



PIKE COUNTY, GEORGIA

**INDEPENDENT AUDITOR'S REPORT AND FINANCIAL
STATEMENTS**

FOR THE FISCAL YEAR ENDED JUNE 30, 2020

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Established 1977

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Pike County Georgia
Zebulon, Georgia

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Pike County Board of Health, which statements reflect total assets and deferred outflows of resources of \$348,797 as of June 30, 2020, and total revenues of \$497,138 as of June 30, 2020. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for each of these component units, is based solely on the report of the other auditors. We conducted our audit in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Pike County, Georgia, as of June 30, 2020, and the respective changes in financial position and, and the respective budgetary comparison for the General Fund and the Major Special Revenue Fund, thereof and for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Pike County, Georgia's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules, the Pike County Agribusiness Authority statements, and the schedule of projects constructed with special sales tax proceeds are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, the budgetary comparison schedules, the Pike County Agribusiness Authority statements, and the schedule of projects constructed with special sales tax proceeds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied to the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by other auditors and us. In our opinion, based on our audit, the procedures performed as described above, and the report of other auditors, the combining and individual nonmajor fund financial statements, the budgetary comparison schedules, the Pike County Agribusiness Authority statements, and the schedule of projects constructed with special sales tax proceeds, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 22, 2021, on our consideration of Pike County, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and other compliance and the results of that testing, and not to provide an opinion on the effectiveness of Pike County, Georgia's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Pike County, Georgia's internal control over financial reporting and compliance.

Driver Adams + Sharpe

Thomaston, Georgia

February 22, 2021

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FINANCIAL STATEMENTS

PIKE COUNTY, GEORGIA
STATEMENT OF NET POSITION
JUNE 30, 2020

	<u>PRIMARY GOVERNMENT</u>	
	<u>Governmental Activities</u>	<u>Component Units</u>
ASSETS		
Cash and cash equivalents	\$ 6,346,399	\$ 643,660
Receivables (net of allowance for uncollectible):		
Taxes	224,679	-
Accounts	201,858	17,590
Due from other governments	154,595	-
Inventory	8,716	-
Prepaid items	3,627	-
Restricted Assets:		
Temporary cash investments	-	301,586
Capital assets:		
Non depreciable	499,178	2,381,363
Depreciable, net	7,997,574	4,902,943
TOTAL ASSETS	<u>15,436,626</u>	<u>8,247,142</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows of resources related to pensions	-	62,545
Deferred outflows of resources related to OPEB	-	45,342
Total Deferred Outflows of Resources	<u>-</u>	<u>107,887</u>

The notes to financial statements are an integral part of this statement.
This financial statement continues on the next page.

PIKE COUNTY, GEORGIA
STATEMENT OF NET POSITION
JUNE 30, 2020

	PRIMARY GOVERNMENT	
	Governmental Activities	Component Units
LIABILITIES		
Accounts payable	\$ 228,207	\$ 16,641
Accrued salaries and benefits	136,388	6,246
Accrued interest	11,806	2,368
Customer deposits	-	43,105
Noncurrent liabilities		
Due within one year		
Notes payable	16,836	3,865
Capital leases	158,662	-
Bonds payable	800,000	154,095
Landfill post closure cost	23,340	-
Compensated absences	160,720	20,182
Due in more than one year		
Notes payable	13,095	79,531
Capital leases	654,414	-
Bonds payable	1,720,000	2,043,574
Landfill post closure cost	62,760	-
Compensated absences	68,880	16,364
Net pension liability	-	265,666
Net OPEB liability	-	63,190
TOTAL LIABILITIES	4,055,109	2,714,827
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows of resources related to pensions	-	9,605
Deferred inflows of resources related to OPEB	-	105,562
Total Deferred Inflows of Resources	-	115,167
NET POSITION		
Net investment in capital assets	5,133,745	5,086,637
Restricted for:		
Capital outlay	2,570,065	-
Road projects	255,125	-
Court programs	72,194	-
Law enforcement	280,896	-
Health services	-	88,901
Debt service	-	301,586
Unrestricted (deficit)	3,069,492	47,911
TOTAL NET POSITION	\$ 11,381,517	\$ 5,525,035

PIKE COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
JUNE 30, 2020

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and	Component Units
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	
Governmental Activities						
Primary Government						
Governmental activities:						
General government	\$ 2,376,340	\$ 1,300,696	\$ 48,376	\$ -	\$ (1,027,268)	
Public safety	3,777,699	459,426	7,676	225,000	(3,085,596)	
Public works	4,045,237	5,209	516,469	1,170	(3,522,389)	
Judicial	1,135,695	-	-	-	(1,135,695)	
Health and welfare	638,991	-	92,529	-	(546,462)	
Culture and recreation	520,005	-	-	-	(520,005)	
Economic development	443,090	-	-	-	(443,090)	
Interest on long-term debt	87,617	-	-	-	(87,617)	
Total governmental activities	13,024,674	1,765,331	665,050	226,170	(10,368,122)	
Total Primary Government	\$ 13,024,674	\$ 1,765,331	\$ 665,050	\$ 226,170	\$ (10,368,122)	
Component Units						
Pike County Department of Public Health	\$ 446,446	\$ 246,108	\$ 250,753	\$ -		\$ 50,415
Pike County J. Joel Edward Public Library	167,556	5,207	152,931	-		(9,418)
Pike County Water and Sewerage Authority	398,125	261,193	245,052	-		108,120
Pike County Agribusiness Authority	35,033	19,570	27,845	-		12,382
Development Authority of Pike County	64,095	-	63,000	-		(1,095)
Pike County Recreation Authority	460,303	82,026	306,821	20,683		(50,773)
Total Component Units	\$ 1,571,558	\$ 614,104	\$ 1,046,402	\$ 20,683		\$ 109,631
General Revenues						
Property tax					\$ 6,247,865	\$ -
Sales tax					2,630,470	-
Motor vehicle tax					1,526,494	-
Other tax					1,371,892	-
Interest revenue					3,315	970
Miscellaneous					203,936	5,862
Gain on sale of asset					5,336	-
Total General Revenues and Transfers					11,989,308	6,832
Change in net position					\$ 1,621,186	\$ 116,463
Net position - beginning of year (restated)					9,760,330	5,408,572
Net Position - End of year					\$ 11,381,517	\$ 5,525,035

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

**PIKE COUNTY, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2020**

	General Fund	E911 Fund	Impact Fees Fund	SPLOST 2016 Fund	Non-Major Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 3,327,773	\$ 45,838	\$ 775,409	\$ 1,358,153	\$ 839,225	\$ 6,346,398
Receivables, net of allowance						
Taxes	224,679	-	-	-	-	224,679
Other receivables	139,642	62,216	-	-	-	201,858
Due from other governments	2,422	-	-	152,173	-	154,595
Due from other funds	97,101	-	74,552	-	-	171,653
Inventory	8,716	-	-	-	-	8,716
Prepaid items	3,627	-	-	-	-	3,627
TOTAL ASSETS	<u>\$ 3,803,959</u>	<u>\$ 108,054</u>	<u>\$ 849,961</u>	<u>\$ 1,510,326</u>	<u>\$ 839,225</u>	<u>\$ 7,111,525</u>
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts payable	\$ 177,484	\$ 495	\$ 7,537	\$ -	\$ 42,691	\$ 228,207
Accrued payroll deductions	125,930	10,458	-	-	-	136,388
Due to other funds	-	97,101	-	-	74,552	171,653
TOTAL LIABILITIES	<u>\$ 303,415</u>	<u>\$ 108,054</u>	<u>\$ 7,537</u>	<u>\$ -</u>	<u>\$ 117,243</u>	<u>\$ 536,249</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - property taxes	\$ 161,907	\$ -	\$ -	\$ -	\$ -	\$ 161,907
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>\$ 161,907</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 161,907</u>
FUND BALANCES						
Nonspendable	\$ 12,343	\$ -	\$ -	\$ -	\$ -	\$ 12,343
Restricted	217,315	-	842,424	1,510,326	608,215	3,178,280
Committed	32,200	-	-	-	-	32,200
Assigned	113,832	-	-	-	113,767	227,599
Unassigned	2,962,948	-	-	-	-	2,962,948
TOTAL FUND BALANCES	<u>\$ 3,338,638</u>	<u>\$ -</u>	<u>\$ 842,424</u>	<u>\$ 1,510,326</u>	<u>\$ 721,982</u>	<u>\$ 6,413,370</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 3,803,959</u>	<u>\$ 108,054</u>	<u>\$ 849,961</u>	<u>\$ 1,510,326</u>	<u>\$ 839,225</u>	<u>\$ 7,111,525</u>

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

PIKE COUNTY, GEORGIA
RECONCILIATION OF THE BALANCE SHEET
OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET POSITION
JUNE 30, 2020

Total Fund Balance per Balance Sheet of Governmental Funds	\$ 6,413,370
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Amounts reported for governmental activities in the Statement of Net Position differ from amounts reported in the Balance Sheet of Governmental Funds due to the following:

Capital Assets

Capital assets used in governmental activities are not financial resources and are not reported in the funds

Cost of the assets	18,159,633
Accumulated depreciation	(9,662,881)

Revenues

Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.	161,907
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Long-Term Liabilities

Long-term liabilities are not due and payable in the current period and, therefore, are not reported as fund liabilities. 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. Long-term liabilities at year-end consist of the following:

Capital leases payable	(813,076)
Notes payable	(29,931)
Bonds payable	(2,520,000)
Landfill postclosure costs	(86,100)
Compensated absences	(229,600)
Accrued interest	(11,806)

Total Net Position of Governmental Activities	\$ <u>11,381,517</u>
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PIKE COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	General Fund	E911 Fund	Impact Fees Fund	SPLOST 2016 Fund	Non-Major Governmental Funds	Total Governmental Funds
<u>Revenues</u>						
Taxes:						
Property tax	\$ 6,247,464	\$ -	\$ -	\$ -	\$ -	\$ 6,247,464
Sales tax	1,123,889	-	-	1,506,581	-	2,630,470
Other taxes	2,898,386	-	-	-	-	2,898,386
Licenses and permits	316,381	-	276,619	-	-	593,000
Intergovernmental	160,581	-	-	-	504,469	665,050
Fines and forfeitures	483,600	-	-	-	88,290	571,890
Charges for services	229,305	370,146	-	-	990	600,441
Interest earnings	3,085	230	-	1,170	-	4,485
Rent	7,700	-	-	-	-	7,700
Other revenues	326,172	-	-	-	-	326,172
Total revenues	\$ 11,796,563	\$ 370,376	\$ 276,619	\$ 1,507,751	\$ 593,749	\$ 14,545,058
<u>Expenditures</u>						
Current:						
General government	\$ 2,099,468	\$ -	\$ -	\$ -	\$ 3,918	\$ 2,103,386
Public safety	3,039,226	634,336	-	-	75,042	3,748,604
Public works	2,473,794	-	-	434,173	859,118	3,767,085
Judicial	1,128,129	-	-	-	-	1,128,129
Health and welfare	618,478	-	-	-	-	618,478
Culture and recreation	482,228	-	20,683	-	-	502,911
Housing and development	441,837	-	-	-	-	441,837
Intergovernmental	-	-	-	140,854	-	140,854
Debt service:	-	-	-	-	-	-
Principal	138,464	-	-	760,000	-	898,464
Interest and fiscal charges	48,892	-	-	43,210	-	92,102
Capital Outlay	-	-	187,115	-	74,552	261,667
Total expenditures	\$ 10,470,517	\$ 634,336	\$ 207,798	\$ 1,378,237	\$ 1,012,630	\$ 13,703,518
Excess (deficiency) of revenues over (under) expenditures	\$ 1,326,046	\$ (263,960)	\$ 68,821	\$ 129,514	\$ (418,881)	\$ 841,540
<u>Other financing sources (uses)</u>						
Transfer from other funds	\$ -	\$ 263,960	\$ -	\$ -	\$ 312,251	\$ 576,211
Transfer to other funds	(576,211)	-	-	-	-	(576,211)
Insurance recoveries	95,064	-	-	-	-	95,064
Proceeds from sale of property	5,336	-	-	-	-	5,336
Total other financing sources (uses)	\$ (475,810)	\$ 263,960	\$ -	\$ -	\$ 312,251	\$ 100,401
Net change in fund balance	\$ 850,236	\$ -	\$ 68,821	\$ 129,514	\$ (106,630)	\$ 941,941
Fund balance - beginning of year	2,488,402	-	773,603	1,380,812	828,612	5,471,429
Fund balance - end of year	\$ 3,338,638	\$ -	\$ 842,424	\$ 1,510,326	\$ 721,982	\$ 6,413,370

PIKE COUNTY, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Excess (deficit) of revenues and other financing sources over (under) expenditures and other uses per Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances	\$ 941,941
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Amounts reported for governmental activities in the Statement of Activities differ from amounts reported in the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances due to the following:

Capital Assets

Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets are depreciated over their estimated useful lives and reported as depreciation expense in the current period.

