



Autauga County Commission

Autauga County, Alabama

October 1, 2023 through September 30, 2024

Filed: September 5, 2025

ALABAMA DEPARTMENT OF
EXAMINERS of Public Accounts

Rachel Laurie Riddle, *Chief Examiner* | 334-777-0500 | www.alexaminers.gov



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Honorable Rachel Laurie Riddle
Chief Examiner of Public Accounts
Montgomery, Alabama 36130

Dear Madam:

An audit was conducted on the Autauga County Commission, Autauga County, Alabama, for the period October 1, 2023 through September 30, 2024, by Examiners Caitlin Baker and Harrison Whitley. I, Caitlin Baker, served as Examiner-in-Charge on the engagement, and under the authority of the *Code of Alabama 1975*, Section 41-5A-19, I hereby swear to and submit this report to you on the results of the audit.

Respectfully submitted,

Caitlin G. Baker
Examiner of Public Accounts

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Provides basic information related to the Commission, including reports and items required by generally accepted government auditing standards and/or Title 2 U. S. <i>Code of Federal Regulations</i> Part 200, <i>Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)</i> for federal compliance audits.	
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Department of **Examiners of Public Accounts**

SUMMARY

Autauga County Commission October 1, 2023 through September 30, 2024

The Autauga County Commission (the “Commission”) is governed by a five-member body elected by the citizens of Autauga County. The members and administrative personnel in charge of governance of the Commission are listed on Exhibit 16. The Commission is the governmental agency that provides general administration, public safety, construction, and maintenance of county roads and bridges, sanitation services, and health and welfare services to the citizens of Autauga County.

This report presents the results of an audit the objectives of which were to determine whether the financial statements present fairly the financial position and results of financial operations and whether the Commission complied with applicable laws and regulations, including those applicable to its major federal financial assistance programs. The audit was conducted 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 as well as the requirements of the Department of Examiners of Public Accounts under the authority of the *Code of Alabama 1975*, Section 41-5A-12.

An unmodified opinion was issued on the financial statements, which means that the Commission’s financial statements present fairly, in all material respects, its financial position and the results of its operations for the fiscal year ended September 30, 2024.

Tests performed during the audit did not disclose any significant instances of noncompliance with applicable state and local laws and regulations.

EXIT CONFERENCE

Commission members and administrative personnel, as reflected on Exhibit 16, were invited to discuss the results of this report at an exit conference. Scott Kramer, Treasurer/Administrator was in attendance. Representing the Department of Examiners of Public Accounts were Meagan McDonald, Audit Manager; Caitlin Baker, Examiner; and Harrison Whitley, Examiner.

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Independent Auditor's Report

Independent Auditor's Report

Members of the Autauga County Commission and Treasurer/Administrator
Prattville, Alabama

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Autauga County Commission, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Autauga County Commission's basic financial statements as listed in the table of contents as Exhibits 1 through 8.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Autauga County Commission, as of September 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of 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 Autauga County Commission'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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Schedule of Changes in the Employer's Net Pension Liability, Schedule of the Employer's Contributions – Pension and the Schedules of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual (Exhibits 9 through 14), be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurances on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

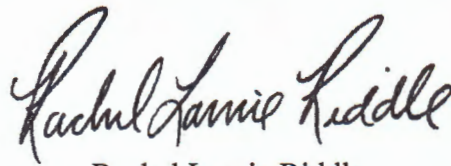
Management has omitted the Management's Discussion and Analysis (MD&A) that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Autauga County Commission's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards (Exhibit 15), as required by Title 2 U. S. *Code of Federal Regulations* Part 200, ***Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*** (*Uniform Guidance*), is presented for the purposes of additional analysis, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with ***Government Auditing Standards***, we have also issued our report dated August 19, 2025, on our consideration of the Autauga County Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Autauga County Commission'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 the Autauga County Commission's internal control over financial reporting and compliance.

A handwritten signature in black ink, reading "Rachel Laurie Riddle". The signature is fluid and cursive, with the first letters of each name being capitalized and prominent.

Rachel Laurie Riddle

Chief Examiner

Department of Examiners of Public Accounts

Montgomery, Alabama

August 19, 2025

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Basic Financial Statements

Statement of Net Position ***September 30, 2024***

	Governmental Activities
<u>Assets</u>	
Cash and Cash Equivalents	\$ 26,942,108.19
Investments	6,229,613.81
Receivables (Note 4)	1,404,712.95
Ad Valorem Taxes Receivable	7,922,340.65
Accrued Interest Receivable	62,424.00
Inventories	17,826.24
Prepaid Items	55,000.00
Capital Assets (Note 5):	
Nondepreciable	2,493,920.26
Depreciable, Net	21,468,113.83
Total Assets	<u>66,596,059.93</u>
<u>Deferred Outflows of Resources</u>	
Employer Pension Contribution	575,094.92
Proportionate Share of Collective Deferred Outflows Related to Defined Benefit Pension Plans	<u>1,514,576.00</u>
Total Deferred Outflows of Resources	<u>2,089,670.92</u>
<u>Liabilities</u>	
Accounts Payable	724,007.63
Unearned Revenue	3,359,500.69
Accrued Wages Payable	415,599.02
Accrued Interest Payable	72,041.80
Long-Term Liabilities (Note 7):	
Portion Due Within One Year:	
Notes from Direct Borrowing	195,305.56
Compensated Absences	47,110.68
Warrants Payable	920,882.63
Portion Due After One Year:	
Notes from Direct Borrowing	1,240,141.20
Compensated Absences	423,996.09
Warrants Payable	4,338,014.12
Net Pension Liability	7,293,073.00
Total Liabilities	<u>\$ 19,029,672.42</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

	Governmental Activities
<hr/>	
<u>Deferred Inflows of Resources</u>	
Unavailable Revenue - Property Tax	\$ 7,803,660.94
Revenue Received in Advance - Motor Vehicle Taxes	442,586.13
Proportionate Share of Collective Deferred Inflows Related to Defined Benefit Pension Plans	151,225.00
Total Deferred Inflows of Resources	<u>8,397,472.07</u>
 <u>Net Position</u>	
Net Investment in Capital Assets	17,267,690.58
Restricted for:	
Road Projects	10,600,477.79
Other Purposes	592,309.40
Unrestricted	<u>12,798,108.59</u>
Total Net Position	<u>\$ 41,258,586.36</u>

Statement of Activities
For the Year Ended September 30, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
					Total Governmental Activities
Governmental Activities					
General Government	\$ 11,668,012.45	\$ 3,011,555.54	\$ 6,660,122.39	\$	\$ (1,996,334.52)
Public Safety	10,553,231.77	356,357.57	924,234.58	91,500.00	(9,181,139.62)
Highways and Roads	5,047,446.11	2,730.17	4,578,100.68		(466,615.26)
Health	145,139.94		5,033.04		(140,106.90)
Welfare	999,215.41		1,407,415.28		408,199.87
Culture and Recreation	486,357.53		1,960.00		(484,397.53)
Education	47,000.00				(47,000.00)
Interest and Fiscal Charges	210,918.19				(210,918.19)
Total Governmental Activities	\$ 29,157,321.40	\$ 3,370,643.28	\$ 13,576,865.97	\$ 91,500.00	(12,118,312.15)
General Revenues:					
Taxes:					
Property Taxes for General Purposes					7,584,010.31
Property Taxes for Specific Purposes					929,098.85
General Sales Tax					3,773,079.97
Other County Sales and Use Taxes					
Miscellaneous Taxes					616,894.73
Grants and Contributions Not Restricted for Specific Programs					2,112,175.56
Investment Earnings					799,431.76
Gain on Disposition of Capital Assets					254,132.81
Miscellaneous					365,294.13
Total General Revenues					16,434,118.12
Changes in Net Position					4,315,805.97
Net Position - Beginning of Year					36,942,780.39
Net Position - End of Year					\$ 41,258,586.36

The accompanying Notes to the Financial Statements are an integral part of this statement.

Balance Sheet
Governmental Funds
September 30, 2024

	General Fund	Gasoline Tax Fund	Reappraisal Fund	Revenue Replacement Fund	Other Governmental Funds	Total Governmental Funds
<u>Assets</u>						
Cash and Cash Equivalents	\$ 13,361,467.96	\$ 462,111.28	\$ 83,974.64	\$ 2,952,724.32	\$ 10,081,829.99	\$ 26,942,108.19
Investments	5,634,704.51				594,909.30	6,229,613.81
Receivables (Note 4)	875,338.93	211,772.09		54,665.78	262,936.15	1,404,712.95
Ad Valorem Taxes Receivable	6,943,074.69		979,265.96			7,922,340.65
Due from Other Funds	50.00					50.00
Inventories	3,042.21	14,784.03				17,826.24
Prepaid Items			55,000.00			55,000.00
Total Assets	26,817,678.30	688,667.40	1,118,240.60	3,007,390.10	10,939,675.44	42,571,651.84
<u>Liabilities, Deferred Inflows of Resources and Fund Balances</u>						
<u>Liabilities</u>						
Payables	396,027.02	244,873.57	1,422.00		81,134.58	723,457.17
Due to Other Funds					50.00	50.00
Unearned Revenues			110,867.96	2,703,791.78	544,840.95	3,359,500.69
Accrued Wages Payable	321,651.83	67,262.51	26,684.68			415,599.02
Other Liabilities	550.46					550.46
Total Liabilities	718,229.31	312,136.08	138,974.64	2,703,791.78	626,025.53	4,499,157.34
<u>Deferred Inflows of Resources</u>						
Unavailable Revenue - Property Taxes	6,824,394.98		979,265.96			7,803,660.94
Revenue Received in Advance - Motor Vehicle Taxes	442,586.13					442,586.13
Total Deferred Inflows of Resources	7,266,981.11		979,265.96			8,246,247.07
<u>Fund Balances</u>						
Nonspendable:						
Inventories	3,042.21	23,257.56				26,299.77
Restricted for:						
Highways, Roads and Bridges		353,273.76			10,223,946.47	10,577,220.23
Other Purposes	199,007.64			303,598.32	89,703.44	592,309.40
Unassigned	18,630,418.03					18,630,418.03
Total Fund Balances	18,832,467.88	376,531.32		303,598.32	10,313,649.91	29,826,247.43
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 26,817,678.30	\$ 688,667.40	\$ 1,118,240.60	\$ 3,007,390.10	\$ 10,939,675.44	\$ 42,571,651.84

The accompanying Notes to the Financial Statements are an integral part of this statement.

