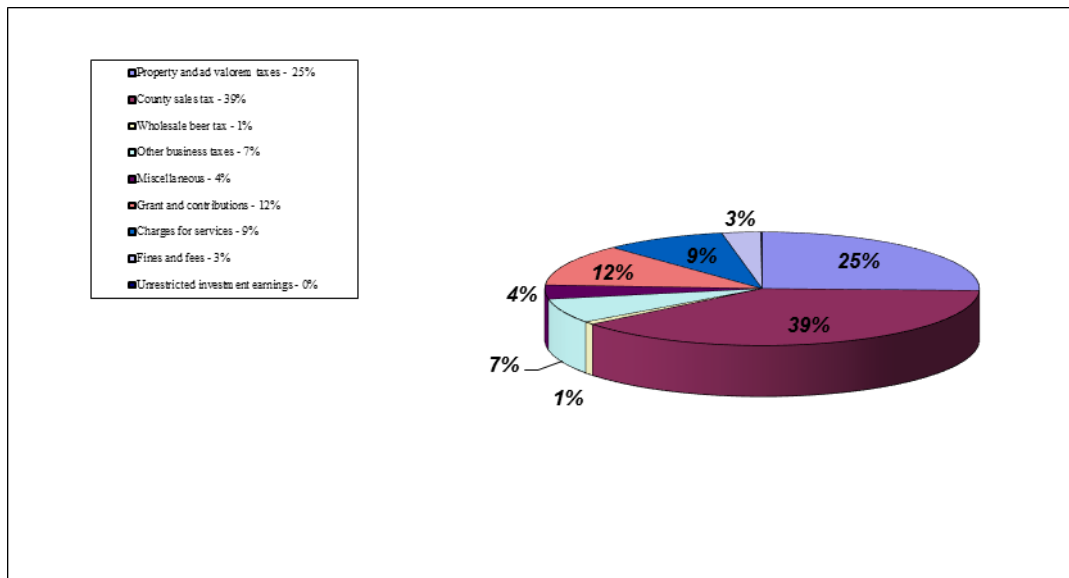
DADE COUNTY, GEORGIA

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

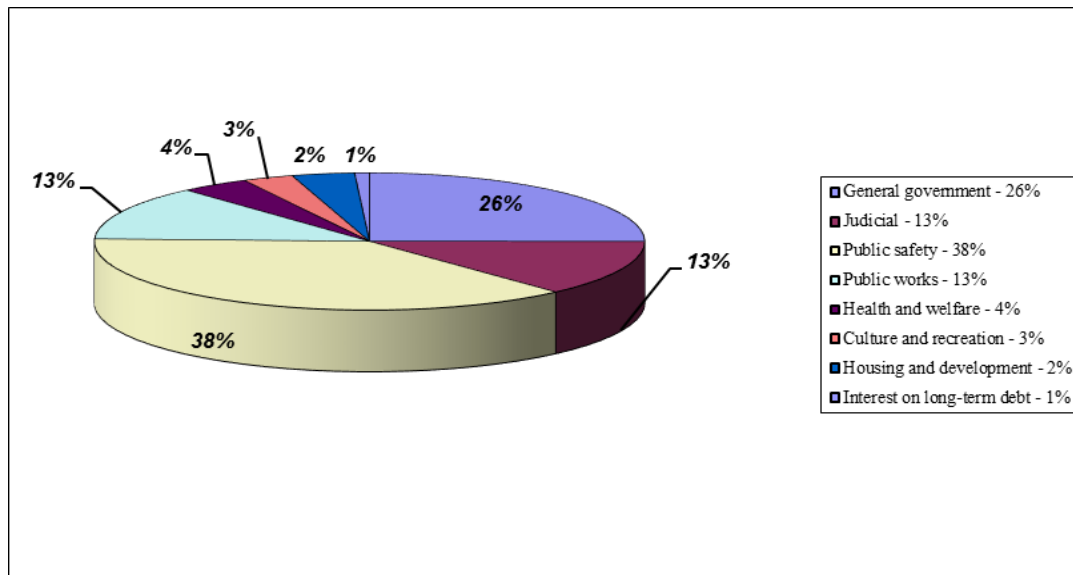
YEAR ENDED JUNE 30, 2022

The graphs below summarize the sources of the County's revenues of \$17,744,533 and total program expenses of \$15,244,598.

Total Revenues by Source



Total Expenses by Function



DADE COUNTY, GEORGIA

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

YEAR ENDED JUNE 30, 2022

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

	Governmental Activities	
	Year Ended June 30, 2022	Year Ended June 30, 2021
REVENUES		
Program revenues		
Charges for services	\$ 1,613,475	\$ 1,224,330
Operating grants	909,811	1,867,400
Capital grants	1,200,975	318,077
Fines and fees	514,413	567,355
General revenues		
Property and ad valorem taxes	4,531,116	4,232,042
County sales tax	6,864,160	5,674,029
Wholesale beer tax	145,006	141,957
Other business taxes	1,235,987	1,201,710
Miscellaneous	434,858	292,604
Gain on sale of capital assets	277,825	8,166
Investment income	<u>16,907</u>	<u>18,709</u>
Total revenue	<u>17,744,533</u>	<u>15,546,379</u>
EXPENSES		
General government	3,818,098	3,796,629
Judicial	2,005,894	2,056,128
Public safety	5,695,094	5,242,644
Public works	1,959,439	1,774,032
Health and welfare	617,887	590,176
Culture and recreation	454,576	484,674
Housing and development	561,248	245,513
Interest on long-term debt	<u>132,362</u>	<u>31,650</u>
Total expenses	<u>15,244,598</u>	<u>14,221,446</u>
Increase in net position	2,499,935	1,324,933
Net position – beginning of period	16,146,260	14,821,327
Blending of component unit	<u>4,796,626</u>	<u>-</u>
Net position – beginning of period, restated	20,942,886	14,821,327
Net position – end of period	<u>\$ 23,442,821</u>	<u>\$ 16,146,260</u>

DADE COUNTY, GEORGIA

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

YEAR ENDED JUNE 30, 2022

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 fund balances of \$5,602,506. The County has a positive 61% unassigned fund balance of \$3,437,862. Information about the County's governmental funds is presented below.