Total capital outlays	499,616
Total depreciation	(739,638)

Long-Term Debt

Under the modified accrual basis of accounting used in governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the Statement of Activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. The adjustments for these items are as follows:

Capital leases	122,327
Bond payable	760,000
Note payable	16,137
Accrued interest	4,486
Landfill postclosure costs	23,340
Compensated absences	(7,424)

Revenues

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

	401
Change in net position of governmental activities	\$ 1,621,186

PIKE COUNTY, GEORGIA
GENERAL FUND
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Taxes				
General property tax	\$ 6,457,000	\$ 6,247,464	\$ 6,247,464	\$ -
Local option sales tax	975,000	1,123,889	1,123,889	-
Other				
Motor vehicle tax	1,316,200	972,320	1,526,494	554,174
Intangible tax	94,000	180,822	180,822	-
Mobile home tax	18,000	15,067	15,067	-
Timber taxes	15,000	8,668	8,668	-
Insurance premium tax	990,000	1,056,595	1,056,595	-
Penalties and interest	43,100	43,100	43,082	(18)
Bank tax fee	55,000	56,827	56,827	-
Other taxes	1,500	3,322	10,831	7,509
Total Taxes	9,964,800	9,708,075	10,269,739	561,665
Licenses and Permits				
Alcohol beverage license	48,000	48,555	44,556	(3,999)
Business license	36,000	39,229	39,229	-
Building permits	160,000	213,904	223,904	10,000
Other	4,000	8,692	8,692	-
Total Licenses and Permits	248,000	310,380	316,381	6,001
Intergovernmental Revenues				
Federal grants	125,000	125,000	90,969	(34,031)
State grants				
Secretary of State Elections Grant	-	1,445	1,560	115
Department of Juvenile Justice	5,000	-	-	-
Georgia Emergency Management Agency	25,500	7,651	7,651	-
Post Closure Landfill Grant	28,000	-	-	-
Other				
Pre-Trial Diversion Program	100	100	25	(75)
City of Zebulon	12,000	12,000	12,000	-
Real estate transfer tax	35,000	48,376	48,376	-
Total Intergovernmental Revenue	230,600	194,572	160,581	(33,991)

PIKE COUNTY, GEORGIA
GENERAL FUND
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Fines and Forfeitures				
Superior Court fines	116,000	160,585	160,585	-
Probate Court fines	160,000	142,042	142,041	-
Magistrate Court fines	20,000	14,738	14,738	-
Sheriff's cost and fees	169,000	166,236	166,236	-
Total Fines and Forfeitures	465,000	483,601	483,600	-
Charges for Services				
Tax Commissioner - commissions	260,000	224,096	224,096	-
Driveway culverts	17,000	5,209	5,209	-
Total Charges for Services	277,000	229,305	229,305	-
Miscellaneous				
Interest earnings	3,000	3,000	3,085	85
Rents	8,400	8,400	7,700	(700)
Animal control donations	-	225,000	225,000	-
Miscellaneous	60,850	74,164	101,172	27,008
Total Miscellaneous	72,250	310,564	336,958	26,393
Total Revenues	11,257,650	11,236,497	11,796,563	560,067

PIKE COUNTY, GEORGIA
GENERAL FUND
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
General Government				
General Administration	1,064,162	1,008,028	892,043	115,985
Tax Commissioner's Office	275,412	275,412	252,200	23,212
Tax Assessors	380,939	380,939	299,105	81,834
Board of Equalization	2,373	2,373	1,737	636
Voter Registrar	83,874	133,621	133,621	-
Cooperative Extension Service	83,113	83,113	68,709	14,404
Code Enforcement Officer	234,101	234,101	221,939	12,162
Building and Grounds	256,526	256,526	230,115	26,411
Total General Government	2,380,500	2,374,113	2,099,468	274,645
Judicial				
Judicial Administration	160,941	161,054	157,266	3,788
Superior Court	286,956	286,956	277,475	9,481
Probate Court	175,815	175,815	173,822	1,993
Magistrate Court	243,520	243,520	241,634	1,886
Public Defender	181,315	181,315	181,315	-
District Attorney	96,618	96,618	96,618	-
Total Judicial	1,145,165	1,145,278	1,128,129	17,148
Public Safety				
Sheriff's Office	1,885,751	1,994,872	1,987,432	7,440
Jail Operations	879,211	770,090	760,183	9,907
Fire Department	271,500	295,250	197,378	97,872
Animal Control	63,897	66,773	66,773	-
Coroner's Office	33,237	33,237	27,461	5,776
Total Public Safety	3,133,596	3,160,222	3,039,226	120,996
Public Works				
Sanitation	18,000	58,000	55,338	2,662
Road Department	2,091,386	2,418,456	2,418,456	-
Total Public Works	2,109,386	2,476,456	2,473,794	2,662

PIKE COUNTY, GEORGIA
GENERAL FUND
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Health and Welfare				
DFCS	37,475	37,475	37,475	-
Ambulance Contract	300,000	300,000	300,000	-
Emergency Management	23,455	34,813	34,813	-
Senior Center	138,791	149,943	149,943	-
Pike County Board of Health	70,000	70,000	70,000	-
McIntosh Trail RC	31,279	31,279	26,247	5,032
Total Health and Welfare	601,000	623,510	618,478	5,032
Culture and Recreation				
Recreation	327,994	327,994	307,094	20,900
Library	162,754	163,016	153,603	9,413
Flint River Regional Library	12,000	12,000	11,859	141
Forestry Resources	9,673	9,673	9,673	-
Total Culture and Recreation	512,421	512,683	482,228	30,455
Housing and Development				
Pike County Agribusiness Authority	31,345	31,345	30,281	1,064
Pike County Water Authority	213,395	227,967	227,967	-
Economic Development	85,230	85,230	80,045	5,185
Soil Conservation	40,226	40,226	40,543	(317)
Development Authority	63,000	63,000	63,000	-
Total Housing and Development	433,196	447,768	441,837	5,931
Debt Service				
Principal	185,880	185,880	138,464	47,416
Interest and fiscal charges	-	-	48,892	48,891
Total Debt Service	185,880	185,880	187,356	96,307
Total Expenditures	10,501,144	10,925,910	10,470,517	553,176
Excess Revenue Over (Under) Expenditures	756,506	310,587	1,326,046	1,015,460

PIKE COUNTY, GEORGIA
GENERAL FUND
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Other Financing Sources (Uses)				
Transfer to E911 Fund	(233,330)	(263,960)	(263,960)	-
Transfer to LMIG Fund	(297,251)	(312,251)	(312,251)	-
Insurance recoveries	34,275	39,008	95,064	(56,056)
Proceeds from sale of property	30,000	30,000	5,336	24,664
Total other financing sources (uses)	(466,306)	(507,203)	(475,810)	(31,392)
Net change in fund balance	290,200	(196,616)	850,236	1,046,852
Fund Balance - Beginning of Year	2,488,405	2,488,402	2,488,402	-
Fund Balance - End of Year	\$ 2,778,605	\$ 2,291,786	\$ 3,338,638	\$ 1,046,852

PIKE COUNTY, GEORGIA
E-911 FUND
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues				
Charges for services	\$ 390,000	\$ 390,000	\$ 370,146	\$ (19,854)
Interest income	175	175	230	55
Total Revenues	390,175	390,175	370,376	(19,799)
Expenditures				
Current				
Public safety	623,505	623,505	634,336	(10,831)
Total Expenditures	623,505	623,505	634,336	(10,831)
Excess (deficiency) of revenues over (under) expenditures	(233,330)	(233,330)	(263,960)	(30,630)
Other Financing Sources (Uses)				
Transfers from General Fund	233,330	233,330	263,960	30,630
Total Other Financing Sources (Uses)	233,330	233,330	263,960	30,630
Net change in fund balance	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-
Fund Balance - End of Year	\$ -	\$ -	\$ -	\$ -

PIKE COUNTY, GEORGIA
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
JUNE 30, 2020

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash	\$ 537,769
Total Assets	<u>\$ 537,769</u>
<u>LIABILITIES</u>	
Due to other governments	\$ 318,621
Due to others	<u>219,148</u>
Total Liabilities	<u>\$ 537,769</u>

PIKE COUNTY, GEORGIA
COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS
JUNE 30, 2020

