

***Report to the Board of Commissioners
For the fiscal year ended June 30, 2022***



December 6, 2022

Audit Opinion – Pages 1-3

Unmodified Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Oconee County, Georgia, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows for the year then ended.

Auditing Standards

We audited the County's financial statements in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States.

Oconee County's Responsibilities

The financial statements are the responsibility of Oconee County's management.

Rushton's Responsibilities

As independent auditors for Oconee County, our responsibility is to express opinions on the fair presentation of the financial statements.

Government-wide Statements

These statements provide the reader with information on the County as a whole, using the full accrual basis of accounting. Columns for the governmental activities, the business-type activities, and the component units.

Two statements:

Statement of Net Position – Pages 15 - 16

- Presents the assets, liabilities, and residual net position of the County

Statement of Activities – Page 17

- Presents the results of operations of the County

Net Position – Last 3 Fiscal Years

Fiscal Year	Net Investment			Total Net Position	Revenues Over (Under) Expenses	
	in Capital Assets	Restricted Net Position	Unrestricted Net Position			
2020	\$ 165,441,786	\$ 10,890,952	\$ 5,638,468	\$ 181,971,206	\$ 7,457,908	1
2021	168,708,135	10,276,163	11,171,906	190,156,204	8,184,998	2
2022	163,231,703	13,268,399	23,609,750	200,109,852	9,953,648	3

1 Revenues remained similar to prior year; public works and water and sewer expenses decreased

2 Similar increase as prior fiscal year; increase in property taxes, sales taxes, operating grants and contributions; increase in public works expenses

3 Increase in property taxes, sales taxes, charges for services, operating grants and contributions; decrease in public works expenses, increase in housing and development expenses

General Fund – Pages 24-25

Revenues

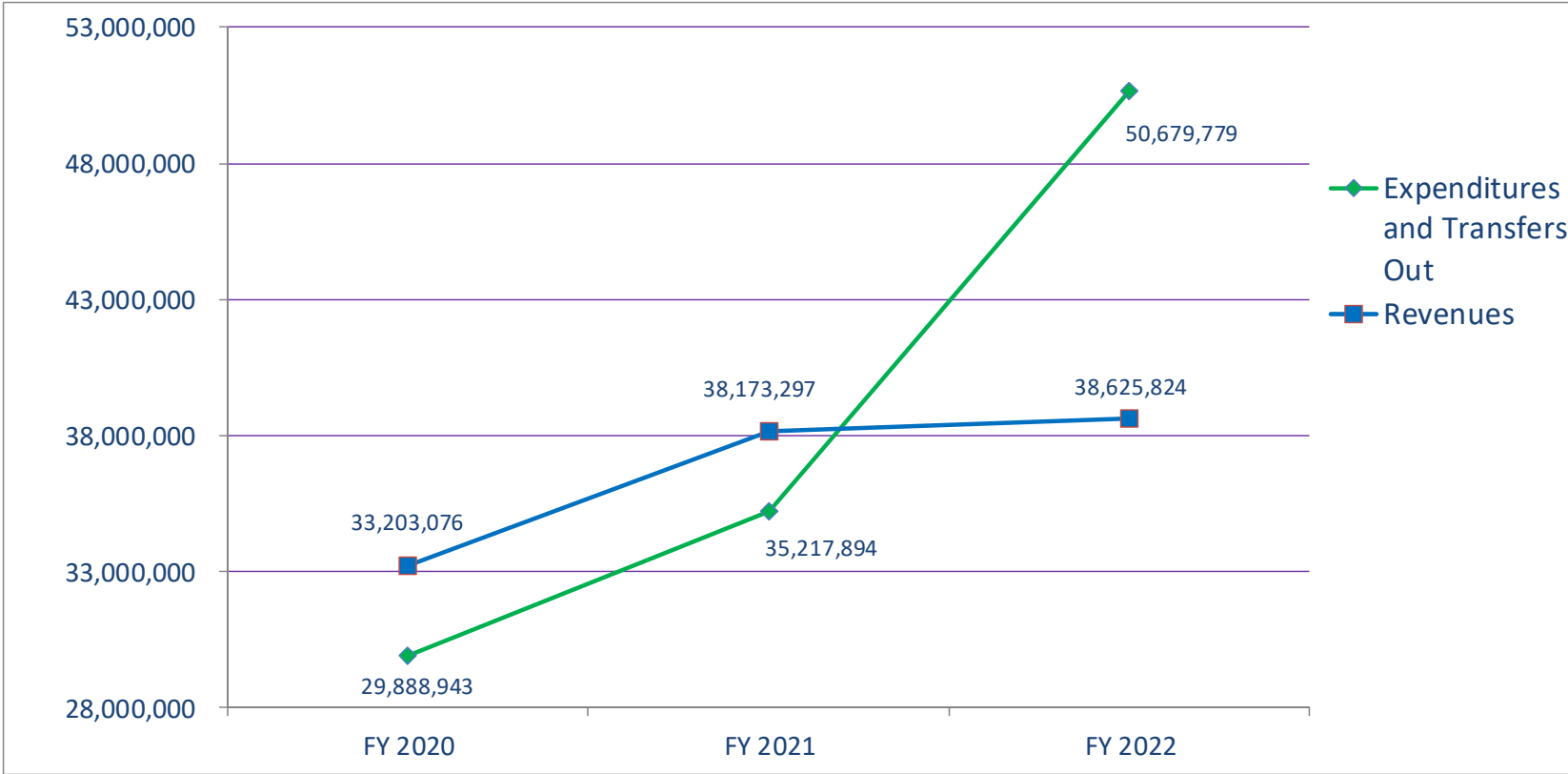
- Increased \$452,527, 1.2%
 - Property taxes increased \$1,134,685
 - Title ad valorem taxes increased \$129,229
 - Local option sales taxes increased \$658,274
 - Building permits increased \$202,722
 - Intergovernmental revenues decreased \$1,800,199 (PY CARES Act)