***Reconciliation of the Balance Sheet of Governmental Funds to the
Statement of Net Position
September 30, 2024***

Total Fund Balances - Governmental Funds (Exhibit 3) \$ 29,826,247.43

Amounts reported for governmental activities in the Statement of Net Position (Exhibit 1)
are different because:

Capital assets used in governmental activities are not financial resources and, therefore,
are not reported as assets in the governmental funds. 23,962,034.09

Accrued interest receivable is not available soon enough to pay for the current period's
expenditures and, therefore, is not shown in the governmental funds. 62,424.00

Deferred outflows and inflows of resources related to the pension plan are applicable to
future periods and, therefore, are not reported in the governmental funds. 1,938,445.92

Certain liabilities are not due and payable in the current period and, therefore, are not
reported as liabilities in the governmental funds. These liabilities at year-end consist of:

	Amounts Due or Payable Within One Year	Amounts Due or Payable After One Year	
Accrued Interest Payable	\$ 72,041.80	\$	
Notes from Direct Borrowing	195,305.56	1,240,141.20	
Compensated Absences	47,110.68	423,996.09	
Warrants Payable	920,882.63	4,338,014.12	
Net Pension Liability		7,293,073.00	
Total Long-Term Liabilities	\$ 1,235,340.67	\$ 13,295,224.41	(14,530,565.08)

Total Net Position - Governmental Activities (Exhibit 1) \$ 41,258,586.36

The accompanying Notes to the Financial Statements are an integral part of this statement.

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2024

	General Fund	Gasoline Tax Fund	Reappraisal Fund	Revenue Replacement Fund	Other Governmental Funds	Total Governmental Funds
Revenues						
Taxes	\$ 11,973,985.01	\$	\$ 929,098.85	\$	\$	\$ 12,903,083.86
Licenses and Permits	14,806.50					14,806.50
Intergovernmental	5,160,545.03	1,323,915.70		5,923,902.15	3,795,499.72	16,203,862.60
Charges for Services	1,777,683.47	2,730.17			4,598.00	1,785,011.64
Miscellaneous	1,775,264.06	48,355.09		161,504.98	55,926.57	2,041,050.70
Total Revenues	20,702,284.07	1,375,000.96	929,098.85	6,085,407.13	3,856,024.29	32,947,815.30
Expenditures						
Current:						
General Government	4,993,517.65		841,599.80	4,981,963.28	16,403.25	10,833,483.98
Public Safety	9,597,440.38			52,798.05	20,841.36	9,671,079.79
Highways and Roads	1,491.88	1,495,229.40			2,498,263.46	3,994,984.74
Health	145,139.94					145,139.94
Welfare	824,798.45					824,798.45
Culture and Recreation	457,292.56					457,292.56
Education	47,000.00					47,000.00
Capital Outlay	1,585,384.82	581,103.02	87,499.05	834,475.04	114,000.00	3,202,461.93
Debt Service:						
Principal Retirement	242,963.93				845,000.00	1,087,963.93
Interest and Fiscal Charges	60,091.10				155,858.76	215,949.86
Total Expenditures	17,955,120.71	2,076,332.42	929,098.85	5,869,236.37	3,650,366.83	30,480,155.18
Excess (Deficiency) of Revenues Over Expenditures	2,747,163.36	(701,331.46)		216,170.76	205,657.46	2,467,660.12
Other Financing Sources (Uses)						
Transfers In		200,000.00			1,000,858.76	1,200,858.76
Proceeds from Sale of Capital Assets	37,989.25	458,438.85				496,428.10
Transfers Out	(865,875.00)				(334,983.76)	(1,200,858.76)
Total Other Financing Sources (Uses)	(827,885.75)	658,438.85			665,875.00	496,428.10
Net Changes in Fund Balances	1,919,277.61	(42,892.61)		216,170.76	871,532.46	2,964,088.22
Fund Balances - Beginning of Year	16,913,190.27	419,423.93		87,427.56	9,442,117.45	26,862,159.21
Fund Balances - End of Year	\$ 18,832,467.88	\$ 376,531.32	\$	\$ 303,598.32	\$ 10,313,649.91	\$ 29,826,247.43

The accompanying Notes to the Financial Statements are an integral part of this statement.

***Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended September 30, 2024***

Net Changes in Fund Balances - Total Governmental Funds (Exhibit 5) \$ 2,964,088.22

Amounts reported for governmental activities in the Statement of Activities (Exhibit 2)
are different because:

Governmental funds report capital outlay as an expenditure. However, in the
Statement of Activities, the cost of these assets is allocated over their estimated
useful lives as depreciation expense. This is the amount by which capital outlay
differs from depreciation expense in the current period.

Capital Outlay	\$ 3,202,461.93	
Depreciation	<u>(1,988,765.77)</u>	1,213,696.16

In the Statement of Activities, only the gain or loss on the sale of capital assets is
reported, whereas in the governmental funds, the proceeds from the sale increase
financial resources. Thus, the changes in net position differs from the change in fund
balance by the book value of the capital assets sold.

Proceeds from the Sale of Capital Assets	\$ (496,428.10)	
Gain/(Loss) on the Sale of Capital Assets	<u>254,132.81</u>	(242,295.29)

Repayment of debt principal is an expenditure in the governmental funds, but the
repayment reduces long-term liabilities in the Statement of Net Position. 1,087,963.93

Some items reported in the Statement of Activities do not require the use of current
financial resource and, therefore, are not reported as expenditures in the
governmental funds. These items consist of:

Net Change in Accrued Interest Payable	\$ 5,031.67	
Net Change in Compensated Absences	(22,552.70)	
Net Change in Pension Expense	<u>(961,305.28)</u>	(978,826.31)

Revenues in the Statement of Activities that do not provide current financial resources are
not reported as revenues in the funds:

Accrued Interest Receivable, Current Year Increase/(Decrease)	\$ (35,624.24)	
Donated Assets	<u>306,803.50</u>	
		<u>271,179.26</u>

Change in Net Position of Governmental Activities (Exhibit 2)	<u><u>\$ 4,315,805.97</u></u>
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The accompanying Notes to the Financial Statements are an integral part of this statement.

Statement of Fiduciary Net Position
September 30, 2024

	Private-Purpose Trust Funds	Custodial Funds
<hr/>		
<u>Assets</u>		
Cash and Cash Equivalents	\$ 418,618.94	\$ 72,053.78
Receivables (Note 4)		17,283.17
Total Assets	<hr/> 418,618.94	<hr/> 89,336.95
<u>Liabilities</u>		
Accounts Payable		29,901.39
Total Liabilities		<hr/> 29,901.39
<u>Net Position</u>		
Held for Individuals, Organizations and Other Governments	<hr/> \$ 418,618.94	<hr/> \$ 59,435.56

The accompanying Notes to the Financial Statements are an integral part of this statement.

Statement of Changes in Fiduciary Net Position
For the Year Ended September 30, 2024

	Private-Purpose Trust Funds	Custodial Funds
<u>Additions</u>		
Contributions from:		
Probate Judge Fiduciary Funds	\$ 1,088.17	\$
Revenue Commissioner		26,576,579.48
Miscellaneous		6,141.47
Total Additions	<u>1,088.17</u>	<u>26,582,720.95</u>
<u>Deductions</u>		
Land Redemptions		
Payments to Beneficiaries	26,469.03	
Payments to Other Governments		26,576,579.48
Total Deductions	<u>26,469.03</u>	<u>26,576,579.48</u>
Changes in Net Position	(25,380.86)	6,141.47
Net Position - Beginning of Year	<u>443,999.80</u>	<u>53,294.09</u>
Net Position - End of Year	<u>\$ 418,618.94</u>	<u>\$ 59,435.56</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

Notes to the Financial Statements

For the Year Ended September 30, 2024

Note 1 – Summary of Significant Accounting Policies

The financial statements of the Autauga County Commission (the “Commission”) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government’s accounting policies are described below.

A. Reporting Entity

The Autauga County Commission is a general purpose local government governed by separately elected commissioners. Generally accepted accounting principles (GAAP) require that the financial statements present the Commission (the primary government) and its component units. Component units are legally separate entities for which a primary government is financially accountable or other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete.

Based on the application of the above criteria, there are no component units that should be included as part of the financial reporting entity of the Commission.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the Commission. These statements include the financial activities of the primary government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Commission’s governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. The Commission does not allocate indirect expenses to the various functions. Program revenues include (a) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or program and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Notes to the Financial Statements

For the Year Ended September 30, 2024

Fund Financial Statements

The fund financial statements provide information about the Commission's funds, including fiduciary funds. Separate statements for each fund category – governmental and fiduciary – are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds in the Other Governmental Funds' column.

The Commission reports the following major governmental funds:

- ◆ **General Fund** – The General Fund is the primary operating fund of the Commission. It is used to account for all financial resources except those required to be accounted for in another fund. The Commission primarily received revenues from collections of property taxes and revenues collected by the State of Alabama and shared with the Commission. The fund is also used to report the expenditure of special county property taxes for building and maintaining public buildings, roads and bridges.
- ◆ **Gasoline Tax Fund** – This fund is used to account for the expenditures of gasoline taxes for the activities of the public works/highway department as related to maintenance, development, and resurfacing of roads, bridges, and rights-of-way.
- ◆ **Reappraisal Fund** – This fund is to account for the expenditures of property taxes related to the county's reappraisal program.
- ◆ **Revenue Replacement Fund** – This fund is used to account for the expenditures of federal monies received from the American Rescue Plan Act that was passed by Congress in March of 2021.

The Commission reports the following governmental fund types in the Other Governmental Funds' column:

Governmental Fund Types

- ◆ **Special Revenue Funds** – These funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.
- ◆ **Debt Service Funds** – These funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest and for the accumulation of resources for principal and interest payments maturing in future years.

Notes to the Financial Statements

For the Year Ended September 30, 2024

- ◆ **Capital Projects Funds** – These funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlay, including the acquisition or construction of capital facilities and other capital assets.

The Commission reports the following fiduciary fund types:

Fiduciary Fund Types

- ◆ **Private-Purpose Trust Funds** – These funds are used to account for all fiduciary activities that are not required to be reported in pension and other employee benefit trust funds or investments trust funds and are held in a trust that meets the criteria in GASB 84.
- ◆ **Custodial Funds** – These funds are used to account for fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds.

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

The government-wide financial statements are reported using the 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 at the time liabilities are incurred, regardless of the timing of related cash flows. Nonexchange transactions, in which the Commission gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied.