General Fund. This fund is the chief operating fund of the County and \$3,623,820 is the current fund balance held in the general fund. The increase in general fund balance of \$601,407 was a 20% increase 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 \$1,620,397 is a increase from the beginning of the period of \$497,973 or 44%. This increase is the result of revenues exceeding expenditures of funds for the purchase or construction of capital assets as contemplated by the SPLOST referendum.

IDA Fund. This fund separately accounts for all the revenues and costs incurred by the Industrial Development Authority, which promotes economic development within the County. The current fund balance of \$221,375 is an increase from the beginning of the period of \$53,256 or 32%.

ARPA Fund. This fund separately accounts for all the American Rescue Plan Act funds which are federal funds to support economic recovery after COVID.

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 an increase from the original budget in revenues of \$314,991 and an increase from the original budget in appropriations of \$113,000.

DADE COUNTY, GEORGIA

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

YEAR ENDED JUNE 30, 2022

CAPITAL ASSET AND DEBT ADMINISTRATION

At the end of the fiscal year, the County had \$20,013,498, 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	\$ 6,193,051	\$ -	\$ -	\$ 6,193,051
Buildings and improvements	13,285,151	66,160	17,898	13,333,413
Parks and playgrounds	1,384,378	16,282	8,950	1,391,710
Machinery and equipment	14,675,125	296,335	294,803	14,676,657
Infrastructure	10,708,635	1,529,821	-	12,238,456
Construction in process	<u>1,033,663</u>	<u>627,532</u>	<u>-</u>	<u>1,661,195</u>
	47,280,003	2,536,130	321,651	49,494,482
Less accumulated depreciation	<u>28,027,471</u>	<u>1,775,164</u>	<u>321,651</u>	<u>29,480,984</u>
Total capital assets, net of accumulated depreciation	<u>\$19,252,532</u>	<u>\$ 760,966</u>	<u>\$ -</u>	<u>\$20,013,498</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 \$2,536,130.

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, 2022, Dade County, Georgia, had total long-term debt outstanding of \$1,806,347. This is a \$667,071 or 26%, decrease from last year. All of the bonds are secured by SPLOST revenues issued by the County to fund construction and industrial development. The notes payable provide financing for various equipment and an energy efficiency project. No additional debt was taken out during fiscal year 2022.

Governmental Activities

	June 30, 2022	June 30, 2021
General obligation bonds	\$ -	\$ 335,000
Revenue bonds	1,410,000	1,575,000
Notes payable	<u>396,347</u>	<u>563,418</u>
Total long-term debt	<u>\$ 1,806,347</u>	<u>\$ 2,473,418</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, 2022

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Dade County, Georgia, is situated in the northwest corner of the state, bordering Alabama and Tennessee, only minutes 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 following the worldwide pandemic that caused such depressed economic conditions to service industries located in many of our urban cities across the Southeastern United States. Dade County has an unemployment rate of 3.1% compared to Georgia's rate of 4% due primarily to increased availability of jobs located in the County's industrial park. Sales tax revenues continue to trend 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. Dade County Board of Assessors authorized a full countywide revaluation of all real property. The revaluation concluded in 2020 resulting in significant growth of the County's taxable digest that provides stabilization for a lower millage rate.

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, 2022

	Governmental Activities	Component Unit Health Department
ASSETS		
Cash	\$ 7,183,945	\$ 763,071
Property taxes receivable, net	99,166	-
Accounts receivables, net	508,124	-
Sales tax receivable	1,162,446	-
Due from other governments	-	20,344
Inventories	51,666	15,275
Prepays	59,653	64
Lease receivable - due within one year	128,232	-
Lease receivable - due in more than one year	390,440	-
Net other post-employment benefits asset	-	45,820
Capital assets -		
Land and other nondepreciable capital assets	7,854,246	-
Capital assets, net of accumulated depreciation	12,159,252	1,593
Total assets	29,597,170	846,167
DEFERRED OUTFLOWS OF RESOURCES	-	192,615
LIABILITIES		
Accounts payable	296,150	81
Accrued liabilities	105,969	-
Unearned grant revenue	2,975,778	-
Compensated absences	453,720	19,884
Net pension liability	-	217,378
Long-term liabilities, due within one year	355,760	-
Long-term liabilities, due in more than one year	1,450,587	-
Total liabilities	5,637,964	237,343
DEFERRED INFLOWS OF RESOURCES	516,385	323,502
NET POSITION		
Net investment in capital assets	18,207,151	1,593
Restricted for:		
Public safety	81,904	-
Capital projects	1,751,365	-
Industrial development	221,375	-
Unrestricted	3,181,026	476,344
Total net position	\$ 23,442,821	\$ 477,937

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

DADE COUNTY, GEORGIA

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2022

		Program Revenues		
		Charges for Services and Fines	Operating Grants and Contributions	Capital Grants and Contributions
	Expenses			
GOVERNMENTAL ACTIVITIES				
General government	\$ 3,818,098	\$ 470,188	\$ 184,566	\$ -
Judicial	2,005,894	391,081	17,499	-
Public safety	5,695,094	514,413	477,221	-
Public works	1,959,439	462,989	-	1,200,975
Health and welfare	617,887	27,649	169,525	-
Culture and recreation	454,576	30,656	-	-
Housing and development	561,248	230,912	61,000	-
Interest on long-term debt	<u>132,362</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 15,244,598</u>	<u>\$ 2,127,888</u>	<u>\$ 909,811</u>	<u>\$ 1,200,975</u>
COMPONENT UNIT				
Health Department	<u>\$ 565,771</u>	<u>\$ 338,799</u>	<u>\$ 202,367</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				
Blending of component unit				
Beginning of period, as restated				
Net position - end of period				

