ELBERT COUNTY, GEORGIA

FINANCIAL STATEMENTS

For the fiscal year ended June 30, 2019

WALKER, PIERCE & TUCK, CPA'S, PC

ELBERT COUNTY, GEORGIA
FISCAL YEAR ENDED JUNE 30, 2019
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Walker Pierce & Tuck
CERTIFIED PUBLIC ACCOUNTANTS, P.C.

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Elbert County, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the Elbert County, Georgia, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Elbert County Board of Health, a discretely presented component unit, which represents one hundred percent of the assets, net position, and revenues of the aggregate discretely presented component unit. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Elbert County Board of Health, is based solely on the report of the other auditors. 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 the *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the Elbert County, Georgia, as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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Other Matters

Required Supplementary Information

Management has omitted Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by 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 opinion on the basic financial statements is not affected by this missing information. However, accounting principles generally accepted in the United States of America require that the budgetary comparison information and schedules of changes in net pension liability and contributions on pages 38-44 be presented to supplement the basic financial statements. Such 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. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Elbert County Georgia's basic financial statements. The combining and individual fund financial statements and the Schedule of Expenditures of Special Local Option Sales Tax, as required by O.C.G.A 48-8-121 as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, the Schedule of Expenditures of Federal Awards, and the Schedule of Expenditures of Special Local Option Sales Tax are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied 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 by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, the combining and individual nonmajor fund financial statements, the Schedule of Expenditures of Federal Awards, and the Schedule of Expenditures of Special Local Option Sales Tax are 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 June 25, 2021, on our consideration of Elbert County, Georgia's internal control over financial reporting and on our tests of its compliance with certain provision of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Elbert County, Georgia's internal control over financial reporting and compliance.

Walker, Pierce & Tuck, CPA's P.C.

Walker, Pierce & Tuck, CPA's P.C.
Gainesville, Georgia
June 25, 2021

ELBERT COUNTY, GEORGIA

Statement of Net Position

June 30, 2019

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	Health Department
Assets				
Current Assets				
Cash and cash equivalents	$ 3,037,756	$ 319,710	$ 3,357,466	$ 544,856
Restricted cash	8,331	-	8,331	-
Accounts Receivables (net)	988,856	148,177	1,137,033	66,893
Intergovernmental receivable	1,415,623	702,824	2,118,447	-
Prepaid expenditures	1,151,018	-	1,151,018	-
Interfund balances	59,798	(59,798)	-	-
Total Current Assets	6,661,382	1,110,913	7,772,295	611,749
Noncurrent Assets				
Capital assets				
Nondepreciable	2,228,118	193,190	2,421,308	-
Depreciable, net	15,147,373	404,549	15,551,922	45,598
Advances to other funds	471,402	(471,402)	-	-
Total Noncurrent Assets	17,846,893	126,337	17,973,230	45,598
Total Assets	24,508,275	1,237,250	25,745,525	657,347
Deferred Outflows of Resources	3,011,854	-	3,011,854	128,794
Total Assets and Deferred Outflows of Resources	27,520,129	1,237,250	28,757,379	786,141
Liabilities				
Current Liabilities				
Accounts payable	480,248	114,731	594,979	91,385
Accrued expenses	594,570	8,831	603,401	-
Lease payable	134,719	-	134,719	-
Notes payable	60,445	-	60,445	-
Amounts held in trust	8,331	-	8,331	-
Landfill closure/postclosure cost	-	54,544	54,544	-
Total Current Liabilities	1,278,313	178,106	1,456,419	91,385
Long-term Liabilities				
Net pension liability	3,212,080	-	3,212,080	364,279
Net OPEB liability	-	-	-	176,078
Lease payable	336,805	-	336,805	-
Notes payable	31,089	-	31,089	-
Compensated absences	54,372	9,002	63,374	28,998
Landfill closure/postclosure cost	-	1,036,343	1,036,343	-
Total Long-term Liabilities	3,634,346	1,045,345	4,679,691	569,355
Total Liabilities	4,912,659	1,223,451	6,136,110	660,740
Deferred Inflows of Resources	1,520,892	-	1,520,892	111,468
Total Liabilities and Deferred Inflows of Resources	6,433,551	1,223,451	7,657,002	772,208
Net Position				
Net Investment in Capital Assets	16,812,433	597,739	17,410,172	45,598
Restricted for:				
Capital projects	1,338,429	-	1,338,429	-
Public safety	694,536	-	694,536	-
Tourism	8,766	-	8,766	-
Health and welfare	335,624	-	335,624	-
Housing and development	1,980	-	1,980	-
Public works	647,268	-	647,268	-
Fire insurance	168,877	-	168,877	-
Unrestricted	1,078,665	(583,940)	494,725	(31,665)
Total Net Position	$ 21,086,578	$ 13,799	$ 21,100,377	$ 13,933