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both 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 Commission considers revenues to be available if they are collected within sixty (60) days of the end of the current fiscal year. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. General long-term debt issued and acquisitions under capital leases are reported as other financing sources.

Notes to the Financial Statements

For the Year Ended September 30, 2024

Under the terms of grant agreements, the Commission funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position available to finance the program. It is the Commission's policy to first apply cost-reimbursement grant resources to such programs, followed by general revenues.

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position/Fund Balances

1. Deposits and Investments

Cash and cash equivalents include cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. State statutes authorize the Commission to invest in obligations of the U. S. Treasury and securities of federal agencies and certificates of deposit. Investments consist entirely of certificates of deposit and are reported at cost.

2. Receivables

All sales tax receivables are based on the amounts collected within 60 days after year-end. Sales tax receivables consist of taxes that have been paid by consumers in September. This tax is normally remitted to the Commission within the next 60 days.

Millage rates for property taxes are levied by the Commission. Property is assessed for taxation as of October 1 of the preceding year based on the millage rates established by the County Commission. Property taxes are due and payable the following October 1 and are delinquent after December 31. Amounts receivable, net of estimated refunds and estimated uncollectible amounts, are recorded for the property taxes levied in the current year. However, since the amounts are not available to fund current year operations, the revenue is deferred and recognized in the subsequent fiscal year when the taxes are both due and collectible and available to fund operations. Property tax revenue deferred is reported as a deferred inflow of resources.

Receivables due from other governments include amounts due from grantors for grants issued for specific programs and capital projects.

Notes to the Financial Statements

For the Year Ended September 30, 2024

3. Inventories

Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

4. Prepaid Items

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

5. Capital Assets

Capital assets, which include property, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the government-wide financial statements. Such assets are valued at their original historical cost-plus ancillary charges such as transportation, installation, and site preparation costs. Donated capital assets are valued at their acquisition value at the acquisition date. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Major outlays of capital assets and improvements are capitalized as projects are constructed.

Depreciation on all assets is provided on the straight-line basis over the assets estimated useful life. Capitalization thresholds (the dollar values above which asset acquisitions are added to the capital asset accounts) and estimated useful lives of capital assets reported in the government-wide statements are as follows:

	Capitalization Threshold	Estimated Useful Life
Land Improvements – Exhaustible	\$ 50,000	20 years
Infrastructure	\$100,000	25 – 40 years
Buildings and Improvements	\$ 50,000	20 – 50 years
Equipment and Furniture	\$ 5,000	5 – 10 years
Roads	\$250,000	20 – 50 years
Bridges	\$ 50,000	40 – 50 years

Notes to the Financial Statements

For the Year Ended September 30, 2024

The majority of governmental activities infrastructure assets are roads and bridges. The Association of County Engineers has determined that due to the climate and materials used in road construction, the base of the roads in the county will not deteriorate and therefore should not be depreciated. The remaining part of the roads, the surface, will deteriorate and will be depreciated. The entire costs of bridges in the county will be depreciated.

6. Deferred Outflows of Resources

Deferred outflows of resources are reported in the Statement of Net Position. Deferred outflows of resources are defined as a consumption of net position by the government that is applicable to a future reporting period. Deferred outflows of resources increase net position, similar to assets.

7. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities Statement of Net Position. In the fund financial statements, governmental fund types report the face amount of debt issued as other financing sources.

8. Compensated Absences

The Commission has a standard leave policy for its full-time employees as to sick and annual leave.

Annual Leave

Employees are entitled to be paid time off for vacation each year. Vacation leave is paid according to hours accumulated per pay period. After the first year of employment, regular full-time employees earn one week or 40 hours of vacation time per year. After the second year, vacation leave is increased to two weeks per year. After ten years of employment, the employee earns three weeks of vacation leave per year. After twenty years, the employee earns four weeks of vacation leave per year.

Employees are encouraged to take vacations annually but can carry over accumulated vacation leave. Reasonable accumulation is allowed, but accumulated hours are not to exceed 200 hours. Unused vacation leave is paid at termination or retirement at the current rate of salary.

Notes to the Financial Statements

For the Year Ended September 30, 2024

Sick Leave

Sick leave accrues at 4 hours per paycheck for regular full-time employees. An employee may use sick leave as it is accumulated. Employees may accumulate up to 720 hours of sick leave (90 working days). At that point, sick leave no longer accrues, until the balance of hours drops below the 720-hour maximum. Employees who have exhausted sick pay must take unpaid time from work, when authorized, and may request vacation or use other paid leave time they have accrued. Employees leaving Autauga County employment are not compensated for any accrued sick leave, unless they retire and draw a state retirement. In this case, they are compensated for half of their accrued hours.

The Commission uses the termination method to accrue its sick leave liability. Under this method an accrual for earned sick leave is made only to the extent it is probable that the benefits will result in termination payments, rather than be taken as absences due to illness or other contingencies, such as medical appointments and funerals.

Compensatory Leave

Compensatory leave is only provided as an option to Alabama Post Certified Law Enforcement Officers as to comply with state law and no other employee is eligible, but receives overtime pay. Eligible employees accruing compensatory leave, accrue time for hours worked in excess of 86 hours per 14-day period or in excess of 40 per 7-day work period at one and one-half times the regular hours. Employees may accrue and carry forward hours in excess of 40 hours at the discretion of the employee's supervisor. The Commission's compensatory leave year runs from July 1 to June 30 and employees must comply with the compensatory leave time policy.

9. Deferred Inflows of Resources

Deferred inflows of resources are reported in the government-wide and fund financial statements. Deferred inflows of resources are defined as an acquisition of net position/fund balances by the government that is applicable to a future reporting period. Deferred inflows of resources decrease net position/fund balances, similar to liabilities.

Notes to the Financial Statements

For the Year Ended September 30, 2024

10. Net Position/Fund Balances

Net position is reported on the government-wide financial statements and is required to be classified for accounting and reporting purposes into the following net position categories:

- ◆ **Net Investment in Capital Assets** – Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources attributable to acquisition, construction and improvement of those assets should also be included in this component. Any significant unspent related debt proceeds, or deferred inflows of resources attributable to the unspent amount at year-end related to capital assets are not included in this calculation. Debt proceeds or deferred inflows of resources at the end of the reporting period should be included in the same net position amount (restricted, unrestricted) as the unspent amount.
- ◆ **Restricted** – Constraints imposed on net position by external creditors, grantors, contributors, laws or regulations of other governments, or law through constitutional provision or enabling legislation.
- ◆ **Unrestricted** – The assets, deferred outflows of resources, liabilities and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted components of net position. Unrestricted net position is not subject to externally imposed stipulations. Unrestricted net position may be designated for specific purposes by action of the Commission.

Fund balance is reported in governmental funds in the fund financial statements under the following five categories:

- A. Nonspendable fund balances include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Examples of nonspendable fund balance reserves for which fund balance shall not be available for financing general operating expenditures include inventories, prepaid items, and long-term receivables.
- B. Restricted fund balances consist of amounts that are subject to externally enforceable legal restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments; or through constitutional provisions or enabling legislation.
- C. Committed fund balances consist of amounts that are subject to a specific purpose imposed by formal action or resolution of the Commission, which is the highest level of decision-making authority, before the end of the fiscal year and that require the same level of formal action to remove or modify the constraint.

Notes to the Financial Statements

For the Year Ended September 30, 2024

- D. Assigned fund balances consist of amounts that are intended to be used by the Commission for specific purposes. The Commission authorized the County Administrator to make a determination of the assigned amounts of fund balance. Such assignments may not exceed the available (spendable, unrestricted, uncommitted) fund balance in any particular fund. Assigned fund balances require the same level of authority to remove the constraint.
- E. Unassigned fund balances include all spendable amounts not contained in the other classifications. This portion of the total fund balance in the General Fund is available to finance operating expenditures.

In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended is as follows: restricted fund balance, followed by committed fund balance, assigned fund balance, and lastly, unassigned fund balance.

E. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, the Employees' Retirement System of Alabama (the "Plan") financial statements are prepared using the economic resources measurement focus and accrual basis of accounting. Contributions are recognized as revenues when earned, pursuant to the Plan requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. Expenses are recognized when the corresponding liability is incurred, regardless of when the payment is made. Investments are reported at fair value. Financial statements are prepared in accordance with the requirements of the Governmental Accounting Standards Board (GASB). Under these requirements, the Plan is considered a component unit of the State of Alabama and is included in the State's Annual Comprehensive Financial Report.

Note 2 – Stewardship, Compliance, and Accountability

Budgets

Annual budgets are adopted on a basis of accounting consistent with accounting principles generally accepted in the United States of America (GAAP) for all governmental funds except capital projects funds, which adopt project-length budgets. All appropriations lapse at fiscal year-end.

Notes to the Financial Statements

For the Year Ended September 30, 2024

The present statutory basis for county budgeting operations is the County Financial Control Act of 1935, as amended by Act Number 2007-488, Acts of Alabama. According to the terms of the law, at some meeting in September of each year, but in any event not later than October 1, the Commission must estimate the anticipated revenues, estimated expenditures and appropriations for the respective amounts that are to be used for each of such purposes. The appropriations must not exceed the total revenues available for appropriation plus any balances on hand. Expenditures may not legally exceed appropriations.

Budgets may be adjusted during the fiscal year when approved by the County Commission. Any changes must be within the revenues and reserves estimated to be available.

Note 3 – Deposits and Investments

The custodial credit risk for deposits is the risk that, in the event of a bank failure, the Commission will not be able to cover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The Commission's deposits at year-end were entirely covered by federal depository insurance or by the Security for Alabama Funds Enhancement Program (SAFE Program). The SAFE Program was established by the Alabama Legislature and is governed by the provisions contained in the *Code of Alabama 1975*, Sections 41-14A-1 through 41-14A-14. Under the SAFE Program all public funds are protected through a collateral pool administered by the Alabama State Treasurer's Office. Under this program, financial institutions holding deposits of public funds must pledge securities as collateral against those deposits. In the event of failure of a financial institution, securities pledged by that financial institution would be liquidated by the State Treasurer to replace the public deposits not covered by the Federal Deposit Insurance Corporation (FDIC). If the securities pledged fail to produce adequate funds, every institution participating in the pool would share the liability for the remaining balance. All of the Commission's investments were in certificates of deposit. These certificates of deposit are classified as "Deposits" in order to determine insurance and collateralization. However, they are classified as "Investments" on the financial statements.