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

Governmental Activities	Component Unit Health Department
------------------------------------	---

\$ (3,163,344)
(1,597,314)
(4,703,460)
(295,475)
(420,713)
(423,920)
(269,336)
(132,362)

(11,005,924)

\$ (24,605)

4,531,116
6,864,160
145,006
1,235,987

-	168,000
16,907	4,687
277,825	-
<u>434,858</u>	<u>-</u>

<u>13,505,859</u>	<u>172,687</u>
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2,499,935	148,082
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16,146,260	329,855
<u>4,796,626</u>	<u>-</u>
<u>20,942,886</u>	<u>329,855</u>

<u>\$ 23,442,821</u>	<u>\$ 477,937</u>
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DADE COUNTY, GEORGIA

BALANCE SHEET - GOVERNMENTAL FUNDS

JUNE 30, 2022

	General	Capital Projects	IDA
ASSETS			
Cash	\$ 2,906,601	\$ 974,594	\$ 220,058
Property taxes receivable, net	99,166	-	-
Due from other governments	516,643	645,803	-
Other receivables	508,124	-	-
Inventory	51,664	-	-
Prepaid items	<u>58,336</u>	<u>-</u>	<u>1,317</u>
Total assets	<u>\$ 4,140,534</u>	<u>\$ 1,620,397</u>	<u>\$ 221,375</u>
LIABILITIES			
Accounts payable	\$ 296,150	\$ -	\$ -
Accrued liabilities	84,797	-	-
Unearned grant revenue	<u>30,000</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>410,947</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	<u>105,767</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>105,767</u>	<u>-</u>	<u>-</u>
FUND BALANCES			
Non-spendable			
Inventories and prepaid items	110,000	-	-
Restricted for:			
Public safety	75,958	-	-
Capital projects	-	1,620,397	-
Housing and development	-	-	221,375
Unassigned	<u>3,437,862</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>3,623,820</u>	<u>1,620,397</u>	<u>221,375</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 4,140,534</u>	<u>\$ 1,620,397</u>	<u>\$ 221,375</u>

ARPA	Total Nonmajor Funds	Total Governmental Funds
\$ 2,945,778	\$ 136,914	\$ 7,183,945
-	-	99,166
-	-	1,162,446
-	-	508,124
-	-	51,664
-	-	59,653
<u>2,945,778</u>	<u>136,914</u>	<u>7,965,948</u>
\$ -	\$ -	\$ 296,150
-	-	84,797
<u>2,945,778</u>	<u>-</u>	<u>2,975,778</u>
<u>2,945,778</u>	<u>-</u>	<u>3,356,725</u>
<u>-</u>	<u>-</u>	<u>105,767</u>
<u>-</u>	<u>-</u>	<u>105,767</u>
-	-	110,000
-	5,946	81,904
-	130,968	1,751,365
-	-	221,375
-	-	3,437,862
<u>-</u>	<u>-</u>	<u>3,853,106</u>
<u>-</u>	<u>136,914</u>	<u>5,602,506</u>
<u>2,945,778</u>	<u>136,914</u>	<u>9,064,998</u>

DADE COUNTY, GEORGIA

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

YEAR ENDED JUNE 30, 2022

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

Fund balances - total governmental funds \$ 5,602,506

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 20,013,498

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 105,767

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	\$ 1,410,000	
Notes payable	396,347	
Compensated absences	453,720	
	<u>2,260,067</u>	
Accrued interest payable	<u>18,883</u>	
		<u>(2,278,950)</u>

Net position of governmental activities \$ 23,442,821

DADE COUNTY, GEORGIA

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

YEAR ENDED JUNE 30, 2022

	General	Capital Projects	IDA
REVENUES:			
Taxes	\$ 9,265,686	\$ 3,397,069	\$ -
Intergovernmental revenues	2,167,037	-	-
Charges for services	1,072,492	-	-
Fines and forfeitures	221,071	-	-
Federal grant	-	-	-
Miscellaneous	325,609	212	136,674
Total revenues	<u>13,051,895</u>	<u>3,397,281</u>	<u>136,674</u>
EXPENDITURES:			
Current:			
General government	2,470,384	1,387,945	-
Judicial	1,122,048	-	-
Public safety	5,243,931	276,193	-
Public works	1,732,532	518,119	-
Health and welfare	612,193	13,335	-
Culture and recreation	397,048	1,039	-
Housing and development	263,357	-	65,758
Debt service:			
Principal	-	502,071	165,000
Interest	-	20,942	67,339
Capital outlay	-	292,107	17,660
Total expenditures	<u>11,841,493</u>	<u>3,011,751</u>	<u>315,757</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,210,402</u>	<u>385,530</u>	<u>(179,083)</u>
Other financing sources (uses)			
Proceeds from sale of capital assets	277,825	-	-
Transfers in	-	112,443	232,339
Transfers out	(886,820)	-	-
Total other financing services (uses)	<u>(608,995)</u>	<u>112,443</u>	<u>232,339</u>
Net change in fund balances	601,407	497,973	53,256
FUND BALANCES			
Beginning of period, as previously reported	3,022,413	1,122,424	-
Blending of component unit	<u>-</u>	<u>-</u>	<u>168,119</u>
Beginning of period, as restated	<u>3,022,413</u>	<u>1,122,424</u>	<u>168,119</u>
FUND BALANCES - end of period	<u>\$ 3,623,820</u>	<u>\$ 1,620,397</u>	<u>\$ 221,375</u>