Expenditures

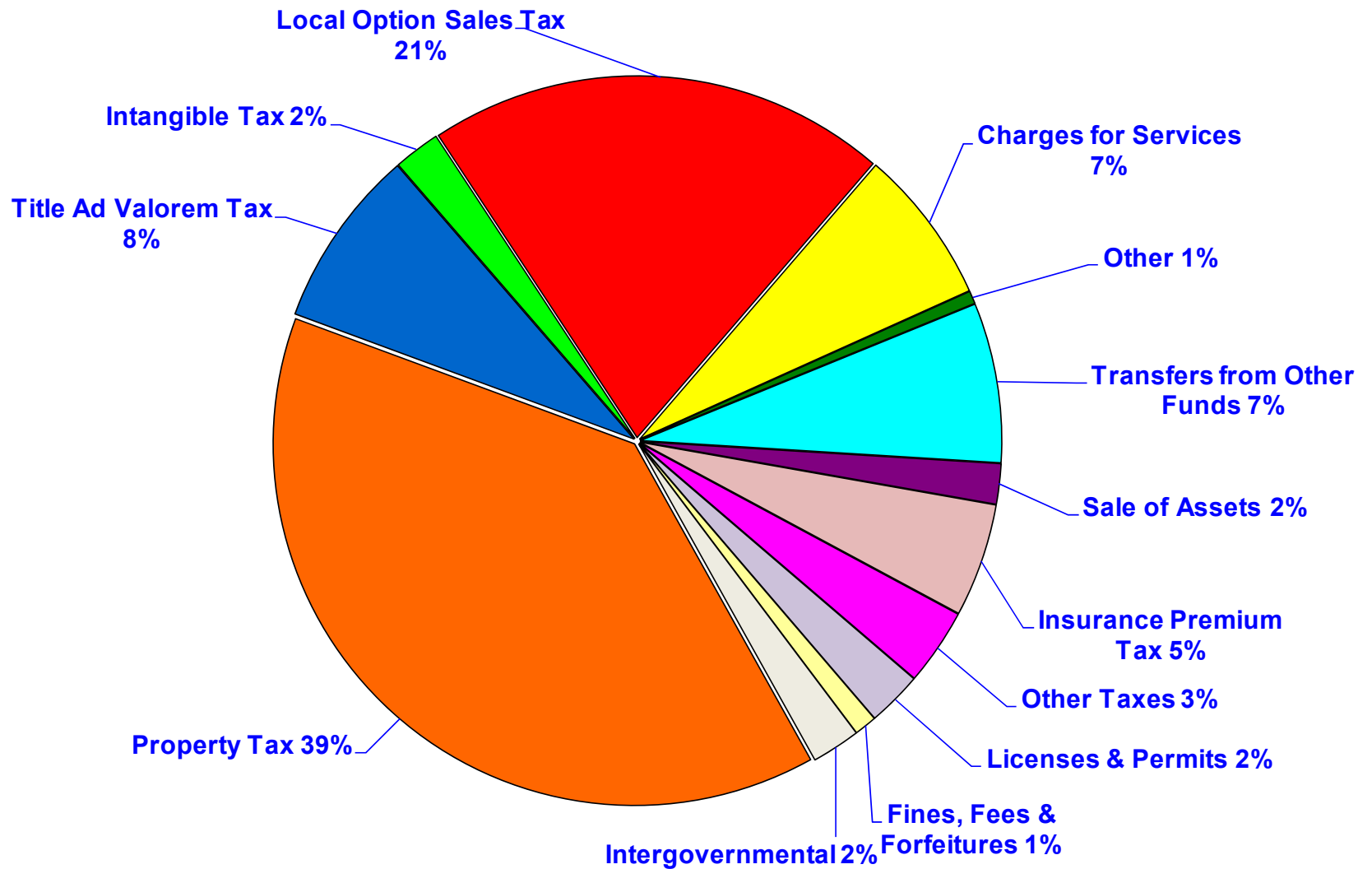
- Decreased \$1,016,071, 3.1%
 - Human resources department increased \$560,367 due to retiree retirement contributions
 - Public works department decreased \$2,396,813 due to road maintenance
 - Telecommunications department increased \$688,500 due to contract services