	Pike County Department of Public Health	Pike County J. Joel Edwards Public Library	Pike County Water and Sewerage Authority	Pike County Agribusiness Authority	Development Authority of Pike County	Pike County Recreation Authority	Total
Assets							
Current							
Cash and cash equivalents	\$ 239,084	\$ 68,140	\$ 179,907	\$ 29,917	\$ 29,711	\$ 96,901	\$ 643,660
Receivables							
Accounts	-	-	17,189	-	-	401	17,590
Non-current							
Restricted temporary cash investments	-	-	301,586	-	-	-	301,586
Capital Assets							
Nondepreciable	-	-	87,286	24,952	1,794,125	475,000	2,381,363
Depreciable capital assets, net	1,826	20,830	4,017,330	291,018	143,759	428,180	4,902,943
Total Assets	\$ 240,910	\$ 88,970	\$ 4,603,298	\$ 345,887	\$ 1,967,595	\$ 1,000,482	\$ 8,247,142
Deferred Outflow of Resources							
Deferred outflows of resources related to pensions	\$ 62,545	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 62,545
Deferred outflows of resources related to OPEB	45,342	-	-	-	-	-	45,342
Total Deferred Outflows of Resources	\$ 107,887	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 107,887
Liabilities							
Current Liabilities							
Accounts payable	\$ -	\$ 2,070	\$ 12,458	\$ 900	\$ 239	\$ 974	\$ 16,641
Accrued interest	-	-	2,368	-	-	-	2,368
Accrued liabilities	-	-	1,334	-	-	4,912	6,246
Compensated absences	7,013	3,878	-	-	-	9,291	20,182
Meter deposit	-	-	43,105	-	-	-	43,105
Notes payable	-	-	-	3,865	-	-	3,865
Bonds payable	-	-	154,095	-	-	-	154,095
Long-term Liabilities							
Compensated absences	16,364	-	-	-	-	-	16,364
Notes payable (net of current portion)	-	-	-	79,531	-	-	79,531
Bonds payable (net of current portion)	-	-	2,043,574	-	-	-	2,043,574
Net pension liability	265,666	-	-	-	-	-	265,666
Net OPEB liability	63,190	-	-	-	-	-	63,190
Total Liabilities	\$ 352,233	\$ 5,948	\$ 2,256,934	\$ 84,296	\$ 239	\$ 15,177	\$ 2,714,827
Deferred Inflows of Resources							
Deferred inflows of resources related to pensions	\$ 9,605	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,605
Deferred inflows of resources related to OPEB	105,562	-	-	-	-	-	105,562
Total Deferred Inflows of Resources	\$ 115,167	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 115,167
Net Position							
Net investment in capital assets	\$ 1,826	\$ 20,830	\$ 1,906,947	\$ 315,970	\$ 1,937,884	\$ 903,180	\$ 5,086,637
Restricted	88,901	-	301,586	-	-	-	390,487
Unrestricted (deficit)	(209,330)	62,192	137,831	(54,379)	29,472	82,125	47,911
Total Net Position	\$ (118,603)	\$ 83,022	\$ 2,346,364	\$ 261,591	\$ 1,967,356	\$ 985,305	\$ 5,525,035

PIKE COUNTY, GEORGIA
COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS
JUNE 30, 2020

	Pike County Department of Public Health	Pike County J. Joel Edwards Public Library	Pike County Water and Sewerage Authority	Pike County Agribusiness Authority	Development Authority of Pike County	Pike County Recreation Authority	Total
Expenses							
General government	\$ -	\$ -	\$ -	\$ 35,033	\$ -	\$ -	\$ 35,033
Health and welfare	446,446	-	-	-	-	-	446,446
Culture and recreation	-	167,556	-	-	64,095	460,303	691,954
Water and sewer	-	-	320,676	-	-	-	320,676
Interest on long-term debt	-	-	77,449	-	-	-	77,449
Total Assets	\$ 446,446	\$ 167,556	\$ 398,125	\$ 35,033	\$ 64,095	\$ 460,303	\$ 1,571,558
Revenues							
Program revenues							
Charges for services	\$ 246,108	\$ 5,207	\$ 261,193	\$ 19,570	\$ -	\$ 82,026	\$ 614,104
Operating grants and contributions	250,753	152,931	245,052	27,845	63,000	306,821	1,046,402
Capital grants and contributions	-	-	-	-	-	20,683	20,683
Total Program Revenues	\$ 496,861	\$ 158,138	\$ 506,245	\$ 47,415	\$ 63,000	\$ 409,530	\$ 1,681,189
Net Program (Expense)	\$ 50,415	\$ (9,418)	\$ 108,120	\$ 12,382	\$ (1,095)	\$ (50,773)	\$ 109,631
General Revenues							
Interest earnings	\$ 277	\$ 99	\$ 316	\$ 82	\$ -	\$ 196	\$ 970
Miscellaneous	-	152	-	-	-	5,710	5,862
Total General Revenues	\$ 277	\$ 251	\$ 316	\$ 82	\$ -	\$ 5,906	\$ 6,832
Change in Net Position	50,692	(9,167)	108,436	12,464	(1,095)	(44,867)	116,463
Net Position - Beginning of year (deficit)	(169,295)	92,189	2,237,928	249,127	1,968,451	1,030,172	5,408,572
Net Position - End of year (deficit)	\$ (118,603)	\$ 83,022	\$ 2,346,364	\$ 261,591	\$ 1,967,356	\$ 985,305	\$ 5,525,035

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NOTES TO THE FINANCIAL STATEMENTS

PIKE COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting Policies

The County's financial statements have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting.

A. Reporting Entity

Pike County was established under the provisions of an Act of the General Assembly of Georgia. The County operates under a county commissioner form of government. It provides the following services as authorized by state law, general administrative services, public safety, roads and bridges, tax assessment and collection, culture and recreation, courts, and health and welfare.

In conformity with generally accepted accounting principles, as set forth in Statement of Governmental Accounting Standards Board (GASB) No. 61 "The Financial Reporting Entity: Omnibus, an amendment of GASB Statements No. 14 and 34," the County's relationships with other governments and agencies have been examined. The component unit columns in the combined financial statements include the financial data for the Pike County Department of Public Health, Pike County Library, Pike County Agribusiness Authority, Development Authority of Pike County, Pike County Water Authority, and the Pike County Recreation Authority, as of June 30, 2020. The component units' financial information is reported in columns separate from the County's financial information to emphasize that it is legally separate from the County.

Pike County Department of Public Health (Health Department)

The Health Department is charged with determining the health needs and resources of its jurisdiction, developing programs, activities, and facilities responsive to those needs, and enforcing all laws related to health matters unless they fall under the jurisdiction of other agencies. The County appoints the voting majority of the board. The County provides significant operating subsidies to the department. The Health Department is presented as a governmental fund type. Complete financial statements of the Pike County Department of Public Health may be obtained from their administrative office at the following location:

Pike County Department of Public Health
201 Griffin Street
Zebulon, Georgia 30295

PIKE COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

Pike County J. Joel Edwards Public Library

The Pike County J. Joel Edwards Public Library provides educational and other reading materials to Pike County citizens. The County provides significant operating subsidies to the library. The Pike County J. Joel Edwards Public Library is presented as a governmental fund type and only maintains a General Fund. Separate financial statements may be obtained from their administrative office at the following location:

Pike County J. Joel Edwards Public Library
P.O. Box 574
Zebulon, Georgia 30295

Pike County Agribusiness Authority

The Pike County Agribusiness is a nonprofit 501(c)3 organization that promotes agriculture in Pike County. The County provides significant operating subsidies to the Authority. The Pike County Agribusiness Authority is presented as a governmental fund type and only maintains a General Fund. The Pike County Agribusiness Authority does not issue separate financial statements.

Development Authority of Pike County

The Development Authority of Pike County promotes new industry and existing industries in Pike County. The County provides significant operating subsidies to the Authority. The Development Authority of Pike County is presented as a governmental fund type. Separate financial statements may be obtained from their administrative office at the following location:

Development Authority of Pike County
P.O. Box 1147
Zebulon, Georgia 30295

Pike County Water and Sewerage Authority

The Pike County Water and Sewerage Authority is responsible for developing the necessary infrastructure to provide water and sewerage service to the unincorporated areas of Pike County. The County provides significant operating subsidies to the Authority. The Pike County Water and Sewerage Authority is presented as a governmental fund type. Separate financial statements may be obtained from their administrative office at the following location:

Pike County Water and Sewerage Authority
P.O. Box 948
Zebulon, Georgia 30295

PIKE COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

Pike County Recreation Authority

The Pike County Recreation Authority is responsible for developing and promoting recreational needs within the County. The County provides significant operating subsidies to the Authority. The Pike County Recreation Authority is presented as a governmental fund type. Separate financial statements may be obtained from their administrative office at the following location:

Pike County Recreation Authority
P.O. Box 697
Zebulon, Georgia 30295

Under Georgia law, the County, in conjunction with other cities and counties in the five-county RC membership, is a member of the Three Rivers Regional Commission (RC) and is required to pay annual dues thereto. Membership in an RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34, which provides for the RC's organizational structure in Georgia. The RC Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC. Separate financial statements may be obtained from:

Three Rivers Regional Commission
P.O. Box 818
Griffin, Georgia 30224

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (Statement of Net Position and Statement of Activities) report information on all of the primary government's nonfiduciary activities and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely significantly on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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

PIKE COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

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

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

Government-Wide Financial Statements

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

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

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided. 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues.

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

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting.

Under the modified accrual basis of accounting, revenues are recognized as soon as they are measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if collected within 60 days of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

However, debt service expenditures and expenditures related to compensated absences, claims, and judgments are recorded only when the obligations are expected to be liquidated with expendable available financial resources.

PIKE COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

Property taxes, local option sales taxes, intergovernmental revenues, interest, and charges for services associated with the current fiscal period are all considered susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenues are considered to be measurable and available only when cash is received by the government.

The fund financial statements provide more detailed information about the government's most significant funds, not the government as a whole. The activities of the government are organized on the basis of funds, each of which is considered a separate accounting entity. Each Fund's operations are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The government reports the following major governmental funds:

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

E911 Fund – The special revenue fund is used to account for the E911 fees collected and disbursements for the operations of the E911 call center.

Impact Fees Fund – The capital project fund is used to account for the proceeds of impact fees collected and the capital projects approved for those funds.

2016 SPLOST Fund – The capital project fund is used to account for the bond proceeds and various projects associated with the approved SPLOST.

Additionally, the government reports the following fund types:

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes.

Capital Project Funds – The LMIG Fund is used to account for the proceeds and various projects associated with the Local Maintenance & Improvement Grant. The Jail Construction fund is used to account for capital improvements made on the jail. Capital improvements fund was established to identify and monitor major capital expenditures of the County's various departments.

Agency Funds – Agency Funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governments, and other funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operation.

PIKE COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

D. Deposits and Investments

The government's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Investments are reported at fair value, which is determined using selected bases. Short-term investments are reported at cost, which approximates fair value. Securities traded on national or international exchanges are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value. Cash deposits are reported at carrying amount, which reasonably estimates fair value.

E. Receivables

Receivables and Due from Other Governments represent funds to be received from other local governments, state grant-in-aid, state contracts, or federal funds. No allowance is deemed necessary for those receivables.

Activity between funds representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as either "due to/from other funds" or "advances to/from other funds." All other outstanding balances between funds are reported as "due to/from other funds."

All trade and property tax receivables have been reduced to their estimated net realizable value and are shown net of an allowance for doubtful accounts. Estimated uncollectible amounts are based upon historical experience rates.

F. Inventories

Inventories are valued at cost using the first-in/first-out (FIFO) method and consist of expendable supplies. The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased.

G. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in government-wide and fund financial statements.

H. Capital Assets

Capital assets, which include property, plant equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items acquired subsequent to November 1, 2003), are reported in the governmental activities column in the government-wide financial statements. The government defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life over two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

PIKE COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

The cost of routine maintenance and repairs that do not add to the asset's value or materially extend the asset's lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant, and equipment of the primary government are depreciated using the straight-line method over the following estimated useful lives:

Building	25-40 years
Equipment	5-20 years
Infrastructure	50 years
Furniture	5 years
Vehicles	5 years
Intangible assets	3-5 years

I. Compensated Absences

The County's policy permits employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the government does not have a policy to pay any amounts when employees separate from service with the government. All vacation pay is accrued when incurred in the government-wide and fiduciary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, due to employee resignations and retirements.

J. 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. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts 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 uses.

K. Deferred Inflows of Resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition as an inflow of resources (revenue) until that time. The government only has one item that qualifies for reporting in this category, which arises only under a modified accrual basis of accounting. Accordingly, the item, unavailable

PIKE COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

revenue, is reported only in the governmental fund's balance sheet. The governmental funds report unavailable revenues for property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

L. Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. To calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the government's policy to consider restricted- net position to have been depleted before unrestricted – net position is applied.