Notes to the Financial Statements

For the Year Ended September 30, 2024

Note 4 – Receivables

On September 30, 2024, receivables for the Commission’s individual major funds and other governmental funds and fiduciary funds in the aggregate, are as follows:

	Accounts	Intergovernmental	Total Receivables
<u>Governmental Funds:</u>			
General Fund	\$ 848,063.93	\$ 27,275.00	\$ 875,338.93
Gasoline Tax Fund	103,298.20	108,473.89	211,772.09
Revenue Replacement Fund	54,665.78		54,665.78
Other Governmental Funds	15,413.68	247,522.47	262,936.15
Total Governmental Funds	<u>1,021,441.59</u>	<u>383,271.36</u>	<u>1,404,712.95</u>
<u>Fiduciary Funds:</u>			
Custodial Funds	17,283.17		17,283.17
Total Fiduciary Funds	<u>\$ 17,283.17</u>	<u>\$</u>	<u>\$ 17,283.17</u>

Governmental funds report unearned revenues in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At September 30, 2024, unearned revenues reported in the governmental funds were as follows:

	Unearned
Unexpended ARPA Revenue Reduction Funds	\$2,703,791.78
Unexpended American Rescue Plan Act Fund	488,182.30
Unexpended LATCF Funds	56,658.65
Unexpended Reappraisal Funds	110,867.96
Total Unearned Revenue for Governmental Funds	<u>\$3,359,500.69</u>

Notes to the Financial Statements

For the Year Ended September 30, 2024

Note 5 – Capital Assets

Capital asset activity for the year ended September 30, 2024, was as follows:

	Balance 10/01/2023	Additions	Retirements	Balance 09/30/2024
<u>Governmental Activities:</u>				
Capital Assets, Not Being Depreciated:				
Land	\$ 563,853.66	\$ 53,450.04	\$	\$ 617,303.70
Infrastructure in Progress	1,712,028.44		(901,135.43)	810,893.01
Construction in Progress	139,748.51	925,975.04		1,065,723.55
Total Capital Assets, Not Being Depreciated	2,415,630.61	979,425.08	(901,135.43)	2,493,920.26
Capital Assets Being Depreciated:				
Land Improvements – Exhaustible	102,491.11			102,491.11
Infrastructure	11,249,105.65	901,135.43		12,150,241.08
Buildings and Improvements	22,850,776.19	22,500.00		22,873,276.19
Equipment and Furniture	11,052,435.76	2,507,340.35	(582,896.39)	12,976,879.72
Total Capital Assets Being Depreciated	45,254,808.71	3,430,975.78	(582,896.39)	48,102,888.10
Less Accumulated Depreciation for:				
Land Improvements – Exhaustible	(68,033.91)	(5,138.59)		(73,172.50)
Infrastructure	(6,185,429.71)	(421,439.98)		(6,606,869.69)
Buildings and Improvements	(12,321,209.79)	(539,872.76)		(12,861,082.55)
Equipment and Furniture	(6,411,936.19)	(1,022,314.44)	340,601.10	(7,093,649.53)
Total Accumulated Depreciation	(24,986,609.60)	(1,988,765.77)	340,601.10	(26,634,774.27)
Total Capital Assets Being Depreciated, Net	20,268,199.11	1,442,210.01	(242,295.29)	21,468,113.83
Total Governmental Activities Capital Assets Net	\$ 22,683,829.72	\$ 2,421,635.09	\$(1,143,430.72)	\$ 23,962,034.09

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

	Depreciation Expense
<u>Governmental Activities:</u>	
General Government	\$ 585,790.50
Public Safety	399,322.07
Highways and Roads	877,242.32
Welfare	118,299.48
Culture and Recreation	8,111.40
Total Depreciation Expense – Governmental Activities	<u>\$1,988,765.77</u>

Notes to the Financial Statements

For the Year Ended September 30, 2024

Note 6 – Defined Benefit Pension Plan

A. General Information about the Pension Plan

Plan Description

The Employees' Retirement System of Alabama (ERS), an agent multiple-employer public employee retirement plan (the "Plan"), was established October 1, 1945, pursuant to Act Number 515, Acts of Alabama 1945. The purpose of the ERS is to provide retirement allowances and other specified benefits for state employees, State Police, and on an elective basis, to all cities, counties, towns and quasi-public organizations. The responsibility for the general administration and operation of ERS is vested in its Board of Control which consists of 15 trustees. Act Number 2021-390, Acts of Alabama, created two additional representatives to the ERS Board of Control effective October 1, 2021. The Plan is administered by the Retirement Systems of Alabama (RSA). The ***Code of Alabama 1975***, Section 36-27-2, grants the authority to establish and amend the benefit terms to the ERS Board of Control. The Plan issues a publicly available financial report that can be obtained at www.rsa-al.gov.

The ERS Board of Control consists of 15 trustees as follows:

- 1) The Governor, ex officio.
- 2) The State Treasurer, ex officio.
- 3) The State Personnel Director, ex officio.
- 4) The State Director of Finance, ex officio.
- 5) Three vested members of ERS appointed by the Governor for a term of four years, no two of whom are from the same department of state government nor from any department of which an ex officio trustee is the head.
- 6) Eight members of ERS who are elected by members from the same category of ERS for a term of four years as follows:
 - a. Two retired members with one from the ranks of retired state employees and one from the ranks of retired employees of a city, county, or a public agency, each of whom is an active beneficiary of ERS.
 - b. Two vested active state employees.
 - c. One vested active employee of a participating municipality or city in ERS pursuant to the ***Code of Alabama 1975***, Section 36-27-6.
 - d. One vested active employee of a participating county in ERS pursuant to the ***Code of Alabama 1975***, Section 36-27-6.
 - e. One vested active employee or retiree of a participating employer in ERS pursuant to the ***Code of Alabama 1975***, Section 36-27-6.
 - f. One vested active employee of a participating employer other than a municipality, city or county in ERS pursuant to the ***Code of Alabama 1975***, Section 36-27-6.

Notes to the Financial Statements

For the Year Ended September 30, 2024

Benefits Provided

State law establishes retirement benefits as well as death and disability benefits and any ad hoc increase in postretirement benefits for the ERS. Benefits for ERS members vest after 10 years of creditable service. State employees who retire after age 60 (52 for State Police) with 10 years or more of creditable service or with 25 years of service (regardless of age), are entitled to an annual retirement benefit, payable monthly for life. Local employees who retire after age 60 with 10 years or more of creditable service or with 25 to 30 years of service (regardless of age), depending on the particular entity's election, are entitled to an annual retirement benefit, payable monthly for life. Service and disability retirement benefits are based on a guaranteed minimum or a formula method, with the member receiving payment under the method that yields the highest monthly benefit. Under the formula method, members of the ERS (except State Police) are allowed 2.0125% of their average final compensation (highest 3 of the last 10 years) for each year of service. State Police are allowed 2.875% for each year of State Police service in computing the formula method.

Act Number 2012-377, Acts of Alabama, established a new tier of benefits (Tier 2) for members hired on or after January 1, 2013. Tier 2 ERS members are eligible for retirement after age 62 (56 for State Police) with 10 years or more of creditable service and are entitled to an annual retirement benefit, payable monthly for life. Service and disability retirement benefits are based on a formula method. Under the formula method, Tier 2 members of the ERS (except State Police) are allowed 1.65% of their average final compensation (highest 5 of the last 10 years) for each year of service up to 80% of their average final compensation. State Police are allowed 2.375% for each year of State Police service in computing the formula method.

Members are eligible for disability retirement if they have 10 years of creditable service, are currently in-service, and determined by the RSA Medical Board to be permanently incapacitated from further performance of duty. Preretirement death benefits equal to the annual earnable compensation of the member as reported to the Plan for the preceding year ending September 30th are paid to the beneficiary.

Act Number 2019-132, Acts of Alabama, allowed employers who participate in the ERS pursuant to the *Code of Alabama 1975*, Section 36-27-6, to provide Tier 1 retirement benefits to their Tier 2 members. Tier 2 members of employers adopting Act Number 2019-132, Acts of Alabama, will contribute 7.5% of earnable compensation for regular employees and 8.5% for firefighters and law enforcement officers. A total of 618 employers adopted Act Number 2019-132, Acts of Alabama as of September 30, 2023.

Notes to the Financial Statements

For the Year Ended September 30, 2024

Act Number 2019-316, Acts of Alabama, allows employees at the time of retirement to receive a partial lump sum (PLOP) distribution as a single payment not to exceed the sum of 24 months of the maximum monthly retirement allowance the member could receive. This option may be selected in addition to the election of another retirement allowance option at a reduced amount based upon the amount of the partial lump sum distribution selected.

The ERS serves approximately 884 local participating employers. The ERS membership includes approximately 113,079 participants. As of September 30, 2023, membership consisted of:

Retirees and beneficiaries currently receiving benefits	31,481
Terminated employees entitled to but not yet receiving benefits	2,350
Terminated employees not entitled to a benefit	20,556
Active Members	58,659
Post-DROP participants who are still in active service	33
Total	<u>113,079</u>

The County membership includes approximately 359 participants. As of September 30, 2023, membership consisted of:

Retirees and beneficiaries currently receiving benefits	96
Vested inactive members	6
Non-vested inactive members	90
Active Members	167
Post-DROP participants who are still in active service	0
Total	<u>359</u>

Contributions

Tier 1 covered members of the ERS contributed 5% of earnable compensation to the ERS as required by statute until September 30, 2011. From October 1, 2011 to September 30, 2012, covered members of the ERS were required by statute to contribute 7.25% of earnable compensation. Effective October 1, 2012, covered members of the ERS are required by statute to contribute 7.50% of earnable compensation. Certified law enforcement, correctional officers, and firefighters of the ERS contributed 6% of earnable compensation as required by statute until September 30, 2011. From October 1, 2011 to September 30, 2012, certified law enforcement, correctional officers, and firefighters of the ERS were required by statute to contribute 8.25% of earnable compensation. Effective October 1, 2012, certified law enforcement, correctional officers, and firefighters of the ERS are required by statute to contribute 8.50% of earnable compensation. State Police of the ERS contribute 10% of earnable compensation.

Notes to the Financial Statements

For the Year Ended September 30, 2024

Employers participating in the ERS pursuant to the *Code of Alabama 1975*, Section 36-27-6, were not required by statute to increase covered member contribution rates but were provided the opportunity to do so through Act 2011-676, Acts of Alabama. By adopting Act 2011-676, Acts of Alabama, Tier 1 regular members contribution rates increased from 5% to 7.5% of earnable compensation and Tier 1 certified law enforcement, correctional officers', and firefighters' member contribution rates increased from 6% to 8.5% of earnable compensation.