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

ARPA	Total Nonmajor Funds	Total Governmental Funds
\$ -	\$ 349,194	\$ 13,011,949
-	-	2,167,037
-	318,417	1,390,909
-	-	221,071
184,566	-	184,566
-	4,043	466,538
<u>184,566</u>	<u>671,654</u>	<u>17,442,070</u>
53,530	-	3,911,859
108,853	7,207	1,238,108
-	860,455	6,380,579
5,901	-	2,256,552
-	-	625,528
16,282	-	414,369
-	218,226	547,341
-	-	667,071
-	-	88,281
-	-	309,767
<u>184,566</u>	<u>1,085,888</u>	<u>16,439,455</u>
-	(414,234)	1,002,615
-	-	277,825
-	542,038	886,820
-	-	(886,820)
-	<u>542,038</u>	<u>277,825</u>
-	127,804	1,280,440
-	9,110	4,153,947
-	-	168,119
-	<u>9,110</u>	<u>4,322,066</u>
<u>\$ -</u>	<u>\$ 136,914</u>	<u>\$ 5,602,506</u>

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

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, 2022

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		\$ 1,280,440
Capital outlay, reported as expenditures in governmental funds, are shown as capital assets in the statement of net position		2,536,130
Depreciation expense on governmental capital assets are included in the governmental activities in the statement of activities		(1,775,164)
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		13,853
Change in long-term intergovernmental receivable		(251,986)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds		23,060
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	667,071	
Accrued interest	<u>6,531</u>	<u>673,602</u>
Change in net position of governmental activities		<u>\$ 2,499,935</u>

DADE COUNTY, GEORGIA

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

YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Taxes	\$ 8,507,800	\$ 9,007,800	\$ 9,265,686	\$ 257,886
Intergovernmental revenues	2,245,598	2,215,589	2,167,037	(48,552)
Charges for services	1,280,520	1,050,520	1,072,492	21,972
Fines and forfeitures	250,657	250,657	221,071	(29,586)
Miscellaneous	<u>230,525</u>	<u>305,525</u>	<u>325,609</u>	<u>20,084</u>
 Total revenues	 <u>12,515,100</u>	 <u>12,830,091</u>	 <u>13,051,895</u>	 <u>221,804</u>
Expenditures				
General government –				
Board of Equalization	8,600	8,600	3,912	4,688
Registrars and elections	176,800	176,800	167,754	9,046
Administrative	1,095,800	1,155,800	992,877	162,923
Tax Commissioner	369,000	369,000	318,527	50,473
Tax Assessor	350,500	350,500	338,096	12,404
Building maintenance	546,300	546,300	503,354	42,946
Planning and development	<u>100,200</u>	<u>150,200</u>	<u>145,864</u>	<u>4,336</u>
 Total general government	 <u>2,647,200</u>	 <u>2,757,200</u>	 <u>2,470,384</u>	 <u>286,816</u>
Judicial –				
Courts and administration	98,300	98,300	85,808	12,492
Superior Court	321,100	321,100	289,039	32,061
District Attorney	143,000	143,000	115,884	27,116
Magistrate Court	170,400	170,400	161,699	8,701
Probate Court	290,600	290,600	266,051	24,549
Juvenile Court	130,200	130,200	101,792	28,408
Public Defender	<u>112,700</u>	<u>112,700</u>	<u>101,775</u>	<u>10,925</u>
 Total judicial	 <u>1,266,300</u>	 <u>1,266,300</u>	 <u>1,122,048</u>	 <u>144,252</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, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
(Continued)				
Public safety –				
Sheriff	2,393,800	2,393,800	2,393,595	205
Community watch	8,600	8,600	1,546	7,054
Jail	1,413,000	1,413,000	1,412,610	390
Department of Juvenile Justice	5,400	5,400	4,896	504
Fire	220,700	238,700	216,029	22,671
Ambulance	539,400	589,400	585,073	4,327
Coroner	41,800	41,800	31,084	10,716
Animal control	3,200	4,200	4,051	149
Emergency management	845,500	595,500	595,047	453
Total public safety	<u>5,471,400</u>	<u>5,290,400</u>	<u>5,243,931</u>	<u>46,469</u>
Public works –				
Highways and streets	879,600	934,600	931,056	3,544
Sanitation	517,600	617,600	612,083	5,517
Maintenance shop	177,300	192,300	189,393	2,907
Total public works	<u>1,574,500</u>	<u>1,744,500</u>	<u>1,732,532</u>	<u>11,968</u>
Health and welfare –				
Health	181,600	181,600	177,626	3,974
Welfare	55,200	55,200	54,424	776
Senior center	16,500	17,500	16,924	576
Public transportation	388,900	388,900	363,219	25,681
Total health & welfare	<u>642,200</u>	<u>643,200</u>	<u>612,193</u>	<u>31,007</u>
Culture and recreation –				
Recreation	299,700	312,700	310,985	1,715
Library	110,500	110,500	86,063	24,437
Total culture and recreation	<u>410,200</u>	<u>423,200</u>	<u>397,048</u>	<u>26,152</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, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
(Continued)				
Housing and development –				
Soil conservation	61,900	61,900	60,625	1,275
Extension	79,000	79,000	69,610	9,390
Code enforcement officer	800	800	535	265
Economic development	<u>222,000</u>	<u>222,000</u>	<u>132,587</u>	<u>89,413</u>
Total housing and development	<u>363,700</u>	<u>363,700</u>	<u>263,357</u>	<u>100,343</u>
Total expenditures	<u>12,375,500</u>	<u>12,488,500</u>	<u>11,841,493</u>	<u>647,007</u>
Excess of revenues over (under) expenditures	<u>139,600</u>	<u>341,591</u>	<u>1,210,402</u>	<u>868,811</u>
Other financing sources (uses)				
Proceeds from sale of capital assets	18,900	293,900	277,825	(16,075)
Transfers in	300,000	10,000	-	(10,000)
Transfers out	<u>-</u>	<u>-</u>	<u>(886,820)</u>	<u>(886,820)</u>
Total other financing sources	<u>318,900</u>	<u>303,900</u>	<u>(608,995)</u>	<u>(912,895)</u>
Excess of revenues and other sources (under) expenditures and other uses	<u>\$ 458,500</u>	<u>\$ 645,491</u>	601,407	<u>\$ (44,084)</u>
Fund balance - beginning of period			<u>3,022,413</u>	
Fund balance - end of period			<u>\$ 3,623,820</u>	