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

ELBERT COUNTY, GEORGIA

Statement of Activities

For the Year Ended June 30, 2019

	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total	Component Unit: Health Department
Primary Government:								
Governmental Activities:								
General government	$ 4,495,479	$ 78,701	$ 8,012	$ 2,093,806	$ (2,314,960)	$ -	$ (2,314,960)	$ -
Judicial	2,018,763	1,072,868	-	187,530	(758,365)	-	(758,365)	-
Public safety	6,298,145	2,088,068	304,541	-	(3,905,536)	-	(3,905,536)	-
Public works	1,614,417	-	646,014	-	(968,403)	-	(968,403)	-
Health and welfare	573,273	12,791	465,851	-	(94,631)	-	(94,631)	-
Recreation and culture	405,835	13,503	-	-	(392,332)	-	(392,332)	-
Housing and development	725,972	59,375	-	153,127	(513,470)	-	(513,470)	-
Interest on Debt	22,910	-	-	-	(22,910)	-	(22,910)	-
Total Governmental Activities	16,154,794	3,325,306	1,424,418	2,434,463	(8,970,607)	-	(8,970,607)	-
Business-type Activities:								
Solid Waste	768,539	835,883	148,242	-	-	215,586	215,586	
Public Transportation	276,928	14,075	-	-	-	(262,853)	(262,853)	
Bobby Brown Park	166,556	133,862	1,754	-	-	(30,940)	(30,940)	
Total Business-type Activities	1,212,023	983,820	149,996	-	-	(78,207)	(78,207)	
Total Primary Government	$ 17,366,817	$ 4,309,126	$ 1,574,414	$ 2,434,463	(8,970,607)	(78,207)	(9,048,814)	
Component Units:								
Health Department	$ 599,550	$ 220,656	$ 433,919	$ -				55,025
Total Component Units	$ 599,550	$ 220,656	$ 433,919	$ -				$ 55,025
General Revenues:								
Taxes:								
Property taxes, levied for general purposes					7,075,356	-	7,075,356	-
Real estate transfer tax					29,164	-	29,164	-
Franchise fees					94,887	-	94,887	-
Business tax					996,749	-	996,749	-
Sales tax					1,381,917	-	1,381,917	-
Alcoholic beverage tax					87,908	-	87,908	-
Hotel/Motel tax					40,947	-	40,947	-
Interest and investment earnings					2,163	69	2,232	313
Miscellaneous					133,998	-	133,998	-
Gain on disposition of assets					14,042	-	14,042	-
Insurance refunds and recoveries					11,326	-	11,326	-
Transfers					(20,365)	20,365	-	-
Total General Revenues and Transfers					9,848,092	20,434	9,868,526	313
Change in Net Position					877,485	(57,773)	819,712	55,338
Net Position Beginning of Year					20,270,455	71,572	20,342,027	(41,405)
Prior Period Adjustment					(61,362)	-	(61,362)	-
Restated Beginning Net Position					20,209,093	-	20,209,093	
Ending Net Position					$ 21,086,578	$ 13,799	$ 21,100,377	$ 13,933

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

ELBERT COUNTY, GEORGIA

Balance Sheet

Governmental Funds

June 30, 2019

	General Fund	Senior Center	Capital Projects Fund	Victims Assistance Fund	Multi-Grant Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets							
Cash and cash equivalents	$ 1,548,564	$ 184,540	$ 633,403	$ 228,547	$ 63,122	$ 379,580	$ 3,037,756
Restricted cash	8,331	-	-	-	-	-	8,331
Intergovernmental receivable	308,695	105,393	176,435	78,809	702,971	43,320	1,415,623
Receivables (net)	940,445	-	-	14,717	-	33,694	988,856
Prepaid expenditures	1,151,018	-	-	-	-	-	1,151,018
Due from other funds	21,274	57,893	10,170	-	5,826	87,619	182,782
Advances to other funds	478,470	-	-	-	-	-	478,470
Total Assets	4,456,797	347,826	820,008	322,073	771,919	544,213	7,262,836
Deferred Outflows of Resources	-	-	-	-	-	-	-
Total Assets and Deferred Outflows of Resources	$ 4,456,797	$ 347,826	$ 820,008	$ 322,073	$ 771,919	$ 544,213	$ 7,262,836
Liabilities							
Accounts payable	$ 263,315	$ 9,036	$ 97,193	$ 48,061	$ 24,712	$ 37,931	$ 480,248
Accrued expenses	578,533	3,166	-	692	-	12,179	594,570
Due to other funds	113,440	-	9,274	270	-	-	122,984
Advances from other funds	-	-	-	-	7,068	-	7,068
Amounts held in trust	8,331	-	-	-	-	-	8,331
Total Liabilities	963,619	12,202	106,467	49,023	31,780	50,110	1,213,201
Deferred Inflows of Resources	458,941	-	-	-	-	-	458,941
Total Liabilities and Deferred Inflows of Resources	1,422,560	12,202	106,467	49,023	31,780	50,110	1,672,142
Fund Balances							
Nonspendable:							
Prepaid expenditures	1,151,018	-	-	-	-	-	1,151,018
Advances to other funds	478,470	-	-	-	-	-	478,470
Restricted for:							
Capital projects	-	-	713,541	-	-	-	713,541
Public safety	-	-	-	273,050	92,145	325,385	690,580
Tourism	-	-	-	-	-	8,766	8,766
Health and Welfare	-	335,624	-	-	-	-	335,624
Housing and development	-	-	-	-	1,980	-	1,980
Public works	-	-	-	-	646,014	-	646,014
Fire insurance fund	-	-	-	-	-	159,952	159,952
Unassigned	1,404,749	-		-	-	-	1,404,749
Total Fund Balances	3,034,237	335,624	713,541	273,050	740,139	494,103	5,590,694
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 4,456,797	$ 347,826	$ 820,008	$ 322,073	$ 771,919	$ 544,213	$ 7,262,836