Tier 2 covered members of the ERS contribute 6% of earnable compensation to the ERS as required by statute. Tier 2 certified law enforcement, correctional officers, and firefighters of the ERS are required by statute to contribute 7% of earnable compensation. Tier 2 State Police members of the ERS contribute 10% of earnable compensation. These contributions rates are the same for Tier 2 covered members of ERS local participating employers.

The ERS establishes rates based upon an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with additional amounts to finance any unfunded accrued liability, the pre-retirement death benefit, and administrative expenses of the Plan. For the year ended September 30, 2024, the Autauga County Commission's active employee contribution rate was 6.44% of covered employee payroll, and the Commission's average contribution rate to fund the normal and accrued liability costs was 7.82% of covered employee payroll.

The Autauga County Commission's contractually required contribution rate for the year ended September 30, 2024, was 8.55% of pensionable pay for Tier 1 employees, and 7.26% of pensionable pay for Tier 2 employees. These required contribution rates are based upon the actuarial valuation dated September 30, 2021, a percent of annual pensionable payroll, and actuarially determined as an amount that, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, with an additional amount to finance any unfunded accrued liability. Total employer contributions to the pension plan from the Commission were \$575,094.92 for the year ended September 30, 2024.

Notes to the Financial Statements

For the Year Ended September 30, 2024

B. Net Pension Liability

The Autauga County Commission's net pension liability was measured as of September 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of September 30, 2022, rolled forward to September 30, 2023, using standard roll-forward techniques as shown in the following table:

	Autauga County Commission		
	Total Pension Liability		
	Roll-Forward		
	Expected	Actual Before Act 2019-132	Actual After Plan Changes
(a) Total Pension Liability as of September 30, 2022	\$23,520,125	\$23,940,815	\$23,940,815
(b) Discount rate	7.45%	7.45%	7.45%
(c) Entry Age Normal Cost for the period October 1, 2022 through September 30, 2023	680,109	680,109	680,109
(d) Transfers Among Employers		(277,687)	(277,687)
(e) Actual Benefit Payments and Refunds for the period October 1, 2022 through September 30, 2023	(1,497,861)	(1,497,861)	(1,497,861)
(f) Total Pension Liability as of September 30, 2023 = [(a) x (1+(b))] + (c) + (d) + [(e) x (1+ 0.5*(b))]	<u>\$24,398,827</u>	<u>\$24,573,171</u>	<u>\$24,573,171</u>
(g) Difference between Expected and Actual		\$ 174,344	
(h) Less Liability Transferred for Immediate Recognition		<u>(277,687)</u>	
(i) Difference between Expected and Actual – Experience (Gain)/Loss		<u>\$ 452,031</u>	
(j) Difference between Actual TPL Before and After Plan Changes – Benefit Change (Gain)/Loss			<u>\$</u>

Actuarial Assumptions

The total pension liability as of September 30, 2023, was determined based on the annual actuarial funding valuation report prepared as of September 30, 2022. The key actuarial assumptions are summarized below:

Inflation	2.50%
Projected Salary Increases, including inflation:	
State and Local Employees	3.25–6.00%
State Police	4.00–7.75%
Investment Rate of Return, including inflation (*)	7.45%
(*) Net of pension plan investment expense	

Notes to the Financial Statements

For the Year Ended September 30, 2024

Mortality rates were based on the Pub-2010 Below-Median Tables, projected generationally using the MP-2020 scale, which is adjusted by 66-2/3% beginning with year 2019.

Group	Membership Table	Set Forward (+)/ Setback (-)	Adjustment to Rates
Non-FLC Service Retirees	General Healthy Below Median	Male: +2, Female: +2	Male: 90% ages <65, 96% ages >=65 Female: 96% all ages
FLC/State Police Service Retirees	Public Safety Healthy Below Median	Male: +1, Female: none	None
Beneficiaries	Contingent Survivor Below Median	Male: +2, Female: +2	None
Non-FLC Disabled Retirees	General Disability	Male: +7, Female: +3	None
FLC/State Police Disabled Retirees	Public Safety Disability	Male: +7, Female: none	None

The actuarial assumptions used in the September 30, 2021, valuation were based on the results of an actuarial experience study for the period October 1, 2015 through September 30, 2020.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimates of geometric real rates of return for each major asset class are as follows:

	Target Allocation	Long-Term Expected Rate of Return (*)
Fixed Income	15.00%	2.80%
U. S. Large Stocks	32.00%	8.00%
U. S. Mid Stocks	9.00%	10.00%
U. S. Small Stocks	4.00%	11.00%
International Developed Market Stocks	12.00%	9.50%
International Emerging Market Stocks	3.00%	11.00%
Alternatives	10.00%	9.00%
Real Estate	10.00%	6.50%
Cash Equivalents	5.00%	1.50%
Total	<u>100.00%</u>	
(*) Includes assumed rate of inflation of 2.00%.		

Notes to the Financial Statements

For the Year Ended September 30, 2024

Discount Rate

The discount rate used to measure the total pension liability was the long-term rate of return, 7.45%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that the employer contributions will be made in accordance with the funding policy adopted by the ERS Board of Control. Based on those assumptions, components of the pension plan's fiduciary net position were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

C. Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) – (b)
Balances at September 30, 2022	\$23,520,125	\$16,081,433	\$ 7,438,692
Charges for the Year:			
Service Cost	680,109		680,109
Interest	1,696,454		1,696,454
Differences between Expected and Actual Experience	452,031		452,031
Contributions – Employer		527,378	(527,378)
Contributions – Employee		413,269	(413,269)
Net Investment Income		2,033,566	(2,033,566)
Benefit Payments, including Refunds of Employee Contributions	(1,497,861)	(1,497,861)	
Transfers Among Employers	(277,687)	(277,687)	
Net Changes	1,053,046	1,198,665	(145,619)
Balances at September 30, 2023	\$24,573,171	\$17,280,098	\$ 7,293,073

Notes to the Financial Statements

For the Year Ended September 30, 2024

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following table presents the Commission's net pension liability calculated using the discount rate of 7.45%, as well as what the Commission's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.45%) or 1-percentage point higher (8.45%) than the current rate:

	1% Decrease (6.45%)	Current Discount Rate (7.45%)	1% Increase (8.45%)
Commission's Net Pension Liability	\$10,162,059	\$7,293,073	\$4,873,413

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued RSA Annual Comprehensive Financial Report for the fiscal year ended September 30, 2023. The supporting actuarial information is included in the GASB Statement Number 68 Report for the ERS prepared as of September 30, 2023. The auditor's report on the Schedule of Changes in Fiduciary Net Position by Employer and accompanying notes is also available. The additional financial and actuarial information is available at <http://www.rsa-al.gov/index.php/employers/financial-reports/gasb-68-reports/>.

D. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2024, the Autauga County Commission recognized pension expense of \$1,516,787.00. At September 30, 2024, the Autauga County Commission reported deferred outflows of resources and deferred inflows of resources related to pensions of the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 541,674	\$151,225
Changes of assumptions	248,987	
Net difference between projected and actual earnings on plan investments	723,915	
Employer contributions subsequent to the Measurement Date	575,094.92	
Total	<u>\$2,089,670.92</u>	<u>\$151,225</u>

Notes to the Financial Statements

For the Year Ended September 30, 2024

The \$575,094.92 reported as deferred outflows of resources related to pensions resulting from Commission contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending September 30, 2025. Amounts reported as deferred outflows of resources and deferred inflows of resources to pensions will be recognized in pension expense as follows:

Year Ending	
September 30, 2025	\$ 509,284
2026	\$ 291,039
2027	\$ 695,252
2028	\$(132,224)
2029	\$ 0
Thereafter	\$ 0

Note 7 – Construction and Other Significant Commitments

As of September 30, 2024, the Commission was obligated under the following significant construction contract:

	Contract Amount	Remaining Balance
PH&J Architects	\$ 212,761.23	\$ 13,941.03
Reroofing Jail and Courthouse	875,311.00	53,004.24
Jail Controls	468,384.00	415,101.35
Jail Cleaning and Remediation	575,516.00	145,191.67
Pine Level Ball Park	1,448,787.60	738,881.68
Total	<u>\$3,580,759.83</u>	<u>\$1,366,119.97</u>

Notes to the Financial Statements

For the Year Ended September 30, 2024

Note 8 – Long-Term Debt

On April 1, 2013, the Commission issued General Obligation Warrants, Series 2013, to provide for the advance refunding of the General Obligation Warrants, Series 2007. In the event of default, the rights and remedies of the registered owners of the General Obligation Warrants, Series 2013, are subject to the provisions of Title 11 of the United States Code, the Bankruptcy Act.

On September 1, 2014, the Commission issued General Obligation Refunding Warrants, Series 2014, in the amount of \$7,830,000 to provide for the advance refunding of a portion of the General Obligation Warrants, Series 2009A, and to provide funds for capital improvements to the Commission's infrastructure. In the event of default, the rights and remedies of the registered owners of the General Obligation Warrants, Series 2014, are subject to the provisions of Title 11 of the United States Code, the Bankruptcy Act.

On October 2, 2018, the Commission entered into a note from direct borrowing up to \$2,200,000 at 3.75% interest rate. The interest payments for these notes from direct borrowings are made from the General Fund. The note from direct borrowing was issued to provide for the funding of economic development/road and bridge projects. On October 1, 2019, the Commission renewed the note from direct borrowing on October 1, 2020 and October 1, 2021. This note may be renewed for 10 years. The note from direct borrowing contains a provision that in the event of default the Commission agrees to pay all expenses of collection, enforcement or protection of their rights and remedies under the note or any other loan document. Expenses include, but are not limited to, attorneys' fees, court costs and other legal expenses. These expenses are due and payable immediately. If not paid immediately, these expenses will bear interest from the date of payment until paid in full at the highest interest rate in effect as provided for in the terms of this note. All fees and expenses will be secured by the property granted. In addition, to the extent permitted by the United States Bankruptcy Code, the Commission agrees to pay the reasonable attorneys' fees incurred to protect the bank's rights and interests in connection with any bankruptcy proceedings.

On December 30, 2021, the Commission entered into a direct placement General Obligation Warrant, Series 2021, in the amount of \$592,000, to provide for Economic Development within Autauga County, Alabama. In the event of default, the rights and remedies of the registered owners of the General Obligation Warrants, Series 2021, are subject to the provision of Title 11 of the United States Code, the Bankruptcy Act.