M. Fund Equity

In the financial statements, governmental funds report the following classifications of fund balance:

- Nonspendable – amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- Restricted – amounts are restricted when constraints have been placed on the use of resources by (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.
- Committed – amounts that can only be used for specific purposes pursuant to constraints imposed by the Board of Commissioners' formal action through a motion and vote during the voting session of Board meetings. Only the Board of Commissioners can modify or rescind the commitment.
- Assigned – amounts constrained by the County's intent to be used for specific purposes but are neither restricted nor committed. By resolution, the Board of Commissioners has authorized the County Manager or designee to assign fund balance.
- Unassigned – amounts that have not been assigned to other funds that are not restricted, committed, or assigned to specific purposes within the General Fund.

Flow Assumptions – When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, the County's policy uses restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the County's policy to use fund balance in the following order:

- Committed
- Assigned
- Unassigned

The County does not have a formal minimum fund balance policy.

PIKE COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

The following is a summary of the fund balance classifications as of June 30, 2020

	General Fund	Impact Fees Fund	SPLOST 2016 Fund	Nonmajor Governmental	Total
Fund Balances					
Nonspendable					
Inventory	\$ 8,716	\$ -	\$ -	\$ -	\$ 8,716
Prepays	3,627	-	-	-	3,627
Restricted for					
Capital outlay	217,315	842,424	1,510,326	-	2,570,065
Road projects	-	-	-	255,125	255,125
Court programs	-	-	-	72,194	72,194
Law enforcement	-	-	-	280,896	280,896
Committed for					
Capital outlay	20,000	-	-	-	20,000
Tax assessments	12,200	-	-	-	12,200
Assigned for					
Working capital	107,570	-	-	-	107,570
Capital outlay	-	-	-	102,506	102,506
Juvenile court	-	-	-	11,261	11,261
Fire department	6,262	-	-	-	6,262
Unassigned	2,962,948	-	-	-	2,962,948
Total fund balances	<u>\$ 3,338,638</u>	<u>\$ 842,424</u>	<u>\$ 1,510,326</u>	<u>\$ 721,982</u>	<u>\$ 6,413,370</u>

N. Risk Management

The County is exposed to various risks of loss related to torts, theft of, damage to, or destruction of assets, and errors or omissions. The County purchases commercial insurance for most types of risk. For these risks, settlements have not exceeded coverage for each of the past three fiscal years. The County had no significant reduction in insurance coverage from coverage in the prior year.

PIKE COUNTY, GEORGIA
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The County has joined together with other municipalities in the state as part of the ACCG Group Self Insurance Workers' Compensation Self Insurance Fund, a public entity risk pool currently operating as a common risk management and insurance program for member local governments.

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 within the preview of the Workers' Compensation Law of Georgia, or on the basis of employer's liability. The Fund is to pay all costs taxed against members in any legal proceeding defined by the members, all interest accruing after entry of judgment, and all expenses incurred for investigations, negotiation, or defense. For the fiscal year ending June 30, 2020, the County's total contribution was \$131,386 for the Workers Compensation Fund.

The County is a member of the ACCG Interlocal Risk Management Agency (ACCG-IRMA). This agency functions as a risk-sharing arrangement among Georgia County governments and is administered by the Association of County Commissioners of Georgia (ACCG). The purpose of ACCG-IRMA is to establish and administer one or more group self-insurance funds; to establish and administer a risk management service; to prevent or lessen the incidence or severity of casualty and property losses. Each member pays an annual contribution established by the Board of ACCG-IRMA. For the period July 1, 2019 – June 30, 2020, the County's total contribution was \$154,869. ACCG-IRMA may develop and issue such self-insurance coverage descriptions as it deems necessary. The current coverage provides a \$1,000,000 general liability unit with a \$1,000 per occurrence deductible.

As part of these risk pools, the County is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pools' agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with any coverage descriptions issues, all incidents which could result in the funds being required to pay any claim of loss. The County also allows the pools' agents and attorneys to represent the Government in investigations, settlement discussions, and all levels of litigation arising out of any claim made against the Government within the scope of loss protection furnished by the funds.

NOTE 2 – BUDGETS AND BUDGETARY ACCOUNTING

Budget Process

The annual budget document is the financial plan for the operation of Pike County. The budget process exists to provide a professional management approach to establishing priorities and implementing work programs while providing an orderly means for controlling and evaluating the County's financial posture.

The County prepares a separately issued budget report. An annual operating budget is prepared for the General and Special Revenue funds. Prior to year-end, the County Manager submits to the Board of Commissioners a proposed operating budget for the fiscal year commencing the following November 1. The operating budget includes proposed expenditures and the means of financing them. The Board of Commissioners holds a public hearing on the budget, giving notice thereof at least ten days in advance by publication in the official organ of Pike County.

PIKE COUNTY, GEORGIA
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The budget is then revised and adopted or amended by the Board of Commissioners at a regular meeting before the year to which it applies. The budget so adopted may be revised during the year only by formal action of the Board of Commissioners in a regular meeting, and no increase shall be made therein without provision also being made for financing same. The legal level of control is at the department level.

Formal budgetary integration is employed as a management control device during the year. The General and Special Revenue Funds' budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP). The General Fund is subject to budgetary control on a departmental basis, while the Special Revenue funds are subject to budgetary control on an individual fund basis. Budgets are prepared for the Capital Projects Funds on a project basis, usually covering two or more fiscal years. Budgeted amounts are as originally adopted or as amended by the Board of Commissioners. Individual amendments are not material in relation to the original appropriations.

NOTE 3 – DEPOSITS

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that the government's deposits may not be returned to the government in the event of a bank failure. The government's deposit policy for custodial credit risk requires that the banking institution hold collateral in the County's name equal to 110% of the total government's deposits in excess of FDIC coverage. On June 30, 2020, the County's bank balances were either insured by FDIC or collateralized with collateral held by the pledging bank's trust department in the County's name.

On June 30, 2020, the carrying amount of deposits for the Pike County Department of Public Health, a discretely presented component unit, was \$239,084. All of the bank balance was covered by federal depository insurance or by collateral held.

On June 30, 2020, the carrying amount of deposits for the Pike County Library, a discretely presented component unit, was \$68,140. All of the bank balance was covered by federal depository insurance or by collateral held.

On June 30, 2020, the carrying amount of deposits for the Pike County Water and Sewerage Authority, a discretely presented component unit, was \$481,493. All of the bank balance was covered by federal depository insurance or by collateral held.

On June 30, 2020, the carrying amount of deposits for the Pike County Agribusiness Authority, a discretely presented component unit, was \$29,917. All of the bank balance was covered by federal depository insurance or by collateral held.

On June 30, 2020, the carrying amount of deposits for the Development Authority of Pike County, a discretely presented component unit, was \$29,711. All of the bank balance was covered by federal depository insurance or by collateral held.

On June 30, 2020, the carrying amount of deposits for the Pike County Recreation Authority, a discretely presented component unit, was \$96,901. All of the bank balance was covered by federal depository insurance or by collateral held.

PIKE COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

Interest Rate Risk

Interest rate risk is the risk that debt investments' interest rates will adversely affect an investment's fair value. The County does not have a formal policy for managing interest rate risk.

Credit Quality Risk

Georgia law authorizes local governments to invest in the following types of obligations: obligations of the State of Georgia or any other states; obligations issued by the United States; obligations fully insured or guaranteed by the United States government or governmental agency; prime banker's acceptances; State of Georgia Local Government Investment Pool; repurchase agreements; and obligations of other political subdivisions of the State of Georgia.

NOTE 4 – PROPERTY TAXES

The Board of Commissioners levied property taxes on September 25, 2019. Property taxes attached as an enforceable lien on the property as of January 1. Property taxes were billed on September 25, 2019, and were payable on December 20, 2019.

NOTE 5 – RECEIVABLES

Receivables at June 30, 2020, consist of the following:

	General Fund	E911 Fund	Total
<u>Receivables</u>			
Taxes	\$ 275,675	\$ -	\$ 275,675
Accounts	<u>139,642</u>	<u>62,216</u>	<u>201,858</u>
Gross Receivables	<u>\$ 415,317</u>	<u>\$ 62,216</u>	<u>\$ 477,533</u>
Less: Allowance for Uncollectible	<u>(50,996)</u>	<u>-</u>	<u>(50,996)</u>
Net Total Receivables	<u><u>\$ 364,321</u></u>	<u><u>\$ 62,216</u></u>	<u><u>\$ 426,537</u></u>

PIKE COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 6 – DUE FROM OTHER GOVERNMENTS

Amounts due from other governments on June 30, 2020, are as follows:

<u>Fund</u>	<u>State</u>
General Fund	\$ 2,422
SPLOST 2016 Fund	<u>152,173</u>
Total	<u>\$ 154,595</u>

The amounts due from the state government are for sales tax.

NOTE 7 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of June 30, 2020, is as follows:

Due to/from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	E911 Fund	\$ 97,101
Impact Fees	Nonmajor Governmental	<u>74,552</u>
Total		<u>\$ 171,653</u>

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

Interfund transfers:

	<u>Transfer In:</u>		
	E911 Fund	Nonmajor Governmental Funds	Total
Transfer Out:			
General Fund	<u>\$ 263,960</u>	<u>\$ 312,251</u>	<u>\$ 576,211</u>
Total	<u>\$ 263,960</u>	<u>\$ 312,251</u>	<u>\$ 576,211</u>

Transfers are used to move unrestricted revenue to finance various programs that the government must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs.

PIKE COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 8 – CAPITAL ASSETS

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

	(Restated) Beginning Balance	Increase	Decrease	Transfer	Ending Balance
<u>Governmental Activities</u>					
Capital assets, not being depreciated					
Land	\$ 317,020	\$ -	\$ -	\$ -	\$ 317,020
Equipment, not in service	11,257	-	-	(11,257)	-
Construction in progress	<u>159,362</u>	<u>182,158</u>	-	<u>(159,362)</u>	<u>182,158</u>
Total capital assets, not being depreciated	<u>487,639</u>	<u>182,158</u>	-	<u>(170,619)</u>	<u>499,178</u>
Capital assets, being depreciated					
Buildings	7,572,744	50,414	-	159,362	7,782,520
Furniture and fixtures	11,366	-	-	-	11,366
Machinery and equipment	4,663,787	8,814	(2,636)	11,257	4,681,222
Vehicles	3,889,888	178,501	-	-	4,068,389
Intangible assets	27,995	-	-	-	27,995
Infrastructure	<u>1,009,234</u>	<u>79,729</u>	-	-	<u>1,088,963</u>
Total capital assets, being depreciated	<u>17,175,014</u>	<u>317,458</u>	<u>(2,636)</u>	<u>170,619</u>	<u>17,660,455</u>
Less accumulated depreciation for					
Buildings	(2,491,705)	(190,925)	-	-	(2,682,630)
Furniture and fixtures	(8,969)	(1,138)	-	-	(10,107)
Machinery and equipment	(3,013,353)	(345,365)	2,636	-	(3,356,081)
Vehicles	(3,215,100)	(173,936)	-	-	(3,389,036)
Intangible assets	(27,995)	-	-	-	(27,995)
Infrastructure	<u>(168,758)</u>	<u>(28,275)</u>	-	-	<u>(197,033)</u>
Total accumulated depreciation	<u>(8,925,880)</u>	<u>(739,638)</u>	<u>2,636</u>	-	<u>(9,662,881)</u>
Total capital assets, being depreciated, net	<u>8,249,134</u>	<u>(422,179)</u>	-	<u>170,619</u>	<u>7,997,574</u>
Governmental activities capital assets, net	<u>\$8,736,773</u>	<u>\$ (240,022)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$8,496,752</u>
Less related long-term debt outstanding					<u>(3,363,007)</u>
Net investment in capital assets					<u>\$5,133,745</u>

In accordance with GASB 51, the County has identified intangible assets which are fully amortized.