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

ELBERT COUNTY, GEORGIA

Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2019

Total Governmental Fund Balances		$ 5,590,694
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Governmental capital assets	$ 32,018,915	
Less: Accumulated depreciation	(14,643,424)	
Total capital assets		17,375,491
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:		
Accrued compensated absences not reported in governmental funds		(54,372)
Notes payable		(91,534)
Capital leases		(471,524)
Some of the County's revenues will be collected after year-end, but are not available soon enough to pay for the current period's expenditures and therefore are deferred in the funds.		458,941
Pension items not included in fund financial statements.		
Deferred outflows of resources		3,011,854
Deferred inflows of resources		(1,520,892)
Net pension liability		(3,212,080)
Net Position of Governmental Activities		$ 21,086,578

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

ELBERT COUNTY, GEORGIA

Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2019

	General Fund	Senior Center	Capital Projects Fund	Victims Assistance Fund	Multi-Grant Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues							
Property tax	$6,943,801	$ -	$ -	$ -	$ -	$ -	$ 6,943,801
Real estate transfer tax	29,164	-	-	-	-	-	29,164
Sales tax	1,381,917	-	2,093,806	-	-	-	3,475,723
Business tax	996,749	-	-	-	-	-	996,749
Franchise tax	94,887	-	-	-	-	-	94,887
Alcohol tax	87,908	-	-	-	-	-	87,908
Hotel/Motel tax	-	-	-	-	-	40,947	40,947
Intergovernmental	83,960	457,328	-	304,541	986,671	408,586	2,241,086
Licenses and permits	8,350	-	-	-	-	-	8,350
Fines and forfeitures	402,581	-	-	167,947	-	66,394	636,922
Charges for services	1,794,868	12,791	-	-	31,563	421,996	2,261,218
Contributions	-	8,523	-	-	-	-	8,523
Interest	1,723	43	-	-	-	397	2,163
Miscellaneous	133,479	-	-	-	-	11,149	144,628
Total Revenue	11,959,387	478,685	2,093,806	472,488	1,018,234	949,469	16,972,069
Expenditures							
Current:							
General government	2,836,487	-	66,572	-	-	-	2,903,059
Judicial	1,036,803	-	-	432,166	196,678	412,579	2,078,226
Public safety	5,308,745	-	40,182	-	-	841,817	6,190,744
Public works	961,335	-	221,894	-	354,452	-	1,537,681
Health and welfare	234,905	329,630	-	-	-	-	564,535
Recreation and culture	377,930	-	14,320	-	-	-	392,250
Housing and development	433,440	-	19,558	-	171,367	41,984	666,349
Intergovernmental	-	-	713,807	-	-	-	713,807
Debt Service:							
Interest Expenditure	5,516	-	17,394	-	-	-	22,910
Principal retirement	-	-	165,658	-	-	3,956	169,614
Capital Outlay	-	-	459,229	-	1,254	164,870	625,353
Total Expenditures	11,195,161	329,630	1,718,614	432,166	723,751	1,465,206	15,864,528
Excess (Deficiency) of Revenues Over (Under) Expenditures	764,226	149,055	375,192	40,322	294,483	(515,737)	1,107,541
Other Financing Sources (Uses)							
Transfers in	12,000	-	9,000	-	5,826	590,000	616,826
Transfers out	(637,191)	-	-	-	-	-	(637,191)
Insurance refunds and recoveries	19,917	-	-	-	-	-	19,917
Proceeds from sale of assets	5,451	-	-	-	-	-	5,451
Proceeds from issuance of debt	-	-	-	-	-	155,945	155,945
Total Other Financing Sources (Uses)	(599,823)	-	9,000	-	5,826	745,945	160,948
Net Change in Fund Balances	164,403	149,055	384,192	40,322	300,309	230,208	1,268,489
Fund Balances Beginning of Year	2,931,196	186,569	329,349	232,728	439,830	263,895	4,383,567
Prior Period Adjustment	(61,362)	-	-	-	-	-	(61,362)
Fund Balances End of Year	$3,034,237	$ 335,624	$ 713,541	$ 273,050	$ 740,139	$ 494,103	$ 5,590,694