Notes to the Financial Statements

For the Year Ended September 30, 2024

The following is a summary of long-term debt obligations for the Commission for the year ended September 30, 2024:

	Debt Outstanding 10/01/2023	Issued/ Increased	Repaid/ Decreased	Debt Outstanding 09/30/2024	Amount Due Within One Year
<u>Governmental Activities:</u>					
Warrants Payable and Notes from Direct Borrowing:					
Warrants Payable:					
General Obligation Warrants, Series 2013	\$ 1,585,000.00	\$	\$ (300,000.00)	\$ 1,285,000.00	\$ 310,000.00
General Obligation Warrants, Series 2014	4,035,000.00		(545,000.00)	3,490,000.00	555,000.00
General Obligation Warrants, Series 2021	539,158.81		(55,262.06)	483,896.75	55,882.63
Total Warrants Payable	6,159,158.81		(900,262.06)	5,258,896.75	920,882.63
Notes from Direct Borrowing:					
Economic Development Agreement	1,623,148.63		(187,701.87)	1,435,446.76	195,305.56
Total Notes from Direct Borrowing	1,623,148.63		(187,701.87)	1,435,446.76	195,305.56
Total Warrants Payable and Notes from Direct Borrowing	7,782,307.44		(1,087,963.93)	6,694,343.51	1,116,188.19
<u>Other Liabilities:</u>					
Estimated Liability for Compensated Absences	448,554.07	22,552.70		471,106.77	47,110.68
Net Pension Liability	7,438,692.00		(145,619.00)	7,293,073.00	
Total Other Liabilities	7,887,246.07	22,552.70	(145,619.00)	7,764,179.77	47,110.68
Total Governmental Activities Long-Term Liabilities	\$15,669,553.51	\$22,552.70	\$(1,233,582.93)	\$14,458,523.28	\$1,163,298.87

Payments on the warrants payable are made by the Other Governmental Funds. The notes from direct borrowing for the governmental activities will be liquidated by the General Fund.

The compensated absences liability attributable to the governmental activities will be liquidated by several of the Commission's governmental funds. In the past, the largest portion was paid by the General Fund and the Gasoline Tax Fund with the remainder paid by the other governmental funds.

Notes to the Financial Statements

For the Year Ended September 30, 2024

The following is a schedule of debt service requirements to maturity:

Fiscal Year Ending	Governmental Activities				Total Principal and Interest Requirements
	Warrants Payable		Notes from Direct Borrowing		
	Principal	Interest	Principal	Interest	
September 30, 2025	\$ 920,882.63	\$147,543.94	\$ 195,305.56	\$ 37,850.04	\$1,301,582.17
2026	942,139.99	122,291.58	200,808.26	32,347.34	1,297,587.17
2027	978,425.64	96,063.43	206,465.99	26,689.61	1,307,644.67
2028	999,740.22	68,439.47	212,227.60	20,928.00	1,301,335.29
2029	686,084.37	42,735.94	218,262.62	14,892.98	961,975.61
2030-2034	731,623.90	61,699.53	402,376.73	7,439.23	1,203,139.39
Total	\$5,258,896.75	\$538,773.89	\$1,435,446.76	\$140,147.20	\$7,373,264.60

Note 9 – Risk Management

The Commission is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Commission has general liability insurance through the Association of County Commissions of Alabama (ACCA) Liability Self Insurance Fund, a public entity risk pool. The Fund is self-sustaining through member contributions. The Commission pays an annual premium based on the Commission's individual claims experience and the experience of the Fund as a whole. Coverage is provided up to \$1,000,000 per claim for a maximum total coverage of \$3,000,000 and unlimited defense costs. Employment-related practices damage protection is limited to \$1,000,000 per incident with a \$5,000 deductible and unlimited defense costs. County specific coverages and limits can be added by endorsement.

The Commission has workers' compensation insurance through the Association of County Commissions of Alabama (ACCA) Workers' Compensation Self Insurance Fund, a public entity risk pool. The premium level for the Fund is calculated to adequately cover the anticipated losses and expenses of the Fund. Fund rates are calculated for each job class based on the current NCCI Alabama loss costs and a loss cost modifier to meet the required premiums of the Fund. Member premiums are then calculated on a rate per \$100 of estimated remuneration for each job class, which is adjusted by an experience modifier for the individual county. The Commission may qualify for additional discounts based on losses and premium size. Pool participants are eligible to receive refunds of unused premiums and the related investment earnings.

The Commission purchases commercial insurance for its other risks of loss, including property and casualty insurance and employee health insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Notes to the Financial Statements

For the Year Ended September 30, 2024

The Commission has employee health insurance coverage through the Local Government Health Insurance Program, administered by the State Employee's Health Insurance Board (SEHIB). Employees may choose to participate in a plan administered by Blue Cross/Blue Shield which functions as a public entity risk pool. The plan is self-sustaining through member premiums. Monthly premiums are determined annually by the plan's actuary and are based on the pool's claims experience, considering any remaining fund balance on hand available for claims.

Note 10 – Interfund Transactions

Interfund Transfers

The amounts of interfund transfers during the fiscal year ended September 30, 2024, were as follows:

	Transfers In		Totals
	Gasoline Tax Fund	Other Governmental Funds	
Transfers Out:			
General Fund	\$200,000.00	\$ 665,875.00	\$ 865,875.00
Other Governmental Funds		334,983.76	334,983.76
Totals	\$200,000.00	\$1,000,858.76	\$1,200,858.76

Note 11 – Related Organizations

The Commission appoints a majority of the members to the boards for the Autauga County Industrial Development Authority, Autauga County Public Building Authority, Autauga County Sewer Authority, West Autauga Water Authority, Autauga County Water Authority, and the Autauga County Industrial Water Authority. The Commission, however, is not financially accountable, because it does not impose its will, nor have a financial benefit or burden relationship, for these entities and they are not considered part of the Commission's financial reporting entity. They are considered related organizations of the County Commission.

Notes to the Financial Statements

For the Year Ended September 30, 2024

Note 12 – Tax Abatements

The Autauga County Commission enters into property tax abatement agreements with local businesses under the State Tax Incentive Reform Act of 1992, *Code of Alabama 1975*, Section 40-9B-(1-13). Under the Act, localities may grant property tax abatements for all state and local noneducational property taxes, all construction related transaction taxes, except those local construction taxes levied for educational purposes or for capital improvement for education, and/or all mortgage and recording taxes. The abatements may be granted to any business located within or promising to relocate to Autauga County. These programs have the stated purpose of increasing business activity and employment in the County.

For fiscal year ended September 30, 2024, total property taxes abated by the County were \$809,155.20, including the following tax abatement agreements that exceeded 10 percent of the total amount abated:

- ◆ A 48 percent property tax abatement to a manufacturer for increasing the size of its facilities and increasing employment. The abatement amounted to \$385,617.30.
- ◆ A 17 percent property tax abatement to a manufacturer for constructing a facility and creating employment. The abatement amounted to \$135,939.75.
- ◆ A 35 percent property tax abatement to a manufacturer for constructing a facility and creating employment. The abatement amounted to \$287,598.15.

The County also is subject to tax abatements granted by the City of Prattville Industrial Development Board. These programs have the stated purpose of increasing business activity and employment in the City of Prattville.

Required Supplementary Information

Schedule of Changes in the Employer's Net Pension Liability
For the Year Ended September 30, 2024

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total pension liability										
Service cost	\$ 680,109	\$ 620,102	\$ 490,757	\$ 493,583	\$ 488,604	\$ 469,870	\$ 476,115	\$ 471,149	\$ 458,442	\$ 466,165
Interest	1,696,454	1,619,664	1,596,670	1,483,989	1,423,168	1,387,746	1,295,969	1,273,159	1,217,697	1,156,038
Changes of benefit terms		18,862		264,089						
Differences between expected and actual experience	452,031	121,557	(453,673)	792,239	121,071	(300,445)	549,528	(345,056)	(19,319)	
Changes of assumptions			746,957			97,790		509,850		
Benefit payments, including refunds of employee contributions	(1,497,861)	(1,287,491)	(1,321,867)	(1,275,335)	(1,224,675)	(1,110,307)	(1,015,795)	(1,060,174)	(866,934)	(835,988)
Transfers among employees	(277,687)	43,230	(71,553)	(271,902)	7,039	88,827	(74,338)	(63,419)		
Net change in total pension liability	1,053,046	1,135,924	987,291	1,486,663	815,207	633,481	1,231,479	785,509	789,886	786,215
Total pension liability - beginning	23,520,125	22,384,201	21,396,910	19,910,247	19,095,040	18,461,559	17,230,080	16,444,571	15,654,685	14,868,470
Total pension liability - ending (a)	\$ 24,573,171	\$ 23,520,125	\$ 22,384,201	\$ 21,396,910	\$ 19,910,247	\$ 19,095,040	\$ 18,461,559	\$ 17,230,080	\$ 16,444,571	\$ 15,654,685
Plan fiduciary net position										
Contributions - employer	\$ 527,378	\$ 565,932	\$ 437,957	\$ 389,387	\$ 441,349	\$ 361,015	\$ 392,410	\$ 441,387	\$ 412,638	\$ 402,149
Contributions - employee	413,269	422,608	448,526	329,547	330,366	320,236	311,504	299,886	276,546	291,180
Net investment income	2,033,566	(2,376,987)	3,446,666	875,057	399,328	1,350,611	1,697,723	1,261,047	147,558	1,335,663
Benefit payments, including refunds of employee contributions	(1,497,861)	(1,287,491)	(1,321,867)	(1,275,335)	(1,224,675)	(1,110,307)	(1,015,795)	(1,060,174)	(866,934)	(835,988)
Other (Transfers among employers)	(277,687)	43,230	(71,553)	(271,902)	7,039	88,827	(74,338)	(63,419)	154,530	106,297
Net change in plan fiduciary net position	1,198,665	(2,632,708)	2,939,729	46,754	(46,593)	1,010,382	1,311,504	878,727	124,338	1,299,301
Plan fiduciary net position - beginning	16,081,433	18,714,141	15,774,412	15,727,658	15,774,251	14,763,869	13,452,365	12,573,638	12,449,300	11,149,999
Plan fiduciary net position - ending (b)	\$ 17,280,098	\$ 16,081,433	\$ 18,714,141	\$ 15,774,412	\$ 15,727,658	\$ 15,774,251	\$ 14,763,869	\$ 13,452,365	\$ 12,573,638	\$ 12,449,300
Commission's net pension liability - ending (a) - (b)	\$ 7,293,073	\$ 7,438,692	\$ 3,670,060	\$ 5,622,498	\$ 4,182,589	\$ 3,320,789	\$ 3,697,690	\$ 3,777,715	\$ 3,870,933	\$ 3,205,385
Plan fiduciary net position as a percentage of the total pension liability	70.32%	68.37%	83.60%	73.72%	78.99%	82.61%	79.97%	78.07%	76.46%	79.52%
Covered payroll (*)	\$ 6,549,199	\$ 6,455,404	\$ 6,222,589	\$ 5,934,688	\$ 5,896,673	\$ 5,546,864	\$ 6,014,254	\$ 5,933,368	\$ 5,871,779	\$ 5,557,462
Net pension liability (assets) as a percentage of covered payroll	111.36%	115.23%	58.98%	94.74%	70.93%	59.87%	61.48%	63.67%	65.92%	57.68%

(*) Employer's covered payroll during the measurement period is the total covered payroll. For fiscal year 2024, the measurement period is October 1, 2022 through September 30, 2023. GASB issued a statement "Pension Issues" in March 2016 to redefine covered payroll beginning with fiscal year 2017.