PIKE COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

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

<u>Governmental activities</u>	
General government	\$ 140,916
Public safety	215,281
Public works	334,254
Judicial	7,566
Culture and recreation	17,094
Housing and development	1,253
Health and welfare	<u>23,273</u>
 Total depreciation expense - governmental activities	 <u><u>\$ 739,638</u></u>

Capital asset activity for the Pike County Agribusiness Authority for the fiscal year ended June 30, 2020, is as follows:

	Beginning Balance	Increase	Decrease	Tranfers	Ending Balance
Capital assets, not being depreciated					
Land	\$ 24,952	\$ -	\$ -	\$ -	\$ 24,952
Construction in progress	172,562	97,872	-	-	270,434
Total capital assets, not being depreciated	<u>197,514</u>	<u>97,872</u>	<u>-</u>	<u>-</u>	<u>295,386</u>
Capital assets, being depreciated					
Building	82,496	-	-	-	82,496
Site improvements	19,050	-	-	-	19,050
Total capital assets, being depreciated	<u>101,546</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>101,546</u>
Less accumulated depreciation for					
Building	(57,847)	(4,065)	-	-	(61,912)
Site improvements	(17,146)	(1,904)	-	-	(19,050)
Total accumulated depreciation	<u>(74,993)</u>	<u>(5,969)</u>	<u>-</u>	<u>-</u>	<u>(80,962)</u>
Total capital assets, being depreciated, net	<u>26,553</u>	<u>(5,969)</u>	<u>-</u>	<u>-</u>	<u>20,584</u>
Agribusiness Authority capital assets, net	<u><u>224,067</u></u>	<u><u>91,903</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>315,970</u></u>

PIKE COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

Capital asset activity for the Development Authority of Pike County for the fiscal year ended June 30, 2020, is as follows:

	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets, not being depreciated				
Land	\$ 1,863,453	\$ -	\$ (69,328)	\$ 1,794,125
Total capital assets, not being depreciated	<u>1,863,453</u>	<u>-</u>	<u>(69,328)</u>	<u>1,794,125</u>
Capital assets, being depreciated				
Infrastructure	155,502	-	-	155,502
Equipment	7,950	-	-	7,950
Total capital assets, being depreciated	<u>163,452</u>	<u>-</u>	<u>-</u>	<u>163,452</u>
Less accumulated depreciation for				
Infrastructure	(8,633)	(3,110)	-	(11,743)
Equipment	(7,950)	-	-	(7,950)
Total accumulated depreciation	<u>(16,583)</u>	<u>(3,110)</u>	<u>-</u>	<u>(19,693)</u>
Total capital assets, being depreciated, net	<u>146,869</u>	<u>(3,110)</u>	<u>-</u>	<u>143,759</u>
Development Authority capital assets, net	<u>\$ 2,010,322</u>	<u>\$ (3,110)</u>	<u>\$ (69,328)</u>	<u>\$ 1,937,884</u>

PIKE COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
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Capital asset activity for the Pike Water and Sewerage Authority for the fiscal year ended June 30, 2020, is as follows:

	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets, not being depreciated				
Land	\$ 23,600	\$ -	\$ -	\$ 23,600
Construction in Progress	-	53,783	-	53,783
Total capital assets, not being depreciated	<u>23,600</u>	<u>53,783</u>	<u>-</u>	<u>77,383</u>
Capital assets, being depreciated				
Water Tower, Well & Treatment Plant	380,595	9,903	-	390,498
Water and Sewer Lines and Meters	5,618,139	22,200	-	5,640,339
Vehicles	20,557	-	-	20,557
Storage Buildings	2,700	-	-	2,700
Total capital assets, being depreciated	<u>6,021,991</u>	<u>32,103</u>	<u>-</u>	<u>6,054,094</u>
Less accumulated depreciation for				
Water Tower, Well & Treatment Plant	(127,850)	(14,668)	-	(142,518)
Water and Sewer Lines and Meters	(1,722,130)	(138,956)	-	(1,861,086)
Vehicles	(20,557)	-	-	(20,557)
Storage Buildings	(2,700)	-	-	(2,700)
Total accumulated depreciation	<u>(1,873,237)</u>	<u>(153,624)</u>	<u>-</u>	<u>(2,026,861)</u>
Total capital assets, being depreciated, net	<u>4,148,754</u>	<u>(121,521)</u>	<u>-</u>	<u>4,027,233</u>
Water & Sewerage Authority capital assets, net	<u>\$ 4,172,354</u>	<u>\$ (67,738)</u>	<u>\$ -</u>	4,104,616
Less: related long-term debt outstanding				<u>(2,197,669)</u>
Net investment in capital assets				<u>\$ 1,906,947</u>

PIKE COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

Capital asset activity for the Pike County Recreation Authority for the fiscal year ended June 30, 2020, is as follows:

	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets, not being depreciated				
Land	\$ 475,000	\$ -	\$ -	\$ 475,000
Construction in Progress	-	25,584	-	25,584
Total capital assets, not being depreciated	<u>475,000</u>	<u>25,584</u>	<u>-</u>	<u>500,584</u>
Capital assets, being depreciated				
Building & Improvements	484,874	-	-	484,874
Furniture, fixtures & equipment	499,378	-	-	499,378
Vehicles	15,708	-	-	15,708
Infrastructure	9,780	-	-	9,780
Total capital assets, being depreciated	<u>1,009,740</u>	<u>-</u>	<u>-</u>	<u>1,009,740</u>
Less accumulated depreciation for				
Building & Improvements	(209,774)	(18,965)	-	(228,739)
Furniture, fixtures & equipment	(339,636)	(15,997)	-	(355,633)
Vehicles	(15,708)	-	-	(15,708)
Infrastructure	(6,412)	(652)	-	(7,064)
Total accumulated depreciation	<u>(571,530)</u>	<u>(35,614)</u>	<u>-</u>	<u>(607,144)</u>
Total capital assets, being depreciated, net	<u>438,210</u>	<u>(35,614)</u>	<u>-</u>	<u>402,596</u>
Recreation Authority capital assets, net	<u>\$ 913,210</u>	<u>\$ (10,030)</u>	<u>\$ -</u>	<u>\$ 903,180</u>

PIKE COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
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Capital asset activity for the Pike County Board of Health for the fiscal year ended June 30, 2020, is as follows:

	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets, being depreciated				
Machinery & Equipment	18,603	-	-	18,603
Vehicles	-	-	-	-
Total capital assets, being depreciated	<u>18,603</u>	<u>-</u>	<u>-</u>	<u>18,603</u>
Less accumulated depreciation for				
Machinery & Equipment	(14,971)	(1,806)	-	(16,777)
Vehicles	-	-	-	-
Total accumulated depreciation	<u>(14,971)</u>	<u>(1,806)</u>	<u>-</u>	<u>(16,777)</u>
Total capital assets, being depreciated, net	<u>3,632</u>	<u>(1,806)</u>	<u>-</u>	<u>1,826</u>
Board of Health capital assets, net	<u>\$ 3,632</u>	<u>\$ (1,806)</u>	<u>\$ -</u>	<u>\$ 1,826</u>

Capital asset activity for the J. Joel Edwards Public Library of Pike County for the fiscal year ended June 30, 2020, is as follows:

	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets, being depreciated				
Equipment	6,900	-	-	6,900
Furniture and fixtures	26,947	-	-	26,947
Total capital assets, being depreciated	<u>33,847</u>	<u>-</u>	<u>-</u>	<u>33,847</u>
Less accumulated depreciation for				
Equipment	-	(1,380)	-	(1,380)
Furniture and fixtures	(8,942)	(2,695)	-	(11,637)
Total accumulated depreciation	<u>(8,942)</u>	<u>(4,075)</u>	<u>-</u>	<u>(13,017)</u>
Total capital assets, being depreciated, net	<u>24,905</u>	<u>(4,075)</u>	<u>-</u>	<u>20,830</u>
Library capital assets, net	<u>\$ 24,905</u>	<u>\$ (4,075)</u>	<u>\$ -</u>	<u>\$ 20,830</u>

PIKE COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 9 – LONG TERM DEBT

For governmental activities, compensated absences and landfill post-closure costs are generally liquidated by the General Fund.

Changes in Long-Term Liabilities

Long-term liability activity for the fiscal year ended June 30, 2020, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Governmental activities</u>					
Notes payable					
First Bank of Pike	\$ 46,068	\$ -	\$ (16,137)	\$ 29,931	\$ 16,836
Capital Leases					
Caterpillar - road equipment	557,484	-	(75,800)	481,684	78,348
Caterpillar - asphalt compactor	86,380	-	(15,543)	70,837	15,011
Caterpillar - asphalt paver	239,121	-	(20,791)	218,330	23,078
Caterpillar - excavator	52,418	-	(10,193)	42,225	42,225
General Obligation Bonds			-		
2016 Bonds	3,280,000	-	(760,000)	2,520,000	800,000
Landfill postclosure cost	109,440	-	(23,340)	86,100	23,340
Compensated absences	<u>222,176</u>	<u>163,935</u>	<u>(156,511)</u>	<u>229,600</u>	<u>160,720</u>
Governmental activity					
Long-term liabilities	<u>\$ 4,593,087</u>	<u>\$ 163,935</u>	<u>\$ (1,078,315)</u>	<u>\$ 3,678,707</u>	<u>\$ 1,159,558</u>

Note Payables

First Bank of Pike

In 2018, the County entered into a \$65,300 note payable with the First Bank of Pike to finance a tack truck. The note is due in 48 monthly installments of \$1,482 to April 5, 2022. Interest is at 2.20%. Total interest paid for the fiscal year 2020 was \$1,646.