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

ELBERT COUNTY, GEORGIA

Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2019

Net Changes in Fund Balances-Total Governmental Funds		$ 1,268,489
Amounts reported as governmental activities in the Statement of Activities are different from the amounts reported in the Statement of Revenues, Expenditures, and Changes in Fund Balance because:		
Capital outlays are reported as expenditures in Governmental Funds. However, in the Statement of Activities the cost of those assets is allocated over their useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeds depreciation.		
Capital outlay	644,353	
Less: Current year depreciation	(995,271)	
		(350,918)
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduced long-term liabilities in the statement of net position. This is the amount by which proceeds exceeded repayments.		13,670
Net pension liability is not available during the current period and therefore is not reported in the funds		
End of Fiscal Year	(3,212,080)	
Beginning of Fiscal Year	1,649,399	
		(1,562,681)
Contributions made after pension measurement date, changes in assumptions, and differences in expected and actual results of the defined benefit pension plan are reported as deferred outflows and not reported in the funds.		
End of Fiscal Year	3,011,854	
Beginning of Fiscal Year	(1,164,099)	
		1,847,755
Differences in expected and actual results of the defined benefit pension plan are reported as deferred inflows and not reported in the funds.		
End of Fiscal Year	(1,520,892)	
Beginning of Fiscal Year	1,125,916	
		(394,976)
Compensated absences are reported in the Statement of Activities, but do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Compensated absence liability at June 30, 2018	54,911	
Compensated absence liability at June 30, 2019	(54,372)	
		539
Because some revenues will not be collected for several months after the County's fiscal year end, they are considered "available" revenues and are deferred in the governmental funds.		
Deferred revenue at June 30, 2018	(403,334)	
Deferred revenue at June 30, 2019	458,941	
		55,607
Change in Net Position of Governmental Activities		$ 877,485

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

ELBERT COUNTY, GEORGIA

Statement of Net Position

Proprietary Funds

June 30, 2019

	Solid Waste Fund	Public Transportation Fund	Bobby Brown Park	Total
Current Assets				
Cash and cash equivalents	$ 58,420	$ 216,080	$ 45,210	$ 319,710
Accounts receivable (net)	138,770	10	9,397	148,177
Due from other governments	572,716	130,108	-	702,824
Due from other funds	-	10,095	-	10,095
Total Current Assets	769,906	356,293	54,607	1,180,806
Noncurrent Assets				
Capital assets				
Non-depreciable	193,190	-	-	193,190
Depreciable, net	211,243	67,391	125,915	404,549
Total Noncurrent Assets	404,433	67,391	125,915	597,739
Total Assets	1,174,339	423,684	180,522	1,778,545
Deferred Outflows of Resources	-	-	-	-
Total Assets and Deferred Outflows of Resources	1,174,339	423,684	180,522	1,778,545
Liabilities				
Current Liabilities				
Accounts payable	93,663	7,225	13,843	114,731
Accrued expenses	2,917	4,336	1,578	8,831
Due to other funds	-	69,893	-	69,893
Landfill closure/postclosure	54,544	-	-	54,544
Total Current Liabilities	151,124	81,454	15,421	247,999
Long-term Liabilities				
Advances from other funds	75,588	-	395,814	471,402
Landfill closure/postclosure	1,036,343	-	-	1,036,343
Compensated absences	-	9,002	-	9,002
Total Long-term Liabilities	1,111,931	9,002	395,814	1,516,747
Total Liabilities	1,263,055	90,456	411,235	1,764,746
Deferred Inflows of Resources	-	-	-	-
Total Liabilities and Deferred Inflows of Resources	1,263,055	90,456	411,235	1,764,746
Net Position				
Net investment in capital assets	404,433	67,391	125,915	597,739
Unrestricted	(493,149)	265,837	(356,628)	(583,940)
Total Net Position	$ (88,716)	$ 333,228	$ (230,713)	$ 13,799