Schedule of the Employer's Contributions - Pension
For the Year Ended September 30, 2024

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution (*)	\$ 575,095	\$ 527,378	\$ 565,932	\$ 437,957	\$ 389,387	\$ 441,349	\$ 361,015	\$ 392,410	\$ 441,387	\$ 412,638	\$ 402,149
Contributions in relation to the actuarially determined contribution	\$ 575,095	\$ 527,378	\$ 565,932	\$ 437,957	\$ 389,387	\$ 441,349	\$ 361,015	\$ 392,410	\$ 441,387	\$ 412,638	\$ 402,149
Contribution deficiency (excess)	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Covered payroll (**)	\$ 7,357,490	\$ 6,549,199	\$ 6,455,404	\$ 6,222,589	\$ 5,934,688	\$ 5,896,673	\$ 5,546,864	\$ 6,014,254	\$ 5,933,368	\$ 5,871,779	\$ 5,557,462
Contributions as a percentage of covered payroll	7.82%	8.05%	8.77%	7.04%	6.56%	7.48%	6.51%	6.52%	7.44%	7.03%	7.24%

- (*) The amount of employer contributions related to normal and accrued liability components of employer rate net of any refunds or error service payments. The Schedule of Employer's Contributions is based on the 12 month period of the underlying financial statement.
- (**) Employer's covered payroll for fiscal year 2024 is the total covered payroll for the 12 month period of the underlying financial statement.

Notes to Schedule

Actuarially determined contribution rates are calculated as of September 30, three years prior to the end of the fiscal year in which contributions are reported. Contributions for fiscal year 2024 were based on the September 30, 2021 actuarial valuation.

Methods and assumptions used to determine contribution rates:	
Actuarial cost method	Entry Age
Amortization method	Level percent closed
Remaining amortization period	25.9 years
Asset valuation method	Five year smoothed market
Inflation	2.50%
Salary increases	3.25 - 6.00%, including inflation
Investment rate of return	7.45%, net of pension plan investment expense, including inflation

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - General Fund
For the Year Ended September 30, 2024

	Budgeted Amounts		Actual Amounts		Budget to GAAP	Actual Amounts
	Original	Final	Budgetary Basis		Differences	GAAP Basis
Revenues						
Taxes	\$ 9,220,101.00	\$ 9,220,101.00	\$ 9,509,346.21	(1)	\$ 2,464,638.80	\$ 11,973,985.01
Licenses and Permits	15,234.00	15,234.00	14,806.50			14,806.50
Intergovernmental	2,871,697.51	2,871,697.51	5,150,940.72	(1)	9,604.31	5,160,545.03
Charges for Services	1,719,250.06	1,719,250.06	1,777,683.47			1,777,683.47
Miscellaneous	1,119,748.00	1,119,748.00	1,576,547.81	(1)	198,716.25	1,775,264.06
Total Revenues	14,946,030.57	14,946,030.57	18,029,324.71		2,672,959.36	20,702,284.07
Expenditures						
Current:						
General Government	4,404,823.11	4,404,823.11	4,224,902.34	(2)	768,615.31	4,993,517.65
Public Safety	8,734,231.53	8,862,874.47	9,485,887.95	(2)	111,552.43	9,597,440.38
Highways and Roads				(2)	1,491.88	1,491.88
Health	121,200.00	121,200.00	121,174.57	(2)	23,965.37	145,139.94
Welfare	1,057,525.01	1,057,525.01	792,334.01	(2)	32,464.44	824,798.45
Culture and Recreation	473,609.63	473,609.63	448,182.37	(2)	9,110.19	457,292.56
Education	47,000.00	47,000.00	47,000.00			47,000.00
Capital Outlay			1,426,318.67	(2)	159,066.15	1,585,384.82
Debt Service:						
Principal Retirement	244,001.73	244,001.73	242,963.93		2,000.00	244,963.93
Interest and Fiscal Charges	56,795.06	56,795.06	58,091.10	(2)		58,091.10
Total Expenditures	15,139,186.07	15,267,829.01	16,846,854.94		1,108,265.77	17,955,120.71
Excess (Deficiency) of Revenues Over Expenditures	(193,155.50)	(321,798.44)	1,182,469.77		1,564,693.59	2,747,163.36
Other Financing Sources (Uses)						
Transfers In	233,155.60	233,155.60				
Proceeds from Sale of Capital Assets			37,989.25			37,989.25
Transfers Out	(40,000.00)	(273,155.60)		(3)	(865,875.00)	(865,875.00)
Total Other Financing Sources (Uses)	193,155.60	(40,000.00)	37,989.25		(865,875.00)	(827,885.75)
Net Change in Fund Balances	0.10	(361,798.44)	1,220,459.02		698,818.59	1,919,277.61
Fund Balances - Beginning of Year	12,989,953.19	12,989,953.19	12,989,953.19	(4)	3,923,237.08	16,913,190.27
Fund Balances - End of Year	\$ 12,989,953.29	\$ 12,628,154.75	\$ 14,210,412.21		\$ 4,622,055.67	\$ 18,832,467.88

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - General Fund
For the Year Ended September 30, 2024

Explanation of differences between Actual Amounts on Budgetary Basis and Actual Amounts GAAP Basis:

Some amounts are combined with the General Fund for reporting purposes, but are budgeted separately.

(1) Revenues			
Public Buildings, Roads and Bridges Fund	\$	2,648,277.88	
Pistol Permit Lost Revenue Fund		6.07	
Opioid Crisis Fund		24,675.41	
			\$ 2,672,959.36
(2) Expenditures			
Public Buildings, Roads and Bridges Fund			(1,108,265.77)
(3) Other Financing Sources/(Uses), Net			
Public Buildings, Roads and Bridges Fund			(865,875.00)
Net Change in Fund Balance - Budget to GAAP			\$ 698,818.59
(4) The amounts reported as "fund balance" on the budgetary basis of accounting derives from the basis of accounting used in preparing the Commission's budget. This amount differs from the fund balance reported in the Statement of Revenues, Expenditures and Changes in Fund Balances because of the cumulative effect of transactions such as those described above.			

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Gasoline Tax Fund
For the Year Ended September 30, 2024

	Budgeted Amounts		Actual Amounts	Budget to GAAP	Actual Amounts
	Original	Final	Budgetary Basis	Differences	GAAP Basis
Revenues					
Intergovernmental	\$ 1,540,527.00	\$ 1,540,527.00	\$ 1,323,915.70	\$	\$ 1,323,915.70
Charges for Services	1,290.00	1,290.00	2,730.17		2,730.17
Miscellaneous	70,757.00	70,757.00	48,355.09		48,355.09
Total Revenues	1,612,574.00	1,612,574.00	1,375,000.96		1,375,000.96
Expenditures					
Current:					
Highways and Roads	1,805,158.33	1,784,133.91	1,259,729.40		1,259,729.40
Capital Outlay	817,475.58	838,500.00	816,603.02		816,603.02
Total Expenditures	2,622,633.91	2,622,633.91	2,076,332.42		2,076,332.42
Excess (Deficiency) of Revenues Over Expenditures	(1,010,059.91)	(1,010,059.91)	(701,331.46)		(701,331.46)
Other Financing Sources (Uses)					
Transfers In	500,000.00	500,000.00	200,000.00		200,000.00
Proceeds from Sale of Capital Assets	511,000.00	511,000.00	458,438.85		458,438.85
Total Other Financing Sources (Uses)	1,011,000.00	1,011,000.00	658,438.85		658,438.85
Net Change in Fund Balances	940.09	940.09	(42,892.61)		(42,892.61)
Fund Balances - Beginning of Year	419,423.93	419,423.93	419,423.93		419,423.93
Fund Balances - End of Year	\$ 420,364.02	\$ 420,364.02	\$ 376,531.32	\$	\$ 376,531.32

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Reappraisal Fund
For the Year Ended September 30, 2024

	Budgeted Amounts		Actual Amounts	Budget to GAAP	Actual Amounts
	Original	Final	Budgetary Basis	Differences	GAAP Basis
Revenues					
Taxes	\$ 1,039,966.81	\$ 1,039,966.81	\$ 929,098.85	\$	\$ 929,098.85
Total Revenues	1,039,966.81	1,039,966.81	929,098.85		929,098.85
Expenditures					
Current:					
General Government	938,981.51	938,981.51	841,599.80		841,599.80
Capital Outlay	100,985.30	100,985.30	87,499.05		87,499.05
Total Expenditures	1,039,966.81	1,039,966.81	929,098.85		929,098.85
Excess (Deficiency) of Revenues Over Expenditures					
Other Financing Sources (Uses)					
Transfers In					
Total Other Financing Sources (Uses)					
Net Change in Fund Balances					
Fund Balances - Beginning of Year					
Fund Balances - End of Year	\$	\$	\$	\$	\$

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Revenue Replacement Fund
For the Year Ended September 30, 2024