General Fund

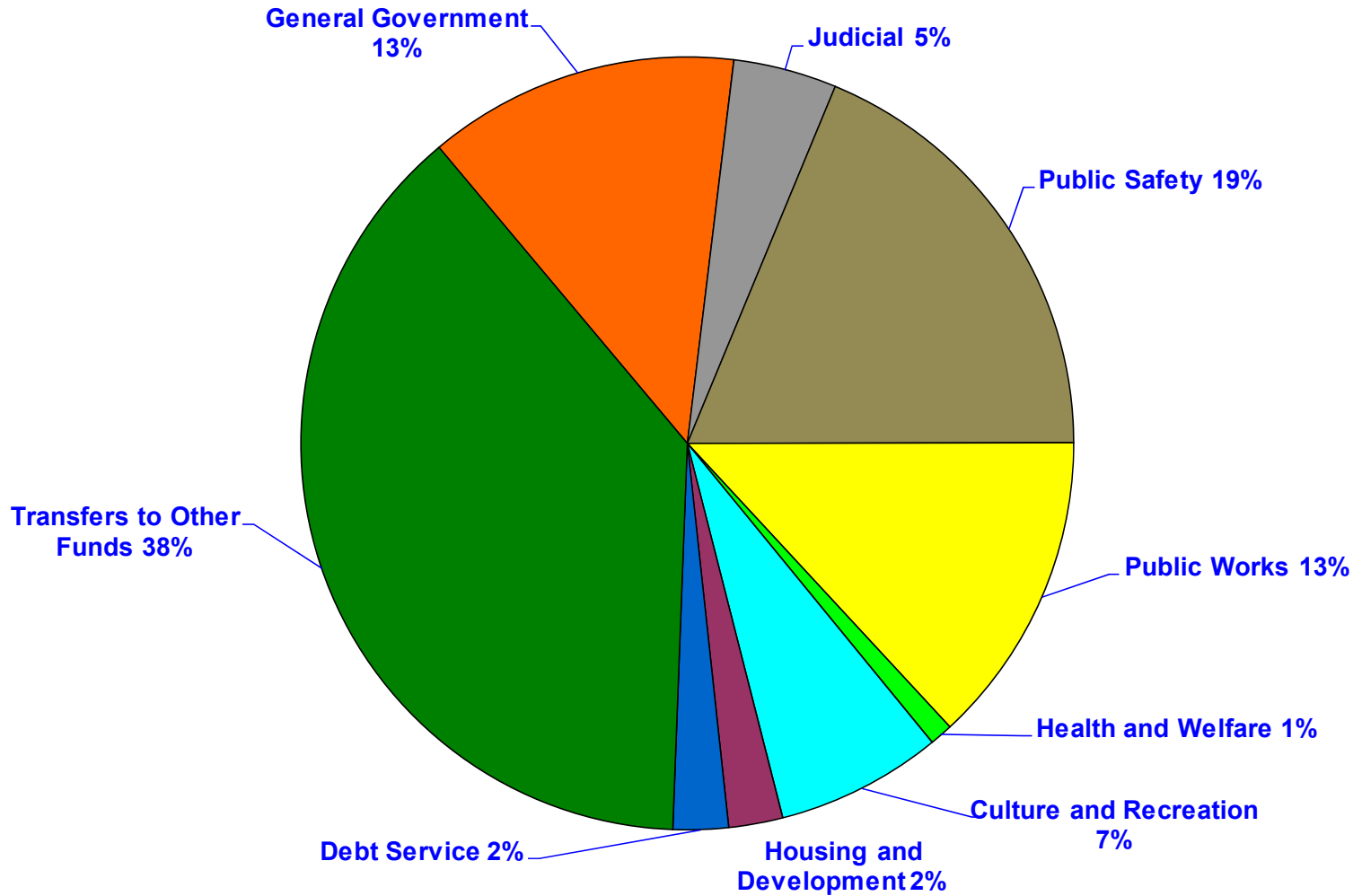
Revenues and Expenditures – Last 3 Fiscal Years