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

ELBERT COUNTY, GEORGIA

Statement of Revenues, Expenses, and Changes in Net Position

Proprietary Funds

For the Year Ended June 30, 2019

	Solid Waste Fund	Public Transportation Fund	Bobby Brown Park	Total
Operating Revenue				
Charges for services	$ 835,883	$ 14,075	$ 133,862	$ 983,820
Donations	-	-	1,754	1,754
Total Operating Revenue	835,883	14,075	135,616	985,574
Operating Expenses				
Personnel services:				
Salaries and wages	138,908	183,154	63,495	385,557
Employment Taxes	10,507	-	6,195	16,702
Benefits	14,201	-	-	14,201
Total Personnel Services	163,616	183,154	69,690	416,460
Purchased / contracted services:				
Professional and technical	14,820	-	-	14,820
Rentals	6,100	-	-	6,100
Other purchased services	535,176	-	475	535,651
Total Purchased / contracted services	556,096	-	475	556,571
Other operating expenses:				
Landfill closure/postclosure	(17,628)	-	-	(17,628)
Administrative	2,037	2,828	777	5,642
Supplies	7,242	34,076	51,876	93,194
Repairs and maintenance	18,744	5,941	6,340	31,025
Utilities	11,288	12,997	32,912	57,197
Engineering, lab fees and training	-	1,550	-	1,550
Depreciation	16,794	35,767	10,150	62,711
Marketing and advertising	-	615	4,486	5,101
Miscellaneous	200	-	-	200
Total other operating expenses	38,677	276,928	176,706	492,311
Total Operating Expenses	758,389	276,928	176,706	1,212,023
Operating Income (Loss)	77,494	(262,853)	(41,090)	(226,449)
Nonoperating Revenues (Expenses)				
Interest income	69	-	-	69
Total Nonoperating Revenues and (Expenses)	69	-	-	69
Income (Loss) Before Contributions and Transfers	77,563	(262,853)	(41,090)	(226,380)
Intergovernmental grant	2,883	145,359	-	148,242
Transfer in	-	32,365	-	32,365
Transfer (out)	-	(12,000)	-	(12,000)
Change in Net Position	80,446	(97,129)	(41,090)	(57,773)
Net Position Beginning of Year	(169,162)	430,357	(189,623)	71,572
Net Position End of Year	$ (88,716)	$ 333,228	$ (230,713)	$ 13,799

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

ELBERT COUNTY, GEORGIA

Statement of Cash Flows

Proprietary Funds

For The Year Ended June 30, 2019

	Solid Waste Fund	Public Transportation Fund	Bobby Brown Park	Total
Cash flows from operating activities:				
Receipts from customers	$ 739,654	$ 19,834	$ 132,805	$ 892,293
Payments to suppliers	(533,395)	30	(107,667)	(641,032)
Payments to employees	(163,681)	(183,141)	(69,727)	(416,549)
Net cash provided (used) by operating activities	42,578	(163,277)	(44,589)	(165,288)
Cash flows from noncapital financing activities:				
Transfer from other funds	-	32,365	-	32,365
Transfer to other funds	-	(12,000)	-	(12,000)
Intergovernmental grants	2,883	64,125	-	67,008
Increase (decrease) in advances from other funds	(59,703)	-	145,033	85,330
Net cash provided (used) by noncapital financing activities	(56,820)	84,490	145,033	172,703
Cash flows from capital and related financing activities:				
Transfer from other funds	-			-
Acquisition and construction of capital assets			(69,512)	(69,512)
Net cash provided (used) by capital and related financing activities	-		(69,512)	(69,512)
Cash flows from investing activities:				
Interest income	69	-	-	69
Net cash provided (used) by investing activities	69	-	-	69
Net increase (decrease) in cash and cash equivalents	(14,173)	(78,787)	30,932	(62,028)
Cash and cash equivalents, June 30, 2018	72,593	294,867	14,278	381,738
Cash and cash equivalents, June 30, 2019	$ 58,420	$ 216,080	$ 45,210	$ 319,710
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	$ 77,494	$ (262,853)	$ (41,090)	$ (226,449)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	16,794	35,767	10,150	62,711
Landfill closure/postclosure	19,288	-	-	19,288
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable	(59,313)	(10)	(2,811)	(62,134)
(Increase) decrease in due from other governments	(36,916)	-	-	(36,916)
(Increase) decrease in due from other funds	-	5,769	-	5,769
Increase (decrease) in due to other funds	(1,114)	55,852	-	54,738
Increase (decrease) in accounts payable	26,410	2,185	(10,801)	17,794
Increase (decrease) in accrued expenses	(65)	552	(37)	450
Increase (decrease) in compensated absences	-	(539)	-	(539)
Net cash provided (used) by operating activities	$ 42,578	$ (163,277)	$ (44,589)	$ (165,288)

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

ELBERT COUNTY, GEORGIA

Statement of Fiduciary Assets and Liabilities

June 30, 2019

	Agency Funds
Assets	
Cash and cash equivalents	$ 631,934
Taxes receivable	831,422
Total Assets	$ 1,463,356
Liabilities	
Due to others	$ 1,463,356
Total Liabilities	$ 1,463,356

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Elbert County, Georgia have been prepared in conformity with generally accepted accounting principles in the United States of America (GAAP) as applied to government units. The County's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements and Accounting Principles Board (APB) opinions, unless those pronouncements conflict with or contradict GASB pronouncements, in which case GASB prevails. The more significant of the government's accounting policies are described below.