	Budgeted Amounts		Actual Amounts	Budget to GAAP	Actual Amounts
	Original	Final	Budgetary Basis	Differences	GAAP Basis
Revenues					
Intergovernmental	\$ 10,000,000.00	\$ 10,000,000.00	\$ 5,923,902.15	\$	\$ 5,923,902.15
Miscellaneous	54,075.00	54,075.00	161,504.98		161,504.98
Total Revenues	10,054,075.00	10,054,075.00	6,085,407.13		6,085,407.13
Expenditures					
Current:					
General Government	6,005,000.00	6,005,000.00	4,981,963.28		4,981,963.28
Public Safety	4,000,000.00	4,000,000.00	52,798.05		52,798.05
Capital Outlay			834,475.04		834,475.04
Total Expenditures	10,005,000.00	10,005,000.00	5,869,236.37		5,869,236.37
Excess (Deficiency) of Revenues Over Expenditures	49,075.00	49,075.00	216,170.76		216,170.76
Other Financing Sources (Uses)					
Other Fund Uses					
Total Other Financing Sources (Uses)					
Net Change in Fund Balances	49,075.00	49,075.00	216,170.76		216,170.76
Fund Balances - Beginning of Year	87,427.56	87,427.56	87,427.56		87,427.56
Fund Balances - End of Year	\$ 136,502.56	\$ 136,502.56	\$ 303,598.32	\$	\$ 303,598.32

Supplementary Information

Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2024

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal Assistance Listing Number	Pass-Through Grantor's Number	Pass-Through to Subrecipient	Total Federal Expenditures
<u>U. S. Department of Housing and Urban Development</u>				
<u>Passed Through Alabama Department of Economic and Community Affairs</u>				
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	CV-NC-20-052	\$	\$ 91,500.00
Total U. S. Department of Housing and Urban Development				91,500.00
<u>U. S. Department of the Interior</u>				
<u>Direct Program</u>				
Payments in Lieu of Taxes	15.226	N.A.		5,885.00
<u>Passed Through Alabama Department of Economic and Community Affairs</u>				
Outdoor Recreation Acquisition, Development and Planning	15.916	22LW10721		1,960.00
Total U. S. Department of the Interior				7,845.00
<u>U. S. Department of Justice</u>				
<u>Direct Program</u>				
Bulletproof Vest Partnership Program	16.607	N.A.		2,187.00
Total U. S. Department of Justice				2,187.00
<u>U. S. Department of Transportation</u>				
<u>Passed Through Montgomery Metropolitan Planning Organization</u>				
Federal Transit Formula Grants	20.507	49 USC5307		126,097.00
<u>Passed Through Alabama Department of Transportation</u>				
Formula Grants for Rural Areas and Tribal Transit Program	20.509	RPTO-100077919		30,592.00
Formula Grants for Rural Areas and Tribal Transit Program	20.509	RPTO-100077920		41,715.00
Formula Grants for Rural Areas and Tribal Transit Program	20.509	RPTOC-100077921		16,659.00
Formula Grants for Rural Areas and Tribal Transit Program	20.509	RPTO8-100076060		595.00
Formula Grants for Rural Areas and Tribal Transit Program	20.509	RPTO8-100077918		100,000.00
Sub-Total Formula Grants for Rural Areas and Tribal Transit Program				189,561.00
Total U. S. Department of Transportation				315,658.00
<u>U. S. Department of Treasury</u>				
<u>Direct Program</u>				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	N.A.	2,467,318.09	2,467,318.09
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	N.A.	350.00	350.00
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	N.A.	2,553,207.00	2,553,207.00
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	N.A.		848,361.28
Total U. S. Department of Treasury			5,020,875.09	5,869,236.37
Sub-Total Forward			\$ 5,020,875.09	\$ 6,286,426.37

***Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2024***

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal Assistance Listing Number	Pass-Through Grantor's Number	Pass-Through to Subrecipient	Total Federal Expenditures
Sub-Total Brought Forward			\$ 5,020,875.09	\$ 6,286,426.37
<u>U. S. Department of Health and Human Services</u>				
<u>Passed Through Central Alabama Aging Consortium</u>				
Aging Cluster:				
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	N.A.		27,000.00
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	N.A.		41,000.00
Sub-Total Aging Cluster				68,000.00
Total U. S. Department of Health and Human Services				68,000.00
<u>U. S. Executive Office of the President</u>				
<u>Passed Through the Alabama Law Enforcement Agency</u>				
High Intensity Drug Trafficking Areas Program	95.001	G23GC0006A-HIDTA 7(3)HAS		18,277.65
High Intensity Drug Trafficking Areas Program	95.001	G22GC0006A-HIDTA 7(2)HAS		1,465.00
Total U. S. Executive Office of the President				19,742.65
<u>U. S. Department of Homeland Security</u>				
<u>Passed Through Alabama Emergency Management Agency</u>				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-4684-38-PA-AL	308,859.65	671,715.15
Emergency Management Performance Grants	97.042	07110322EMF110028		42,972.00
<u>Passed Through the Alabama Law Enforcement Agency</u>				
Homeland Security Grant Program	97.067	FY23-2022-FIL-42	6,288.00	6,288.00
Homeland Security Grant Program	97.067	2202-2LOC-FEO-277-ACFA		51,440.00
Homeland Security Grant Program	97.067	FY23-FIL-14-ALEA9AMAS-PFD	38,130.00	38,130.00
Sub-Total Homeland Security Grant Program			44,418.00	95,858.00
Total U. S. Department of Homeland Security			353,277.65	810,545.15
Total Expenditures of Federal Awards			\$ 5,374,152.74	\$ 7,184,714.17

(N) = Non-Cash Assistance

N.A. = Not Available/Not Applicable

The accompanying Notes the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

Notes to the Schedule of Expenditures of Federal Awards For the Year Ended September 30, 2024

Note 1 – Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) includes the federal award activity of the Autauga County Commission under programs of the federal government for the year ended September 30, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U. S. ***Code of Federal Regulations*** Part 200, ***Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance)***. Because the Schedule presents only a selected portion of the operations of the Autauga County Commission, it is not intended to and does not present the financial position and changes in net position of the Autauga County Commission.

Note 2 – Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the *Uniform Guidance* wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3 – Indirect Cost Rate

The Autauga County Commission has not elected to use the 10-percent de minimis indirect cost rate as allowed in the *Uniform Guidance*.

Note 4 – Approved Project Worksheets

The Autauga County Commission incurred eligible expenditures in a previous fiscal year and the Federal Emergency Management Agency (FEMA) approved the Commission’s project worksheets during the fiscal year ended September 30, 2024. The Commission recorded the eligible expenditures of \$671,715.15 in Assistance Listing Number 97.036 on this year’s Schedule.

Additional Information

Commission Members and Administrative Personnel
October 1, 2023 through September 30, 2024

Commission Members		Term Expires
Hon. Jay Thompson	Chairman	2024
Hon. John L. Thrailkill	Vice-Chairman	2024
Hon. Rusty Jacksland	Member	2024
Hon. Larry Stoudemire	Member	2024
Hon. Bill Tatum	Member	2024
<u>Administrative Personnel</u>		
Scott Kramer	Treasurer/Administrator	Indefinite

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

Independent Auditor's Report

Members of the Autauga County Commission and Treasurer/Administrator
Prattville, Alabama

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 (***Government Auditing Standards***), the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Autauga County Commission, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Autauga County Commission's basic financial statements, and have issued our report thereon dated August 19, 2025.

Report on Internal Control Over Financial Reporting

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

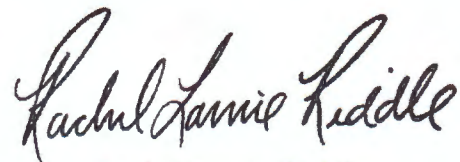
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Autauga County Commission'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 financial statements. 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***.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Autauga County Commission'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 Autauga County Commission's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Rachel Laurie Riddle
Chief Examiner
Department of Examiners of Public Accounts

Montgomery, Alabama

August 19, 2025

Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance

Independent Auditor's Report

Members of the Autauga County Commission and Treasurer/Administrator
Prattville, Alabama

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Autauga County Commission's compliance with the types of compliance requirements identified as subject to audit in the ***OMB Compliance Supplement*** that could have a direct and material effect on the Autauga County Commission's major federal programs for the year ended September 30, 2024. The Autauga County Commission's major federal program is identified in the Summary of Examiner's Results Section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the Autauga County Commission complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended September 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in ***Government Auditing Standards*** issued by the Comptroller General of the United States (***Government Auditing Standards***); and the audit requirements of Title 2 U. S. ***Code of Federal Regulations*** Part 200, ***Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)***. Our responsibilities under those standards and the *Uniform Guidance* are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Autauga County Commission and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Autauga County Commission's compliance with the compliance requirements referred to above.

Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance

Responsibilities of Management 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 Autauga County Commission's federal programs.

Auditor's Responsibilities for the Audit of Compliance

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 Autauga County Commission's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, ***Government Auditing Standards***, and the *Uniform Guidance* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Autauga County Commission's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, ***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. Such procedures include examining, on a test basis, evidence regarding the Autauga County Commission's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- ◆ obtain an understanding of the Autauga County Commission's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the *Uniform Guidance*, but not for the purpose of expressing an opinion on the effectiveness of the Autauga County Commission's internal control over compliance. Accordingly, no such opinion is expressed.

Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Our consideration of the internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

***Report on Compliance for Each Major Federal Program and
Report on Internal Control Over Compliance Required
by the Uniform Guidance***

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the *Uniform Guidance*. Accordingly, this report is not suitable for any other purpose.



Rachel Laurie Riddle
Chief Examiner
Department of Examiners of Public Accounts

Montgomery, Alabama

August 19, 2025

Schedule of Findings and Questioned Costs

For the Year Ended September 30, 2024

Section I – Summary of Examiner's Results

Financial Statements

Type of report the auditor issued on whether the audited financial statements were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

_____ Yes X No

Significant deficiency(ies) identified?

_____ Yes X None reported

Noncompliance material to financial statements noted?

_____ Yes X No

Federal Awards

Internal control over major federal programs:

Material weakness(es) identified?

_____ Yes X No

Significant deficiency(ies) identified?

_____ Yes X None reported

Type of auditor's report issued on compliance for major federal programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) of the *Uniform Guidance*?

_____ Yes X No

Identification of major federal programs:

Assistance Listing Number	Name of Federal Program or Cluster
21.027	COVID-19 – Coronavirus State and Local Fiscal Recovery Fund

Dollar threshold used to distinguish between Type A and Type B programs:

\$750,000.00

Auditee qualified as low-risk auditee?

_____ Yes X No

Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2024

Section II – Financial Statement Findings (GAGAS)

No matters were reportable.

Section III – Federal Awards Findings and Questioned Costs

No matters were reportable.