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

DADE COUNTY, GEORGIA

STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUNDS

JUNE 30, 2022

	Private Purpose Trust Funds	Custodial Funds
Assets		
Cash	\$ 5,704	\$ 504,961
Restricted cash	<u>65,325</u>	<u>-</u>
Total assets	<u>71,029</u>	<u>504,961</u>
Liabilities		
Payables to other governments	-	351,062
Other payables	<u>65,326</u>	<u>153,899</u>
Total liabilities	<u>65,326</u>	<u>504,961</u>
Net Position		
Held in trust for others	<u>5,703</u>	<u>-</u>
Total net position	<u>\$ 71,029</u>	<u>\$ 504,961</u>

DADE COUNTY, GEORGIA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - FIDUCIARY FUNDS

YEAR ENDED JUNE 30, 2022

	Private Purpose Trust Funds	Custodial Funds
Additions		
Collections on behalf of other governments	\$ -	\$ 14,354,847
Total additions	<u>161,734</u>	<u>14,354,847</u>
Deductions		
Supplies purchased for jail commissary	276,791	-
Payments of collections to other governments	<u>-</u>	<u>14,354,847</u>
Total deductions	<u>276,791</u>	<u>14,354,847</u>
Change in Net Position	(115,057)	-
Net position - beginning of period	<u>120,760</u>	<u>-</u>
Net position - end of period	<u>\$ 5,703</u>	<u>\$ -</u>

DADE COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

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, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Reporting Entity (Continued)

Blended 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. This component unit operates as a special revenue fund. In prior years, the Authority was included as a discretely presented component unit. During the current fiscal year, the Authority was blended because the Authority's total debt outstanding is now expected to be repaid entirely with resources of the primary government. The statement of activities and the statement of revenues, expenditures, and changes in fund balance include an adjustment to net position and fund balance to reflect this change.

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, 2022

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 unit. 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 unit.

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.

(Continued)

DADE COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

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 remaining governmental funds are aggregated and reported as nonmajor funds.

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 Special Purpose Local Option Sales Tax 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.

Industrial Development Authority. This special revenue fund is a blended component unit, which accounts for aid and assistance in the promotion and establishment of new business and recreation within the County.

American Rescue Plan Act Fund. This special revenue fund accounts for proceeds received from the American Rescue Plan Act.

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.

(Continued)

DADE COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government Fund Financial Statements (Continued)

The nonmajor special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Law Library Fund is used to account for revenues generated through special filing charges in the County court system which are restricted for acquisition and maintenance of library materials.

E-911 Fund account for the collection and expenditure of 911 charges or wireless enhanced charges according to Georgia state law.

Hotel/Motel Tax Fund account for tax revenue on lodging facilities within the County.

The custodial 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.

New Accounting Standards Adopted. During fiscal year 2022, the County implemented GASB Statement No. 87, *Leases*, which requires governments to improve accounting and financial reporting for leases by governments. The new standard requires the County to recognize certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract.

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.

(Continued)

DADE COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Inventories and prepaid items. Inventories are valued at cost, 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.

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, 2022. The taxes were based on January 1, 2022, assessed values and were due November 15, 2022, 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 to collect date	August 18
Levy for tax sale date	January 14
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 2021 levy was \$22.388 and \$25.121, respectively. Both rates include the separately assessed County school tax of \$14.388 and the County government unincorporated and incorporated rate of \$8.000 and \$10.733, 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, 2022, 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.

(Continued)

DADE COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 notes payable, 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

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. 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 Balance. The County follows GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. In the fund financial statements, fund balance consists of the following categories:

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.

DADE COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance. (Continued)

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.

Net Position.

Net position represents the residual of all elements presented in a statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used (i.e., the amount that the County has not spent) for the acquisition, construction, or improvement of those assets. Net position is reported as restricted as described in the fund balance section above. All other net position is reported as unrestricted. The County applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

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, 2022

NOTE 2 – CASH DEPOSITS AND INVESTMENTS (Continued)

The County, during the period, invested funds in certificate of deposits. At June 30, 2022, the carrying amount of the County's deposits was \$7,183,945 and the bank balance was \$7,237,417. 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 2 investments.