1-A The Reporting Entity

Elbert County, Georgia was incorporated in 1803 in the State of Georgia. The County operates under a six-member commission and County Administrator form of Government. Other officials elected by citizens of the county that manage various segments of the County's operations are the Clerk of Court, District Attorney, Chief Magistrate, Probate Judge, Sheriff, and Tax Commissioner. Although the elected officials manage the internal operations of their respective departments, the County Commissioners authorize expenditures as well as serve as the budget and taxing authority, contracting body, and the chief administrators of public services for the entire county.

A reporting entity is composed of the primary government, component units, and other organizations that are included to ensure the financial statements of the County are not misleading. The primary government of the County consists of all funds, departments, boards, and agencies that are not legally separate from the County. Component units are legally separate organizations for which the County appoints a voting majority of the organization's governing board and (1) the County is able to significantly influence the programs or services provided by the organization; or (2) the County is legally entitled to or can otherwise access the organization's resources; the County is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the County is obligated for the debt of the organization. Component units may also include organizations for which the County approves the budget, the issuance of debt, or the levying of taxes.

Discretely Presented Component Units

The component unit column on the combined financial statements includes the financial data of the County's discretely presented component unit. It is reported in a separate column to emphasize it is legally separate from the County. Discretely presented component unit include the following:

Elbert County Health Department – The Health Department was constituted and is operated in accordance with the Georgia Health Code, Chapter 88-2,Georgia Laws 1964. The District Health Director is the Executive Officer of the Elbert County Health Department and is responsible for the overall coordination of local health activities. The center operates under the supervision of the local Board of Health, which is appointed by the Elbert County Board of Commissioners and the City of Elberton. Elbert County provides the facilities for the Health Department and provides matching funds for its operation. The Health Department issues separately audited financial statements. Copies of the audit may be obtained from the Health Department at the following address:

Elbert County Public Health Department
618 Jones Street, SW, Elberton, GA. 30635

Other Entities

Other entities, which are excluded from the reporting entity because the County is unable to impose its will on the entities governing board or does not receive specific financial benefits or incur specific financial burdens from the entities, include the following:

- The Board of Education of Elbert County
- The Development Authority of Elbert County, Elberton and Bowman
- The Elbert County Hospital Authority
- The Department of Family and Children Services
- The City of Elberton Housing Authority
- The Elbert County Library Board

Related Organization

Elbert County Richard B. Russell Development Authority – The Authority is a related organization to the County. The Board of Commissioners appoints the board but is not financially or operationally accountable to the Authority. The Authority does not meet the criteria for inclusion as a component unit.

Joint Ventures - The County participates in the following joint venture:

Elbert County, in conjunction with cities and counties in the twelve county Northeast Georgia regions are members of the Northeast Georgia Regional Commission. Membership in the Commission is automatic for each municipality and county in the state. The Official Code of Georgia Section 50-8-34 (Georgia Planning Act of 1989) provides for the organizational structure of the Commissions. Each county and municipality in the state is required by law to pay minimum annual dues. The Commission's board membership includes the chief elected official of each county and the chief elected official of each municipality. The county board members and municipal board members from the same county elect one member of the Board who is a resident (but not an elected or appointed official or employee of the County or municipality) to serve as the non-public Board member from a County. The Georgia Planning Act of 1989 (O.C.G.A. 50-8-34) defines Commissions as "public agencies and instrumentalities of their member". Georgia laws also provide that the member governments are liable for any debts or obligations of a Commission beyond its resources, (O.C.G.A. 50-8-39.1). Complete financial statements of the Northeast Georgia Regional Commission can also be obtained directly from their office at:

Northeast Georgia Regional Commission
305 Research Drive
Athens, GA. 30605-2795

1-B Basis of Presentation

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the County as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the County that are governmental in nature and those that are considered business-type activities.

The Statement of Net Position presents the financial condition of the governmental and business-type activities of the County at year end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the County's governmental activities and business-type activities. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipients of the goods or services offered by the programs, and 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 are presented as general revenues of the County. The comparison of direct expenses with program revenues identifies the extent to which each governmental program or business activity is self-financing or draws from the general revenues of the County.

Fund Financial Statements

During the year, the County segregates transactions related to certain County functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the County at this more detailed level. The focus of governmental and proprietary fund financial statements is on major funds. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

Fund Accounting

The County uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary, and fiduciary.

Governmental Funds

Governmental funds are those through which most governmental functions of the County are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid.

The difference between governmental fund assets and liabilities is reported as fund balance. The following are the County's major governmental funds:

- General Fund – This is the County's primary operating fund. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund balance is available to the county for any purposes provided it is expended or transferred according to the general laws of Georgia.
- Senior Center Fund – The Senior Center fund is used to account for fees from senior adults to pay for activities and home delivered meals as well as on site meals. The Senior Center also receives various donations for individuals and organizations in the community.
- Capital Projects Fund – This fund is used to account for revenue and expenditures resulting from the Special Purpose Local Option Sales Tax referendum. The primary revenue sources are one percent (1%) sales taxes and the primary expenditures are capital outlay projects, primarily for road and bridge repairs, County facility improvements, County equipment purchases, City of Elberton projects, and City of Bowman projects.
- Victims Assistance Fund – This fund is used to account for funds collected to provide support to victims of violent crimes.
- Multi-Grant Fund – This fund is used for revenue and expenditures resulting from several grant projects that span several years. The grants are from federal, state and private sources and are for capital project and operational functions.