Year Ending June 30th	Governmental Activities	
	Principal	Interest
2021	\$ 16,836	\$ 947
2022	<u>13,095</u>	<u>241</u>
Total	<u>\$ 29,931</u>	<u>\$ 1,188</u>

PIKE COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

Capital Lease Payables:

Caterpillar Financial Services Corporation – road equipment

The County obtained a \$690,115 capital lease from Caterpillar Financial Services Corporation to finance Public Works road equipment. The equipment has a seven- year estimated useful life. This year, \$98,788 was included in depreciation expense and accumulated depreciation of \$279,086. Total interest paid for the fiscal year 2020 was \$17,310. The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2020, were as follows:

Year Ending June 30th	Governmental Activities	
	Principal	Interest
2021	\$ 78,348	\$ 14,762
2022	80,981	12,129
2023	<u>322,355</u>	<u>1,759</u>
Total	<u>\$ 481,684</u>	<u>\$ 28,650</u>

Caterpillar Financial Services Corporation - asphalt compactor

The County obtained a \$102,164 capital lease from Caterpillar Financial Services Corporation to finance an asphalt compactor. The equipment has a seven-year estimated useful life. This year, \$15,423 was included in depreciation expense and accumulated depreciation of \$34,891. Total interest paid for the fiscal year 2020 was \$3,342. The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2020, were as follows:

Year Ending June 30th	Governmental Activities	
	Principal	Interest
2021	\$ 15,011	\$ 2,725
2022	15,654	2,083
2023	<u>40,172</u>	<u>1,225</u>
Total	<u>\$ 70,837</u>	<u>\$ 6,033</u>

PIKE COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

Caterpillar Financial Services Corporation – asphalt paver

The County obtained a \$263,527 capital lease from Caterpillar Financial Services Corporation to finance an asphalt paver. The equipment has a seven-year estimated useful life. This year, \$73,306 was included in depreciation expense and accumulated depreciation of \$165,306. Total interest paid for the fiscal year 2020 was \$24,268. The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2020, were as follows:

Year Ending June 30th	Governmental Activities	
	Principal	Interest
2021	\$ 23,078	\$ 21,981
2022	25,616	19,443
2023	<u>169,636</u>	<u>13,192</u>
Total	<u>\$ 218,330</u>	<u>\$ 54,616</u>

Caterpillar Financial Services Corporation- excavator

The County obtained a \$61,944 capital lease from Caterpillar Financial Services Corporation to finance an excavator. The equipment has a seven-year estimated useful life. This year, \$9,518 was included in depreciation expense and accumulated depreciation of \$19,842. Total interest paid for the fiscal year 2020 was \$1,996. The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2020, were as follows:

Year Ending June 30th	Governmental Activities	
	Principal	Interest
2021	\$ 42,225	\$ 1,560
Total	<u>\$ 42,225</u>	<u>\$ 1,560</u>

PIKE COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

General Obligation Bonds On June 30, 2016, the County issued the \$4,640,000 Pike County, Georgia General Obligation Sales Tax Bonds Series 2016.

The Series 2016 Bonds were issued for the purpose of (1) funding various capital outlay projects and (2) paying expenses incident to accomplishing the foregoing. Interest on the General Obligation Sales Tax Bonds, Series 2016 is 1.49% over the life of the bonds. Interest is paid semi-annually on March 1 and September 1 of each year, and the principal is to be paid on September 1. Total interest paid for the fiscal year 2020 was \$43,210. Annual debt service requirements to maturity for this bond issue are as follows:

Year Ending June 30th	Governmental Activities	
	Principal	Interest
2021	\$ 800,000	\$ 31,588
2022	840,000	19,370
2023	<u>880,000</u>	<u>6,556</u>
Total	<u>\$ 2,520,000</u>	<u>\$ 57,514</u>

Landfill Post-Closure Costs - In 1994, the County closed its landfill site. State regulations require the County to perform certain maintenance and monitoring functions for thirty years after closure. Under GASB 18, the County is required to disclose the estimated maintenance and monitoring cost of \$ 86,100. The required plan for the closure of the landfill was adopted by the County and approved by the State of Georgia. Estimates were outlined in the plan and updated in 2017. These costs are subject to change due to inflation or deflation, technology, or applicable laws and regulations. The County is not required to commit current financial resources to guarantee future maintenance and monitoring activities.

Directly presented component units:

Activity for the Pike County Water Sewerage Authority for the fiscal year ended June 30, 2020, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Governmental Activities</u>					
2017 revenue bonds	<u>\$ 2,347,768</u>	<u>\$ -</u>	<u>\$ (150,099)</u>	<u>\$ 2,197,669</u>	<u>\$ 154,095</u>
 Water and Sewerage					
Authority long-term liabilities	<u>\$ 2,347,768</u>	<u>\$ -</u>	<u>\$ (150,099)</u>	<u>\$ 2,197,669</u>	<u>\$ 154,095</u>

PIKE COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

Activity for the Agribusiness Authority of Pike County for the fiscal year ended June 30, 2020, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Governmental Activities</u>					
Note payable	\$ 86,747	\$ -	\$ (3,351)	\$ 83,396	\$ 3,865
Agribusiness Authority long-term liabilities	<u>\$ 86,747</u>	<u>\$ -</u>	<u>\$ (3,351)</u>	<u>\$ 83,396</u>	<u>\$ 3,865</u>

Activity for the Development Authority of Pike County for the fiscal year ended June 30, 2020, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Governmental Activities</u>					
Note payable	\$ 260,107	\$ -	\$ (260,107)	\$ -	\$ -
Development Authority long-term liabilities	<u>\$ 260,107</u>	<u>\$ -</u>	<u>\$ (260,107)</u>	<u>\$ -</u>	<u>\$ -</u>

Activity for the Pike County Recreation Authority for the fiscal year ended June 30, 2020, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Governmental Activities</u>					
Compensated Absences	\$ 5,992	\$ 11,207	\$ (7,908)	\$ 9,291	\$ 9,291
Recreation Authority long-term liabilities	<u>\$ 5,992</u>	<u>\$ 11,207</u>	<u>\$ (7,908)</u>	<u>\$ 9,291</u>	<u>\$ 9,291</u>

PIKE COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

Activity for the Pike County Board of Health for the fiscal year ended June 30, 2020, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Governmental Activities</u>					
Compensated absences	\$ 32,180	\$ 10,766	\$ (19,569)	\$ 23,377	\$ 7,013
Pike County Board of Health long-term liabilities	<u>\$ 32,180</u>	<u>\$ 10,766</u>	<u>\$ (19,569)</u>	<u>\$ 23,377</u>	<u>\$ 7,013</u>

Activity for the J. Joel Edwards Library of Pike County for the fiscal year ended June 30, 2020, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Governmental Activities</u>					
Compensated absences	\$ 2,454	\$ 2,448	\$ (1,024)	\$ 3,878	\$ 3,878
J. Joel Edwards Public Library long-term liabilities	<u>\$ 2,454</u>	<u>\$ 2,448</u>	<u>\$ (1,024)</u>	<u>\$ 3,878</u>	<u>\$ 3,878</u>

NOTE 10 - OPERATING LEASES

The County leases road equipment for the public works department. Total costs for the leases were \$132,472 for the year ended June 30, 2020. The future minimum lease payments for these leases are as follows:

	Wells Fargo #603-0147812	Wells Fargo #603-0147808	Caterpillar #001-0811044	Caterpillar #001-0811056	Caterpillar motorgraders
2021	\$ 22,399	\$ 22,399	\$ 18,084	\$ 18,084	\$ 51,506
2022	-	-	-	-	51,506
2023	-	-	-	-	8,584
Total	<u>\$ 22,399</u>	<u>\$ 22,399</u>	<u>\$ 18,084</u>	<u>\$ 18,084</u>	<u>\$ 111,596</u>

PIKE COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 11 - EMPLOYEE RETIREMENT PLANS

ACCG Defined Contribution Plan

Plan Description

The County contributes to the Association of County Commissioners of Georgia (ACCG) Defined Contribution Plan 401(a), administered by the Government Employee Benefits Corporation of Georgia (GEBCorp), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for Counties in the State of Georgia. GEBCorp provides retirement and death benefits to plan members and beneficiaries. GEBCorp issues a publicly available financial report that includes financial statements and required supplementary information for the County. That report may be obtained by writing to:

1100 Circle 75 Parkway
Suite 300
Atlanta, Georgia 30339

Funding Policy

County employees are required to contribute to the plan if they are to be members and receive the County match. The required member contribution is equal to 3% of the member's gross salary. The County is required to contribute 1% of the members' gross salary. The Plan provisions are established and may be amended by the Pike County Board of Commissioners and the ACCG Defined Benefit Board of Trustees. The contribution requirements of the plan members are established and may be amended by the ACCG Defined Benefit Board of Trustees. The County's contributions to GEBCorp for the fiscal year ended June 30, 2020, were \$12,634. The Member's contributions to GEBCorp for the fiscal year ended June 30, 2020, were \$39,398.

NOTE 12 - SPECIAL FUNDING DEFINED BENEFIT PENSION PLANS

A. Employees' Retirement System

The County's Tax Commissioner is eligible to participate in the Employees' Retirement System (ERS), a voluntary pension system. The County makes no contributions to this plan. Pursuant to O.C.G.A. 47-2-292(a), the Department of Revenue receives an annual appropriation from the Georgia General Assembly to fund the employer contributions for local County Tax Commissioners. The plan is administered by the Employees' Retirement System, which issues a publicly available financial report that can be obtained at www.ers.ga.gov/formspubs/formspubs. This plan is considered immaterial to Pike County's financial statements.

PIKE COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

B. Sheriffs' Retirement Fund of Georgia

The County's Sheriff is covered by the Sheriffs' Retirement Fund of Georgia. The County does not contribute to this plan. The County collects contributions as the agent for this Fund through its court systems. This plan is administered by the Georgia Sheriffs' Association (GSA), where separate financial statements may be obtained on their website. This plan is considered immaterial to Pike County's financial statements.

C. Judges of the Probate Courts Retirement Fund of Georgia

The County's Probate Judge is covered by the Judges of the Probate Courts Retirement Fund of Georgia. The County makes no contributions to this plan. The State of Georgia provides non-employer contributions to the Fund through the collection of court fines and forfeitures. These non-employer contributions are recognized as revenue by the Fund when collected from the courts. The Judges of the Probate Courts Retirement Fund of Georgia is a component unit of the State of Georgia. This plan is considered immaterial to Pike County's financial statements.

D. Magistrates Retirement Fund of Georgia

The Magistrates Retirement Fund of Georgia covers the County's Magistrate Judge. The County makes no contributions to this plan. The State of Georgia provides non-employer contributions to the Fund through the collection of court filing fees. These non-employer contributions are recognized as revenue by the Fund when collected from the courts. The Magistrates Retirement Fund of Georgia is a component unit of the State of Georgia. This plan is considered immaterial to Pike County's financial statements.

E. Georgia Firefighters' Pension Fund

The County's Volunteer Firemen are eligible to participate in the Georgia Firefighters' Pension Fund, a voluntary pension system. The County makes no contributions to this plan. Contributions are made through monthly dues by eligible firefighters electing to participate in the plan and non-employer contributions, which consist of insurance premium taxes collected and remitted by insurers directly to the pension fund in accordance with the law. The plan is administered by the Georgia Firefighters' Pension Fund located at 2171 Eastview Parkway NE in Conyers, Georgia, where separate financial statements may be obtained. This plan is considered immaterial to Pike County's financial statements.

F. Peace Officers' Annuity and Benefit Fund of Georgia

The County's Sheriff Deputies are covered by the State of Georgia Peace Officers' Annuity and Benefit Fund. The County does not contribute to this plan. The County collects contributions as the agent for this Fund through its court systems. This plan is administered through the Peace Officers' Annuity and Benefit Fund of Georgia, located

PIKE COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

at 1210 Greenbelt Parkway in Griffin, Georgia, where separate financial statements may be obtained. This plan is considered immaterial to Pike County's financial statements.

NOTE 13 - CONTINGENT LIABILITIES

A. Litigation

During the course of normal operations of the County, various claims and lawsuits arise. The County Attorney has advised that there are no potential liabilities that will impair the position as of the date of this audit report.