NOTE 3 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2022, is as follows:

	Balance June 30, 2021	Additions	Retirements	Balance June 30, 2022
Primary Government:				
Non-depreciable assets				
Land	\$ 6,193,051	\$ -	\$ -	\$ 6,193,051
Construction-in-process	<u>1,033,663</u>	<u>627,532</u>	<u>-</u>	<u>1,661,195</u>
Total non-depreciable assets	<u>7,226,714</u>	<u>627,532</u>	<u>-</u>	<u>7,854,246</u>
Depreciable assets				
Building and improvements	13,285,151	66,160	17,898	13,333,413
Machinery and equipment	14,675,125	296,335	294,803	14,676,657
Roads, bridges, and infrastructure	10,708,635	1,529,821	-	12,238,456
Parks and playgrounds	<u>1,384,378</u>	<u>16,282</u>	<u>8,950</u>	<u>1,391,710</u>
Total depreciable assets	<u>40,053,289</u>	<u>1,908,598</u>	<u>321,651</u>	<u>41,640,236</u>
Less accumulated depreciation for:				
Buildings and improvements	11,415,373	485,453	17,898	11,882,928
Machinery and equipment	10,589,830	724,768	294,803	11,019,795
Roads, bridges and infrastructure	5,109,555	531,260	-	5,640,815
Parks and playgrounds	<u>912,713</u>	<u>33,683</u>	<u>8,950</u>	<u>937,446</u>
Total accumulated depreciation	<u>28,027,471</u>	<u>1,775,164</u>	<u>321,651</u>	<u>29,480,984</u>
Total depreciable assets	<u>12,025,818</u>	<u>133,434</u>	<u>-</u>	<u>12,159,252</u>
Capital assets, net	<u>\$ 19,252,532</u>	<u>\$ 760,966</u>	<u>\$ -</u>	<u>\$ 20,013,498</u>

(Continued)

DADE COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

NOTE 3 – CAPITAL ASSETS (Continued)

Beginning capital assets of the governmental activities changed to reflect the addition of the Industrial Development Authority as a blended component unit in the current year. See Note 15 for further explanation. The changes reflect an additional \$5,337,885 of non-depreciable capital assets and an increase of \$1,441,912 to depreciable capital assets.

	Balance June 30, 2021	Additions	Retirements	Balance June 30, 2022
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	4,474	433	-	4,907
Total accumulated depreciation	<u>4,474</u>	<u>433</u>	<u>-</u>	<u>4,907</u>
 Total depreciable assets	<u>2,026</u>	<u>(433)</u>	<u>-</u>	<u>1,593</u>
Capital assets, net	<u>\$ 2,026</u>	<u>\$ (433)</u>	<u>\$ -</u>	<u>\$ 1,593</u>

Depreciation expense is charged to functions as follows:

Primary Government - Governmental Activities:

General government	\$ 409,130
Public safety	883,846
Public works	356,688
Health and welfare	5,694
Culture and recreation	<u>119,806</u>
	<u>\$ 1,775,164</u>
 Dade County Health Department	<u>\$ 433</u>

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, 2022, the County (employer) and employees contributed \$234,677.

DADE COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

NOTE 5 – LONG-TERM OBLIGATIONS

Primary Government:

Notes Payable

During fiscal year 2022, the County adopted GASB 87 which required analysis of all leases in effect beginning July 1, 2021. Based on the transfer of ownership at termination, all of the County's lessee leases in effect were reclassified to notes payable. The following four notes payable are a result of capital leases converted to finance purchase disclosures.

On March 1, 2013, the County entered into an 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 agreement 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 July 17, 2018, the County entered into an agreement with MUSCO Finance to purchase soccer field lighting. The County is obligated under the agreement to repay 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 agreement 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 an 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 agreement 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 an agreement with Stryker Equipment Finance to purchase emergency services equipment. The County is obligated under the agreement to repay 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 agreement is that the County is financing the equipment through the lease in the amount of \$115,198 with no interest.

The maturities over the next four years are as follows:

2023	\$ 180,760
2024	70,670
2025	72,670
2026	<u>72,247</u>
Total remaining principal payments	<u>\$ 396,347</u>

(Continued)

DADE COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

NOTE 5 – LONG-TERM OBLIGATIONS (Continued)

Industrial Development Authority – Revenue Bonds:

Debt related to the Industrial Development Authority as of June 30, 2022, consisted of the following:

The Authority periodically issues revenue 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. Revenue bonds are summarized by issue as follows:

Series	Original Principal	Interest Rates	Final Maturity	Principal June 30, 2022
Series 2013A	\$ 645,000	6.10%	10/01/28	\$ 370,000
Series 2013B	<u>1,935,000</u>	3.95%	10/01/28	<u>1,040,000</u>
Total	<u>\$ 2,580,000</u>			<u>\$ 1,410,000</u>

Debt service requirements to maturity for the revenue bonds of the Authority are as follows:

	Principal	Interest	Total
2023	\$ 175,000	\$ 98,222	\$ 273,222
2024	180,000	85,010	265,010
2025	195,000	71,052	266,052
2026	200,000	56,350	256,350
2027	210,000	41,100	251,100
2028-2029	<u>450,000</u>	<u>30,391</u>	<u>480,391</u>
	<u>\$ 1,410,000</u>	<u>\$ 382,125</u>	<u>\$ 1,792,125</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 two (2) 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.

(Continued)

DADE COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

NOTE 5 – LONG-TERM OBLIGATIONS (Continued)

Changes in long-term liabilities. During the year ended June 30, 2022, the following changes occurred in long-term liabilities:

Primary Government:

	Balance June 30, 2021	Additions	Reductions	Balance June 30, 2022	Due Within One Year
General obligation bonds	\$ 335,000	\$ -	\$ 335,000	\$ -	\$ -
Revenue bonds	1,575,000	-	165,000	1,410,000	175,000
Notes payable	563,418	-	167,071	396,347	180,760
Compensated absences	<u>467,573</u>	<u>453,720</u>	<u>467,573</u>	<u>453,720</u>	<u>453,720</u>
	<u>\$ 2,940,991</u>	<u>\$ 453,720</u>	<u>\$ 1,134,644</u>	<u>\$ 2,260,067</u>	<u>\$ 809,480</u>

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

NOTE 6 - LEASES

Lessor Transactions. The County has also recorded deferred inflows of resources as a result of implementing GASB 87. The deferred inflows of resources are initially measured at an amount equal to the initial measurement of the related lease receivable plus any lease payments received prior to the lease term less lease incentives. These deferred inflows of resources are related to leased building space. The deferred inflows of resources are recognized as inflows of resources on a straight-line basis over the life of the related lease. Deferred Inflows of Resources as of June 30, 2022, were \$516,385.

