

ROCKDALE COUNTY, GEORGIA DECEMBER 31, 2022 AUDIT OF ANNUAL COMPREHENSIVE FINANCIAL REPORT

Presentation of Audit Results to the Board of
Commissioners



MATTERS FOR DISCUSSION

1. Overview
2. Audit Scope
3. Audit Objectives
4. Audit Responsibilities
 - BFW&Co.
 - Rockdale County, Georgia, Management
5. Auditor Reports
 - Financial Statements
 - Internal Controls and Compliance
6. Summary of Audit Results
7. Management Representation Letter

OVERVIEW

We completed the financial and compliance audit of the financial statements of **Rockdale County, Georgia** for the year ended December 31, 2022 for the benefit of reporting to “those charged with governance” (Commissioners and Executive Management). The ACFR includes:

Introductory Section

- Letter of Transmittal
- Certificate of Achievement for Excellence in Financial Reporting
- Organization Chart
- Principal County Officials

Financial Section

- Independent Auditor’s Report
- Management’s Discussion and Analysis
- Basic Financial Statements
 - Government-wide Financial Statements
 - Fund Financial Statements
 - Notes to the Financial Statements

Required Supplementary Information

- Schedule of Revenue, Expenditures and Encumbrances – Budget and Actual – General Fund, Schedule of Pension Plan Funding Progress, Schedule of Changes in Net Pension Liability, Schedule of Contributions

OVERVIEW (CONT'D)

Other Supplementary Information

- Combining Balance Sheet – Nonmajor Governmental Funds – Special Revenue Funds, Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds – Special Revenue Funds

• **Compliance Section**

- Independent Auditors Reports on Internal Control and Compliance
- Schedule of Expenditures of Federal Awards
- Notes to the Schedule of Expenditures of Federal Awards
- Schedule of Findings and Questioned Costs

Statistical Section

- Financial Trends
- Revenue Capacity
- Debt Capacity

AUDIT SCOPE

We have audited the financial statements of the **governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, the aggregate remaining fund information, and the respective budgetary comparison for the General Fund** of Rockdale County, Georgia (“the County”), as of and for the year ended December 31, 2022, and the **related notes to the financial statements**, which collectively comprise the County’s basic financial statements as listed in the table of contents.

As part of our audit, we apply certain limited procedures to Required Supplementary Information (RSI) in accordance with generally accepted auditing standards (GAAS)



AUDIT OBJECTIVES

The objective of the audit is:

- **Financial Statements** - Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions.
- **Internal Control and Compliance Related to the Financial Statements** - Perform 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.
- **Internal Control and Compliance Related to the Major Grant Programs** - Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit.

BFW & CO. RESPONSIBILITIES

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

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

**ROCKDALE
COUNTY,
GEORGIA
MANAGEMENT
RESPONSIBILITIES**

For the Financial Statements:

- Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

**ROCKDALE
COUNTY,
GEORGIA
MANAGEMENT
RESPONSIBILITIES
(CONT'D)**

For the Financial Statements:

- Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

For Compliance:

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

OVERVIEW OF INDEPENDENT AUDITOR REPORTS ISSUED

The (3) auditor's letter reports cover the following:

- 1. Report on the Financial Statements**
- 2. Internal Control over Financial Reporting and Compliance**
- 3. Compliance and Internal Control Single Audit**

OVERVIEW OF INDEPENDENT AUDITOR REPORTS ISSUED

1. Report on the Financial Statements (pages 1-4)

- Concludes whether financial statements fairly present financial position, results of operations and cash flows, in accordance with accounting principles generally accepted in the US.
- This is the **best possible opinion** and **Independent Auditor** can issue.

OVERVIEW OF INDEPENDENT AUDITOR REPORTS ISSUED

1. Report on the Financial Statements (Cont'd) (pages 1-4)

Required Supplementary Information

- MD&A
- Pension and OPEB Information
- We perform limited procedures.

We do not express an opinion on this information.

OVERVIEW OF INDEPENDENT AUDITOR REPORTS ISSUED

2. Internal Control over Financial Reporting and Compliance (pages 117 & 118)

Auditor report on internal control over financial reporting and on compliance and other matters based on audit of the financial statements performed under GAS

- **We did not identify any deficiencies** in internal control that we consider to be material weaknesses.
- Our tests disclosed **no instances of noncompliance** that are required to be reported of GAS.

OVERVIEW OF INDEPENDENT AUDITOR REPORTS ISSUED

3. Compliance and Internal Control Single Audit – (pages 119 - 121)

Auditor report on compliance for each major federal program and internal control over compliance under Uniform Guidance (Single Audit)

- The County **complied** with the compliance requires that have a direct and material effect on each of the major federal programs.
- We **did not identify** any deficiencies in internal control over compliance that we consider to be material weaknesses.

SUMMARY OF AUDIT RESULTS

Audit Results on Financial Statements

- Type Auditor's Report: Unmodified opinion
 - **No significant deficiencies** in internal control over financial reporting were identified and reported.
 - **No significant deficiencies** in internal control over financial reporting were identified that are considered to be material weaknesses.
 - **No material noncompliance** was found by the audit

SUMMARY OF AUDIT RESULTS

Audit Results on Federal Awards Programs

1. For internal control (IC) over major programs:
 - A. No significant deficiencies were identified.
 - B. No significant deficiencies that we considered to be material weaknesses were identified.
2. Our opinion on compliance is **unmodified**.
3. No questioned cost or disallowable cost was identified and reported.
4. **Major Programs (expended > \$750,000 on total of \$15,026,222 of \$ 16,908,841 or 89%.**
 - **Highway Planning and Construction**
 - **Coronavirus State and Local Fiscal Recovery Funds**
 - **Capitalization Grants for Clean Water State Revolving Funds**
5. The County is a “low-risk auditee”.
6. No financial statement findings to report.
7. No federal awards findings and questioned cost to report.

MANAGEMENT REPRESENTATION LETTER

We have requested certain representations from management that are included in the attached management representation letter.

Significant management representations:

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP.
2. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
3. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
4. We have no knowledge of any fraud or suspected fraud that affects the County.



BANKS, FINLEY,
WHITE & CO.
CERTIFIED PUBLIC ACCOUNTANTS

Q&A |