B. Federal Grants

The County participates in a number of federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives, and the audits of these programs for or including the fiscal year ended June 30, 2020, have not yet been conducted. Accordingly, the County's compliance with applicable grant requirements will be established at a later date. The amount, if any, of expenditures which the granting agencies may disallow cannot be determined at this time, although the County expects such amounts, if any, to be immaterial.

NOTE 14 - EVALUATION OF SUBSEQUENT EVENTS

The County has evaluated subsequent events through March 5, 2021, when the financial statements were available to be issued.

NOTE 15 - RESTATEMENT

An extensive analysis of the governmental assets necessitates a restatement of the June 30, 2019 balances in the amount of \$34,414, resulting in an increase of the net position:

Net position - June 30, 2019	\$ 9,728,906
Construction in Progress as of June 30, 2019	20,167
Equipment, not in service as of June 30, 2019	<u>11,257</u>
Net Position - June 30, 2019 (Restated)	<u><u>\$ 9,760,330</u></u>

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SUPPLEMENTARY INFORMATION

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NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

Law Library Fund – This fund accounts for the resources received from the various courts of Pike County and disbursements for the support of a centralized law library.

State Seizure Fund – This fund accounts for State condemned funds received and disbursed for Law Enforcement expenditures.

Federal Seizure Fund – This fund accounts for Federal condemned funds received and disbursed for Law Enforcement expenditures.

Drug Abuse Treatment Fund – This fund accounts for fines collected as required by State Law for drug abuse treatment and educational purposes.

Juvenile Court Fund – This fund accounts for the supervisory fees collected by the Superior Court and disbursed for Council of Juvenile Court Judges.

CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Jail Construction Fund – This fund accounts for fines collected as required by State Law for jail operations and construction.

Capital Improvements Fund – This fund was established to identify and monitor major capital expenditures of the County's various departments.

LMIG Fund – This fund is used to account for the proceeds and various projects associated with the Local Maintenance & Improvement Grant.

PIKE COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2020

	Special Revenue Funds					Capital Project Funds			Total Nonmajor Governmental Funds
	Law Library	State Seizure	Federal Seizure	Drug Abuse Treatment	Juvenile Court	Jail Construction	Capital Improvements	LMIG Fund	
<u>ASSETS</u>									
Cash and cash equivalents	\$ 18,030	\$ 35,897	\$ 221,242	\$ 54,164	\$ 11,261	\$ 29,537	\$ 177,058	\$ 292,036	\$ 839,225
Due from other governments	-	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 18,030</u>	<u>\$ 35,897</u>	<u>\$ 221,242</u>	<u>\$ 54,164</u>	<u>\$ 11,261</u>	<u>\$ 29,537</u>	<u>\$ 177,058</u>	<u>\$ 292,036</u>	<u>\$ 839,225</u>
<u>LIABILITIES AND FUND BALANCES</u>									
Liabilities									
Accounts payable	\$ -	\$ 5,780	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 36,911	\$ 42,691
Due to other funds	-	-	-	-	-	-	74,552	-	74,552
Total Liabilities	<u>-</u>	<u>5,780</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>74,552</u>	<u>36,911</u>	<u>117,243</u>
Fund Balances									
Restricted	18,030	30,117	221,242	54,164	-	29,537	-	255,125	608,215
Assigned	-	-	-	-	11,261	-	102,506	-	113,767
Total Fund Balances	<u>18,030</u>	<u>30,117</u>	<u>221,242</u>	<u>54,164</u>	<u>11,261</u>	<u>29,537</u>	<u>102,506</u>	<u>255,125</u>	<u>721,982</u>
Total Liabilities and Fund Balances	<u>\$ 18,030</u>	<u>\$ 35,897</u>	<u>\$ 221,242</u>	<u>\$ 54,164</u>	<u>\$ 11,261</u>	<u>\$ 29,537</u>	<u>\$ 177,058</u>	<u>\$ 292,036</u>	<u>\$ 839,225</u>

PIKE COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Special Revenue Funds					Capital Project Funds			Total Nonmajor Governmental Funds
	Law Library	State Seizure	Federal Seizure	Drug Abuse Treatment	Juvenile Court	Jail Construction	Capital Improvements	LMIG Fund	
REVENUES									
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 504,469	\$ 504,469
Fines and forfeitures	9,168	31,901	22,843	8,430	725	15,223	-	-	\$ 88,290
Interest earnings	-	24	227	92	20	50	231	346	990
Total Revenues	<u>9,168</u>	<u>31,925</u>	<u>23,070</u>	<u>8,522</u>	<u>745</u>	<u>15,273</u>	<u>231</u>	<u>504,815</u>	<u>593,749</u>
EXPENDITURES									
Current									
General government	-	-	-	-	-	-	3,918	-	3,918
Public safety	5,916	15,005	33,030	5,702	240	15,149	-	-	75,042
Public works	-	-	-	-	-	-	-	859,118	859,118
Capital Outlay	-	-	-	-	-	-	74,552	-	74,552
Total Expenditures	<u>5,916</u>	<u>15,005</u>	<u>33,030</u>	<u>5,702</u>	<u>240</u>	<u>15,149</u>	<u>78,470</u>	<u>859,118</u>	<u>1,012,630</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>3,252</u>	<u>16,920</u>	<u>(9,960)</u>	<u>2,820</u>	<u>505</u>	<u>124</u>	<u>(78,239)</u>	<u>(354,303)</u>	<u>(418,881)</u>
OTHER FINANCING SOURCES (USES)									
Transfers from other funds	-	-	-	-	-	-	-	312,251	312,251
Transfers to other funds	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>312,251</u>	<u>312,251</u>
Net change in fund balances	<u>3,252</u>	<u>16,920</u>	<u>(9,960)</u>	<u>2,820</u>	<u>505</u>	<u>124</u>	<u>(78,239)</u>	<u>(42,052)</u>	<u>(106,630)</u>
Fund balance, beginning of year	<u>14,778</u>	<u>13,197</u>	<u>231,202</u>	<u>51,344</u>	<u>10,756</u>	<u>29,413</u>	<u>180,745</u>	<u>297,177</u>	<u>828,612</u>
Fund balance, end of year	<u>\$ 18,030</u>	<u>\$ 30,117</u>	<u>\$ 221,242</u>	<u>\$ 54,164</u>	<u>\$ 11,261</u>	<u>\$ 29,537</u>	<u>\$ 102,506</u>	<u>\$ 255,125</u>	<u>\$ 721,982</u>

PIKE COUNTY, GEORGIA
LAW LIBRARY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Final Budget	Actual	Variance with Final Budget
<u>REVENUES</u>			
Fines and forfeitures	\$ 5,916	\$ 9,168	\$ 3,252
Total Revenues	<u>5,916</u>	<u>9,168</u>	<u>3,252</u>
<u>EXPENDITURES</u>			
Current			
Public safety	<u>5,916</u>	<u>5,916</u>	<u>-</u>
Total Expenditures	<u>5,916</u>	<u>5,916</u>	<u>-</u>
Net change in fund balances	-	3,252	3,252
Fund balance, beginning of year	<u>14,778</u>	<u>14,778</u>	<u>-</u>
Fund balance, end of year	<u>\$ 14,778</u>	<u>\$ 18,030</u>	<u>\$ 3,252</u>

PIKE COUNTY, GEORGIA
STATE SEIZURE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Final Budget	Actual	Variance with Final Budget
<u>REVENUES</u>			
Fines and forfeitures	\$ 5,000	\$ 31,901	\$ 26,901
Interest income	-	24	24
	<u>5,000</u>	<u>31,925</u>	<u>26,925</u>
Total Revenues	<u>5,000</u>	<u>31,925</u>	<u>26,925</u>
<u>EXPENDITURES</u>			
Current			
Public safety	<u>5,000</u>	<u>15,005</u>	<u>10,005</u>
Total Expenditures	<u>5,000</u>	<u>15,005</u>	<u>10,005</u>
Net change in fund balances	-	16,920	16,920
Fund balance, beginning of year	<u>13,197</u>	<u>13,197</u>	<u>-</u>
Fund balance, end of year	<u>\$ 13,197</u>	<u>\$ 30,117</u>	<u>\$ 16,920</u>

PIKE COUNTY, GEORGIA
FEDERAL SEIZURE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Final Budget	Actual	Variance with Final Budget
<u>REVENUES</u>			
Fines and forfeitures	\$ 33,030	\$ 22,843	\$ (10,187)
Interest income	-	227	227
Total Revenues	<u>33,030</u>	<u>23,070</u>	<u>(9,960)</u>
<u>EXPENDITURES</u>			
Current			
Public safety	<u>33,030</u>	<u>33,030</u>	<u>-</u>
Total Expenditures	<u>33,030</u>	<u>33,030</u>	<u>-</u>
Net change in fund balances	-	(9,960)	(9,960)
Fund balance, beginning of year	<u>231,202</u>	<u>231,202</u>	<u>-</u>
Fund balance, end of year	<u>\$ 231,202</u>	<u>\$ 221,242</u>	<u>\$ (9,960)</u>

PIKE COUNTY, GEORGIA
 DRUG ABUSE TREATMENT FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Final Budget	Actual	Variance with Final Budget
<u>REVENUES</u>			
Fines and forfeitures	\$ 9,900	\$ 8,430	\$ (1,470)
Interest income	<u>100</u>	<u>92</u>	<u>(8)</u>
 Total Revenues	 <u>10,000</u>	 <u>8,522</u>	 <u>(1,478)</u>
<u>EXPENDITURES</u>			
Current			
Public safety	<u>10,000</u>	<u>5,702</u>	<u>(4,298)</u>
 Total Expenditures	 <u>10,000</u>	 <u>5,702</u>	 <u>(4,298)</u>
 Net change in fund balances	 -	 2,820	 2,820
 Fund balance, beginning of year	 <u>51,344</u>	 <u>51,344</u>	 <u>-</u>
 Fund balance, end of year	 <u><u>\$ 51,344</u></u>	 <u><u>\$ 54,164</u></u>	 <u><u>\$ 2,820</u></u>

PIKE COUNTY, GEORGIA
JUVENILE COURT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Final Budget	Actual	Variance with Final Budget
<u>REVENUES</u>			
Fines and forfeitures	\$ 1,500	\$ 725	\$ (775)
Interest income	50	20	(30)
Total Revenues	<u>1,550</u>	<u>745</u>	<u>(805)</u>
<u>EXPENDITURES</u>			
Current			
Public safety	<u>1,550</u>	<u>240</u>	<u>(1,310)</u>
Total Expenditures	<u>1,550</u>	<u>240</u>	<u>(1,310)</u>
Net change in fund balances	-	505	505
Fund balance, beginning of year	<u>10,756</u>	<u>10,756</u>	<u>-</u>
Fund balance, end of year	<u><u>\$ 10,756</u></u>	<u><u>\$ 11,261</u></u>	<u><u>\$ 505</u></u>

PIKE COUNTY, GEORGIA
SCHEDULE OF PROJECT EXPENDITURES WITH SPECIAL SALES TAX PROCEEDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Project	Original Estimated Budget	Expenditures		Total
		Prior Years	Current Year	
2016 Special Local Option Sales Tax				
Road, Street and Bridge Projects	\$ 4,026,432	\$ 3,917,854	\$ 434,173	\$ 4,352,027
Debt Service:				
Interest	265,568	164,844	43,210	208,054
Issuance Cost	-	36,700	-	36,700
Intergovernmental:				
City of Williamson	197,200	182,301	18,419	200,720
City of Zebulon	689,040	636,985	64,359	701,344
City of Meansville	174,000	161,863	16,252	178,115
City of Molena	241,860	223,588	22,591	246,179
City of Concord	<u>205,900</u>	<u>189,105</u>	<u>19,232</u>	<u>208,337</u>
Total 2016 SPLOST	<u>\$ 5,800,000</u>	<u>\$ 5,513,240</u>	<u>\$ 618,236</u>	<u>\$ 6,131,476</u>

Note 1 The difference in SPLOST expenditures by project and the expenditures noted in the SPLOST 2016 Fund represents principal debt service payments totaling \$760,000 attributed to repayment of the 2016 SPLOST bonds. The expenditures to purchase approved items are already included in the above schedule. If debt payments were included, the expenditures would be reported twice.