NOTE 7 – FUND BALANCE

Restrictions of fund balance of governmental funds 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. Fund balance account restrictions are as follows:

General Fund. Restricted fund balance totals \$75,958 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, 2022, totals \$13,758.

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, 2022, totals \$24,027.

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, 2022, totals \$27,993.

(Continued)

DADE COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

NOTE 7 – FUND BALANCE (Continued)

General Fund. (Continued)

Restricted Sherriff 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, 2022, totals \$10,180.

Capital Projects Fund. Fund balance totals \$1,620,397 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 \$5,946 which is restricted for the operation of the County's law library activity.

IDA. Fund balance totals \$221,375 which is restricted for the promotion and establishment of new business and recreation within the County.

Hotel/Motel. Fund balance totals \$130,968 which is restricted for tourism, conventions and trade shows.

NOTE 8 – 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.

NOTE 9 – 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.

(Continued)

DADE COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

NOTE 9 – RISK MANAGEMENT (Continued)

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;
- 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

(Continued)

DADE COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

NOTE 9 – RISK MANAGEMENT (Continued)

- 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;
- 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.

DADE COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

NOTE 10 – SPECIAL PURPOSE LOCAL OPTION SALES TAX

On May 19, 2020, during the general primary election Dade County citizens voted in favor of the special one percent (1%) retail sales and use tax for the next six years. The special purpose local option sales tax (SPLOST) 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. The new SPLOST began on July 1, 2021 and is to remain in effect for twenty-four (24) calendar quarters or until the \$16,000,000 is exceeded, whichever occurs first.

NOTE 11 – HOTEL/MOTEL LODGING TAX

The County imposes an 8% hotel/motel tax on lodging facilities within the County. The tax is allocated between general fund, tourism, conventions, and trade shows (TCT) and tourism product development (TPD) in the following percentages 37.5%, 25% and 37.5%, respectively. Expenditures of the TCT and TCP tax were used to promote tourism, conventions, and trade shows and tourism product development as required by O.C.G.A. 48-13-51. Revenues were \$349,194 for the year ended June 30, 2022.

NOTE 12 – 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, 2022, the County paid \$13,965 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 13 – INTERFUND TRANSFERS

The County transfers resources from the General Fund to subsidize the cost of operations for the E-911 Emergency Fund, from General Fund to IDA for bond payments and from General Fund to SPLOST for capital projects.

Transfers in Primary Government	Transfers out Primary Government	Amount
E-911 Fund	General Fund	\$ 542,038
IDA	General Fund	\$ 232,339
SPLOST	General Fund	\$ 112,443

DADE COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

NOTE 14 – 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, 2022, the County had no outstanding interfund balances.

NOTE 15 – TAX ABATEMENTS

The County enters into property tax abatement agreements in order to induce individuals or entities to take specific actions that contribute to the economic development or otherwise benefits the County or its citizens. Pursuant to GASB Statement No. 77, *Tax Abatement Disclosures*, the County discloses the following information related to its tax abatement agreements. For the current fiscal year, the County abated ad valorem property taxes totaling \$379,891. Individual tax abatement agreements that each exceeded ten percent of the total amount abated are as follows:

- A 100% property tax abatement to a local manufacturer of commercial goods for continued investment in operations and local employment. The abatement amounted to \$240,719 for the year ended June 30, 2022.
- A 50% property tax abatement to a local manufacturer of commercial goods for continued investment in operations. The abatement amounted to \$114,605 for the year ended June 30, 2022.

NOTE 16 – BLENDING OF COMPONENT UNIT

In prior years, the Authority was reported as a discretely presented component unit. For the year ended June 30, 2022, the Authority was blended because the total outstanding debt is now expected to be repaid entirely with resources of the primary government. As a result, beginning net position on page 15 and beginning fund balance on page 19, have been restated to reflect this change in presentation. Beginning net position increased by \$4,796,626 and beginning fund balance increased by \$150,460. Also, beginning capital asset balances in Note 3 and beginning long-term obligations in Note 5 have changed to reflect the conversion of the Authority from a discretely presented component unit to a blended component unit.

DADE COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2022

NOTE 17 – SUBSEQUENT EVENTS

Management has evaluated events and transactions subsequent to the balance sheet date through March 31, 2023 (the date the financial statements were available to be issued) for potential recognition or disclosure in the financial statements. Management has not identified any items requiring recognition or disclosure.

DADE COUNTY, GEORGIA

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2022

	Law Library	E-911	Hotel/Motel Tax	Total Governmental Funds
ASSETS				
Cash	\$ 5,946	\$ -	\$ 130,968	\$ 136,914
Total assets	<u>5,946</u>	<u>-</u>	<u>130,968</u>	<u>136,914</u>
LIABILITIES				
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Restricted for:				
Public safety	5,946	-	-	5,946
Housing and development	-	-	130,968	130,968
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>5,946</u>	<u>-</u>	<u>130,968</u>	<u>136,914</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 5,946</u>	<u>\$ -</u>	<u>\$ 130,968</u>	<u>\$ 136,914</u>