General Fund – Revenues and Other Financing Sources



General Fund – Expenditures and Other Financing Uses



Department of Water Resources Fund – Page 30

Operating Revenues

- Increased \$1,452,990, 12.9%
 - Water sales increased by \$498,344
 - Sewer sales increased by \$947,268

Operating Expenses

- Increased \$319,403, 3.7%
 - Costs of sales and services increased \$105,596
 - Personal services increased \$143,700
 - Depreciation increased \$70,107

Schedule of Projects Financed with Special Purpose Local Option Sales Tax – Pages 119-120

\$6,401,275 Expended

- \$116,070 for 2004 Referendum
- \$5,015,774 for 2015 Referendum
- \$1,269,431 for 2021 Referendum

Report on Internal Control and Other Matters – Pages 109-110

In accordance with *Government Auditing Standards*, we have issued our report on our consideration of Oconee County's internal controls and our tests of compliance.

This report describes the scope of our testing of internal control and compliance, and the results of that testing, but is not intended to provide an opinion on the internal control or compliance.

No material weaknesses and 1 significant deficiency were noted in the internal controls of Oconee County.

No instances of material noncompliance or other matters were noted.

Report on Compliance and Internal Controls over Major Programs – Pages 111-113

In accordance with the Uniform Guidance, we have issued our report on our consideration of Oconee County's compliance with requirements applicable to each major program and on internal control over compliance.

This report describes the scope of our testing of compliance requirements and internal controls over major programs, and the results of that testing. We are required to express an opinion on the County's compliance with requirements; our opinion is unmodified. This report is not intended to provide an opinion on the internal control.

No material weaknesses or significant deficiencies were noted in the internal controls of Oconee County, Georgia over the compliance requirements applicable to the major programs.

Current Reporting Changes

GASB 87

The Governmental Accounting Standards Board (GASB) has issued Statement No. 87, *Leases*. Effective for Oconee County for fiscal year ending June 30, 2022.

The statement establishes a single approach to accounting for and reporting leases for state and local governments. The statement requires governments to recognize certain lease assets and liabilities that previously were classified as operating leases.

Future Reporting Changes

GASB 96

The Governmental Accounting Standards Board (GASB) has issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. Effective for Oconee County for the fiscal year ending June 30, 2023..

The statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITA) for end-users (governments). The statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*.

Clay L. Pilgrim, CPA, CFE, CFF

cpilgrim@rushton.cpa

www.rushton.cpa

770.287.7800



RUSHTON