Current year expenditures from above	\$ 618,236
Bond principal payment	<u>760,000</u>
Current year expenditures per financial statements	<u>\$ 1,378,236</u>

PIKE COUNTY, GEORGIA
 AGENCY FUNDS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Balance June 30, 2019	Increases	Decreases	Balance June 30. 2020
<u>Total - All Agency Funds</u>				
<u>ASSETS</u>				
Cash and cash equivalents	\$ 534,617	\$ 14,626,751	\$ 14,623,599	\$ 537,769
Total Assets	<u>\$ 534,617</u>	<u>\$ 14,626,751</u>	<u>\$ 14,623,599</u>	<u>\$ 537,769</u>
<u>LIABILITIES</u>				
Due to Board of Education	\$ 124,001	\$ 9,983,671	\$ 9,934,402	\$ 173,270
Due to State of Georgia	153,138	2,211,001	2,228,341	135,798
Due to Other Governments	8,866	130,781	130,094	9,553
Other	<u>248,612</u>	<u>2,301,298</u>	<u>2,330,762</u>	<u>219,148</u>
Total Liabilities	<u>\$ 534,617</u>	<u>\$ 14,626,751</u>	<u>\$ 14,623,599</u>	<u>\$ 537,769</u>

PIKE COUNTY, GEORGIA
 AGENCY FUNDS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Balance June 30, 2019	Increases	Decreases	Balance June 30. 2020
<u>Superior Court</u>				
<u>ASSETS</u>				
Cash and cash equivalents	\$ 110,891	\$ 405,974	\$ 481,435	\$ 35,430
Total Assets	<u>\$ 110,891</u>	<u>\$ 405,974</u>	<u>\$ 481,435</u>	<u>\$ 35,430</u>
<u>LIABILITIES</u>				
Other	\$ 110,891	\$ 405,974	\$ 481,435	\$ 35,430
Total Liabilities	<u>\$ 110,891</u>	<u>\$ 405,974</u>	<u>\$ 481,435</u>	<u>\$ 35,430</u>
 <u>Probate Court</u>				
<u>ASSETS</u>				
Cash and cash equivalents	\$ 4,610	\$ 65,507	\$ 61,459	\$ 8,658
Total Assets	<u>\$ 4,610</u>	<u>\$ 65,507</u>	<u>\$ 61,459</u>	<u>\$ 8,658</u>
<u>LIABILITIES</u>				
Other	\$ 4,610	\$ 65,507	\$ 61,459	\$ 8,658
Total Liabilities	<u>\$ 4,610</u>	<u>\$ 65,507</u>	<u>\$ 61,459</u>	<u>\$ 8,658</u>

PIKE COUNTY, GEORGIA
 AGENCY FUNDS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Balance June 30, 2019	Increases	Decreases	Balance June 30. 2020
<u>Magistrate Court</u>				
<u>ASSETS</u>				
Cash and cash equivalents	\$ 8,165	\$ 46,732	\$ 53,947	\$ 950
Total Assets	<u>\$ 8,165</u>	<u>\$ 46,732</u>	<u>\$ 53,947</u>	<u>\$ 950</u>
<u>LIABILITIES</u>				
Other	\$ 8,165	\$ 46,732	\$ 53,947	\$ 950
Total Liabilities	<u>\$ 8,165</u>	<u>\$ 46,732</u>	<u>\$ 53,947</u>	<u>\$ 950</u>
 <u>Sheriff's Office</u>				
<u>ASSETS</u>				
Cash and cash equivalents	\$ 39,597	\$ 6,454	\$ 3,177	\$ 42,874
Total Assets	<u>\$ 39,597</u>	<u>\$ 6,454</u>	<u>\$ 3,177</u>	<u>\$ 42,874</u>
<u>LIABILITIES</u>				
Other	\$ 39,597	\$ 6,454	\$ 3,177	\$ 42,874
Total Liabilities	<u>\$ 39,597</u>	<u>\$ 6,454</u>	<u>\$ 3,177</u>	<u>\$ 42,874</u>

PIKE COUNTY, GEORGIA
 AGENCY FUNDS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Balance June 30, 2019	Increases	Decreases	Balance June 30. 2020
<u>Tax Commissioner's Office</u>				
<u>ASSETS</u>				
Cash and cash equivalents	\$ 371,354	\$ 14,102,084	\$ 14,023,581	\$ 449,857
Total Assets	<u>\$ 371,354</u>	<u>\$ 14,102,084</u>	<u>\$ 14,023,581</u>	<u>\$ 449,857</u>
<u>LIABILITIES</u>				
Due to Board of Education	\$ 124,001	\$ 9,983,671	\$ 9,934,402	\$ 173,270
Due to State of Georgia	153,138	2,211,001	2,228,341	135,798
Due to Other Governments	8,866	130,781	130,094	9,553
Other	<u>85,349</u>	<u>1,776,631</u>	<u>1,730,744</u>	<u>131,236</u>
Total Liabilities	<u>\$ 371,354</u>	<u>\$ 14,102,084</u>	<u>\$ 14,023,581</u>	<u>\$ 449,857</u>

PIKE COUNTY, GEORGIA
BALANCE SHEET
PIKE COUNTY AGRIBUSINESS AUTHORITY
COMPONENT UNIT
JUNE 30, 2020

ASSETS

Cash and cash equivalents	\$	29,916
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Total Assets	\$	29,916
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LIABILITIES AND FUND BALANCE

Liabilities

Accounts payable	\$	900
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Total Liabilities		900
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Fund Balance

Unassigned		29,016
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Total Fund Balance		29,016
--------------------	--	--------

Total Liabilities and Fund Balance	\$	29,916
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PIKE COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
PIKE COUNTY AGRIBUSINESS AUTHORITY
COMPONENT UNIT
JUNE 30, 2020

REVENUES

Intergovernmental revenue		
Pike County	\$	27,845
One Georgia Grant		-
Interest earnings		82
Other miscellaneous revenues		<u>19,570</u>
Total Revenues		<u>47,497</u>

EXPENDITURES

Current		
General government		38,384
Capital Outlay		<u>91,903</u>
Total Liabilities		<u>130,287</u>
Excess (Deficiency) of Revenues		
Over (Under) Expenditures		<u>(82,790)</u>

Other Financing Sources

Issuance of debt		<u>-</u>
Total Other Financing Sources		<u>-</u>
Net change in fund balance		(82,790)
Fund Balance, beginning of year		<u>111,806</u>
Fund Balance, end of year	\$	<u><u>29,016</u></u>

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**REPORTS ON INTERNAL CONTROL
AND COMPLIANCE MATTERS**

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Driver Adams + Sharpe
CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

Wayne D. Driver, CPA
Reshann P. Adams, CPA
Sydney L. Sharpe, CPA

Judith C. Coker
Kim C. Millen

Established 1977

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

Board of Directors
Pike County, 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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Pike County, Georgia as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Pike County, Georgia's basic financial statements, and have issued our report thereon dated February 22, 2021. Our report includes a reference to other auditors who audited the financial statements of the Pike County Department of Public Health, as described in our report on Pike County, Georgia's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

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

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

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

accompanying schedule of findings and responses as items 2020-001 and 2020-002, that we consider to be material weaknesses.

Compliance and Other Matters

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

Pike County, Georgia's Response to the Findings

Pike County, Georgia's response to the finding identified in our audit is described in the accompanying schedule of findings and responses. Pike County, Georgia's response was not subjected to the auditing procedures applied in the audit of the financial statements, and, accordingly, we express no opinion on it.

Purpose of this Report

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

Driver Adams + Sharpe

Thomaston Georgia,
February 22, 2021

PIKE COUNTY, GEORGIA
Schedule of Findings and Responses
For the Fiscal Year Ended June 30, 2020

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	Yes
Significant deficiency(ies) identified that are not Considered to be material weakness(es)	None Reported
Noncompliance material to financial statements noted?	No

Federal Awards

There was not an audit of major award programs for the year ended June 30, 2020, due to the total amount expended being less than \$750,000.

Section II – Financial Statement Findings

The findings noted on the 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*:

2020-001 – Accounts Receivable/Revenue

CRITERIA

In accordance with generally accepted accounting principles, governmental fund revenues are recognized as soon as they are both measurable and available.

CONDITION

Various revenue items were not recorded in the proper fiscal period.

CONTEXT

The following adjustments were necessary to fairly state and classify revenues for the fiscal year ended June 30, 2020:

- An adjustment of \$9,902 in the General Fund to record the June reimbursement for Senior Meals.
- An adjustment of \$73,340 in the General Fund to correct property taxes.
- An adjustment of \$62,216 in the E911 Fund to record accounts receivable.

PIKE COUNTY, GEORGIA
Schedule of Findings and Responses
For the Fiscal Year Ended June 30, 2020

EFFECT

The County's accounting records contained material errors which were identified and adjusted during the annual audit process.

CAUSE

The County does not have adequate accounting procedures in place to ensure the accrual of revenues in the proper fiscal year.

RECOMMENDATION

We recommend that the County develop procedures to ensure the recording of revenues when they become both measurable and available to finance expenditures of the fiscal period.

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTIONS

Management agrees with the finding. The County had a vacancy for several months for the Finance Director position. The County hired a Finance Director with previous experience. Management will continue to implement procedures to ensure proper accrual of revenues during the fiscal year.

PIKE COUNTY, GEORGIA
Schedule of Findings and Responses
For the Fiscal Year Ended June 30, 2020

2020-002 – Management of Due to/From Accounts

CRITERIA

Generally accepted accounting principles require consideration of the collectability of receivables of all kinds, whether external or internal to the County. As part of that process, the County should review the amounts included in the due to/from accounts (interfund receivables and payables) in each fund and make the appropriate settlements monthly.

CONDITION

The County did not monitor interfund receivable and payable accounts monthly and did not make the appropriate settlements between funds.

CONTEXT

At year-end, the County had not settled the following interfund balances between the funds:

<u>Receivable Fund</u>	<u>Amount</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	<u>\$ 263,960</u>	E911 Fund	<u>\$ 263,960</u>
Total	<u><u>\$ 263,960</u></u>		<u><u>\$ 263,960</u></u>

EFFECT

The County's General Fund bank account paid for obligations of other funds which were not timely reimbursed for the fiscal year June 30, 2020.

CAUSE

The County did not consider the need for settlements between funds as part of the monthly close-out procedures.

RECOMMENDATION

We recommend the County review all interfund receivables and payables monthly and consider the need for timely settlements between funds.

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTIONS

Management agrees with the finding. Management will conduct periodic reviews to ensure that settlements between funds are conducted monthly.

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