DADE COUNTY, GEORGIA

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

YEAR ENDED JUNE 30, 2022

	Law Library	E-911	Hotel/Motel Tax	Total Governmental Funds
REVENUES:				
Taxes	\$ -	\$ -	\$ 349,194	\$ 349,194
Charges for services	-	318,417	-	318,417
Miscellaneous	<u>4,043</u>	<u>-</u>	<u>-</u>	<u>4,043</u>
Total revenues	<u>4,043</u>	<u>318,417</u>	<u>349,194</u>	<u>671,654</u>
EXPENDITURES:				
Current:				
Judicial	7,207	-	-	7,207
Public safety	-	860,455	-	860,455
Housing and development	<u>-</u>	<u>-</u>	<u>218,226</u>	<u>218,226</u>
Total expenditures	<u>7,207</u>	<u>860,455</u>	<u>218,226</u>	<u>1,085,888</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,164)</u>	<u>(542,038)</u>	<u>130,968</u>	<u>(414,234)</u>
Other financing sources (uses)				
Transfers in	<u>-</u>	<u>542,038</u>	<u>-</u>	<u>542,038</u>
Total other financing services (uses)	<u>-</u>	<u>542,038</u>	<u>-</u>	<u>542,038</u>
Net change in fund balances	(3,164)	-	130,968	127,804
FUND BALANCES - beginning of period	<u>9,110</u>	<u>-</u>	<u>-</u>	<u>9,110</u>
FUND BALANCES - end of period	<u>\$ 5,946</u>	<u>\$ -</u>	<u>\$ 130,968</u>	<u>\$ 136,914</u>

DADE COUNTY, GEORGIA

SCHEDULE OF PROPERTY TAX RATES

EACH OF THE LAST FIVE YEARS (UNAUDITED)

FOR CURRENT YEAR ENDED JUNE 30, 2022
AND FOUR PRIOR YEARS ENDED JUNE 30

Tax Year	Tax Status	State of Georgia	Dade County	Dade County School Board	Total
2022	Unincorporated	\$.00	\$ 8.00	\$ 14.20	\$22.20
	Incorporated	.00	10.55	14.20	24.75
2021	Unincorporated	.00	8.00	14.39	22.39
	Incorporated	.00	10.73	14.39	25.12
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

DADE COUNTY, GEORGIA

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

YEAR ENDED JUNE 30, 2022

2021 Referendum				
Project	Original Estimated Costs	Revised Estimated Costs	Prior Year Expenditures	Current Period Expenditures
County				
Parks and recreation	\$ 800,000	\$ 800,000	\$ -	\$ -
County projects - other	170,000	170,000		40,932
Fire / Emergency services	2,850,000	2,850,000		-
Public works	2,600,000	2,600,000		1,226,857
Sheriff's department	900,000	900,000		194,086
Library	45,000	45,000		-
Animal control facility	375,000	375,000		-
Assessor's office	30,000	30,000		-
Election building	400,000	400,000		-
Historic courthouse	1,800,000	1,800,000		-
Parking lots	30,000	30,000		-
Senior citizens building	600,000	600,000		-
Technology infrastructure	400,000	400,000		21,826
Payments to:				
Trenton	2,600,000	2,600,000		447,778
Dade County Water & Sewer Auth.	1,200,000	1,200,000		21,603
IDA	1,200,000	1,200,000	-	-
	<u>\$ 16,000,000</u>	<u>\$ 16,000,000</u>	<u>-</u>	<u>1,953,082</u>
Reconciling Items				
Debt Service				
Principal			-	138,711
Interest			-	15,008
Total Expenditures Per Financial Statement				
Including Transfers Out			<u>\$ -</u>	<u>\$ 2,106,801</u>

Total Expenditures	Completion Percentage
	12%
\$ -	
40,932	
-	
1,226,857	
194,086	
-	
-	
-	
-	
-	
-	
21,826	
447,778	
21,603	
-	
<u>1,953,082</u>	
138,711	
<u>15,008</u>	
<u>\$ 2,106,801</u>	

DADE COUNTY, GEORGIA

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

YEAR ENDED JUNE 30, 2021

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			\$ 623,696	\$ -
County projects - other			2,171,502	17,918
Roads and bridges			3,513,176	199,481
Fire / Emergency services			1,381,661	172,357
Public works			330,133	-
Sheriff's department			1,324,488	-
Library			37,629	-
Water & Sewer Authority			275,803	145,900
Payments to:				
Trenton			-	-
IDA	-	-	1,498,647	-
	<u>\$ 18,500,000</u>	<u>\$ 18,500,000</u>	11,156,735	535,656
Reconciling Items				
Debt Service				
Principal			3,724,736	363,360
Interest			344,767	5,934
Total Expenditures Per Financial Statement				
Including Transfers Out			<u>\$ 15,226,238</u>	<u>\$ 904,950</u>

Total Expenditures	Completion Percentage
	63%
\$ 623,696	
2,189,420	
3,712,657	
1,554,018	
330,133	
1,324,488	
37,629	
421,703	
-	
<u>1,498,647</u>	
11,692,391	
4,088,096	
<u>350,701</u>	
<u>\$ 16,131,188</u>	



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, 2022, 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 2022

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, 2022, 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
March 31, 2023

*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 2022
D	Grant Title	Transportation Grant
E	Grant Award Date	January 18, 2022
F	Grant Amount	\$39,069

COLUMN 1
Current Year Activity

COLUMN 2
Cumulative Grant Activity

For the Year Ended:
June 30, 2022

Through the Year Ended:
June 30, 2022

G	Balance - Prior Year (Cash or Accrued or Deferred Revenue)	\$0.00	
H	Grant Receipts or Revenue Recognized	\$39,069.00	\$39,069.00
I	Grant Disbursements or Expenditures EXCLUDING AUDIT FEES	\$39,069.00	\$39,069.00
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 Elected Official  Date: March 31, 2023

Signature of Chief Financial Officer  Date: March 31, 2023



**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 unit, each major fund, and the aggregate remaining fund information of Dade County, Georgia, as of and for the year ended June 30, 2022, 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 March 31, 2023. 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
March 31, 2023

*Henderson Hutcherson
& McCullough, PLLC*

DADE COUNTY, GEORGIA

SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED JUNE 30, 2022

None reported