The non-major governmental funds are combined and reported in a single column in the fund financial statements.

Proprietary Funds

Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. The County's proprietary funds may be used to account for any activity for which a fee is charged to external users for goods or services.

Receivables from and payables to external parties are reported separately and not offset in the proprietary fund financial statements and business-type activities of the government-wide financial statements, unless a right of offset exists.

The County reports the following major proprietary fund:

- Solid Waste – This entity was established for the collection and disposal of solid waste. This entity is responsible for the closure care of the old landfill.
- Transportation – This entity was formed to provide public transportation services to the citizens of Elbert County. Funding includes federal, state, local funds as well as charges for services.
- Bobby Brown Park – This entity was established in 2015 through a lease agreement with the Georgia Department of Natural Resources. Revenue is derived from the park's campsites rental fees.

Fiduciary Funds

The County has five agency fiduciary funds, Probate Court, Magistrate Court, Sheriff, Clerk of Court, and the Tax Commissioner. These agency funds are unlike all other types of funds in that they report only assets and liabilities and do not have a measurement focus. The accrual basis of accounting is utilized in these funds to recognize receivables and payables.

Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using the flow of economic resources measurement focus and the accrual basis of accounting. All assets and all liabilities associated with the operation of the County are included on the Statement of Net Position.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balance reflects the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of government-wide

financial statements are prepared. Governmental fund financial statements, therefore, includes a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the fund financial statements for governmental funds.

Like the government-wide financial statements, the proprietary funds are accounted for using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the Statement of Net Position. The Statement of Revenues, Expenses, and Changes in Net Position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The Statement of Cash Flows reflects how the County finances and meets the cash flow needs of its proprietary activities.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide, proprietary and fiduciary fund financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue and in the presentation of expenses verses expenditures.

Revenues – Exchange and Non-exchange Transactions

Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recognized in the year in which the resources are measurable and become available. Available means the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the County, available means expected to be received within sixty-days after year end. Property taxes, sales taxes, franchise taxes, licenses and interest are considered to be susceptible to accrual.

Non-exchange transactions, in which the County receives value without directly giving equal value in return, includes property taxes, sales taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied. Revenue from sales taxes is recognized in the period in which the sales are made. Revenue from grants, entitlements, and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the County must provide local resources to be used for a specified purpose; and expenditure requirements in which the resources are provided to the County on a reimbursement basis. On the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Expenses / Expenditures

On the accrual basis, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred if measurable. Allocations of cost, such as depreciation and amortization are not recognized in governmental funds.

Budgetary Process

All funds, except agency funds, are legally required to be budgeted and appropriated. The procedures for establishing the General Fund budget are as follows:

Each department furnishes its budget request to the County Administrator. The County finance officer compiles these requests into a comprehensive general fund budget. The Commissioners review the budget requests in a budget workshop that is open to the public. The budget is adopted by the Board of Commissioners in a public meeting held by the Board prior to July 1st. All budgetary appropriations, except for open projects, lapse at year end. The level of budgetary control is at the department level.

1-C Assets, Liabilities, and Equity

Cash and Investments

Cash and cash equivalents are cash on hand as well as demand deposits, investments and certificates of deposit included in pooled cash and non-pooled investments with original maturities of three months or less. Cash and cash equivalents on the Statement of Cash Flows for proprietary funds represent available cash on hand and demand deposits. Investments include pooled investments and certificates of deposit (with original maturities of three months or greater). The County maintained no cash funds in investment accounts at June 30, 2019.

Georgia law authorizes the County to invest in the following type of obligations:

- Obligations of the State of Georgia, or of any other state
- Obligations of the United States Government or any corporation of the US government
- Obligations fully insured or guaranteed by the U.S. government or by a governmental agency of the U.S.
- Prime bankers' acceptances
- The State of Georgia local government investment pool
- Repurchase agreements
- Obligations of the other political subdivisions of the State of Georgia

Net Position

Net position represents the residual of all other elements presented in the Statement of Net Position. Net position is reported as Net investment in Capital Assets, balances restricted by enabling legislation and unrestricted balances. The County applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted balances are available.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2019, are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed. At the fund reporting level, an equal amount of the fund balance is reserved as this amount is not available for general appropriation.

Inventory

Expendable supplies are recorded as expenditures at the time the items are purchased. The County does not record inventories of supplies at year end in governmental funds due to the lack of materiality. The proprietary fund inventory is stated at the lower of cost or market on a first-in, first-out basis.

Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments, or are imposed by law through constitutional provisions or enabling legislation.

Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in governmental funds. The County reports these assets in the governmental activities column of the government-wide Statement of Net Position, but does not report these assets in the governmental fund financial statements. Capital assets utilized by proprietary funds are reported both in the business-type activities column of the government-wide Statement of Net Position and in the proprietary funds' Statement of Net Position.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The County's capitalization threshold is $5,000. Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are reported as expenses. The County has recorded the value of infrastructure assets (roads, bridges and water lines, etc.) for additions made since July 1, 2003.

All capital assets are depreciated except for land, right-of-ways and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

Assets	Years
Infrastructure	25-50
Buildings and improvements	10-50
Machinery and equipment	7-20
Vehicles	5

Interfund Receivables/Payables

Activity between funds that are representative of lending / borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to / from other funds" (i.e., the current portion of interfund loans) or "advances to / from other funds" (i.e., the non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances" and eliminated on the Statement of Net Position.

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

Compensated Absences

Effective January 1, 2006, the County adopted a new policy for compensated absences. Under the new policy, an employee is awarded annual leave based on the number of years of continuous employment from 12 days up to 24 days leave. All unused leave remaining at the end of the calendar year is forfeited. Leave accrued under the old policy will be honored by the County and can be used by the employee in addition to all current leave awarded to that employee. Employees may purchase annual leave that they have accumulated under the old system once per year not to exceed $800. Upon termination, any remaining hours of accrued leave are to be paid out to the employee.

On governmental fund financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignation and retirements, or through the annual leave pay-out provision. On the government-wide financial statements, the balance of compensated absences is recorded as a noncurrent liability and disclosed as a long term debt.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported on the government-wide financial statements. All payables, accrued liabilities, and long-term obligations payable from the proprietary funds are reported on the proprietary fund financial statements.

In general, governmental fund payables and accrued liabilities are recognized as fund liabilities when incurred. Loans and capital leases are recognized as a liability on the fund financial statements when due.

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the County, these revenues are charges for services in the Solid Waste Proprietary Fund and charges for public transportation in the Public Transportation Proprietary Fund. Operating expenses are the necessary costs incurred to provide the service that is the primary activity of each fund. Revenues and expenses not meeting these definitions are reported as non-operating.

Interfund Transactions

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

This government reports interfund transfers between several of its funds. Some of the transfers are considered immaterial and are aggregated into a single column or row titled *All Others*. The sum of all transfers presented in the table agrees with the sum of interfund

transfers presented in the governmental and proprietary fund financial statements. These transfers have been eliminated from the government- wide financial statements.

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) provide unrestricted revenue collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Property Tax Calendar

Property taxes were levied on September 26, 2019, billed on October 10, 2019, and were due on December 17, 2019. Unpaid property taxes were considered delinquent on December 18, 2019. Property taxes attach as an enforceable lien ninety days later on March 18, 2019, which is considered as the lien date.

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section of deferred outflows of resources. This separate financial statement element, *deferred outflows of resources,* represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has one item that qualifies for reporting in this category. This item consists of the deferred charges related to the County's defined benefit retirement plan. Note 4: Deferred Outflows of Resources for further disclosure.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources,* represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has two items that qualify for reporting in this category. One of the items is property tax. This item only arises under the modified accrual basis of accounting. Accordingly, this item, *unavailable revenue,* is reported only in the governmental funds balance sheet. The second item that qualifies for reporting in this category consists of the deferred income related to the County's defined benefit retirement plan. See Note 5: Deferred Inflows of Resources for further disclosure.

1-D Fund Equity

Fund equity at the governmental fund financial reporting level is classified as "fund balance". Fund equity for all other reporting is classified as "net position".

Fund Balance - Generally fund balance represents the difference between the current assets and current liabilities. In the Fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

Non-spendable - Fund balances are reported as non-spendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally contractually required to be maintained intact.

Restricted - Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Committed - Fund balances are reported as committed when it can be used only for specific purposes pursuant to constraints imposed by formal action of the County Commission through the adoption of a resolution. The County Commission also may modify or rescind the commitment.

Assigned - Fund balances are reported as assigned when amounts are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the County Commission has authorized the County's finance officer to assign fund balances.

Unassigned - Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The County reports positive unassigned fund balances only in the general fund. Negative unassigned fund balances may be reported in all funds.

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

Committed
Assigned
Unassigned

NOTE 2: CASH AND CASH EQUIVALENTS

Primary Government

The County's cash balance is classified into three categories of credit risk: 1) cash that is insured or collateralized with securities held by the County or by its agent in its name, 2) cash collateralized with securities held by the pledging financial institution's trust department or agent in the County's name, and 3) uncollateralized bank accounts including any bank balance that is collateralized with securities held by the pledging institution's trust department or agent but not in the County's name.

At June 30, 2019, the carrying amount of the County's deposits was $3,328,513, and the related bank balance totaled $3,153,178. All deposits were fully collateralized as of June 30, 2018.

Cash and Cash on hand	$ 3,365,797
Agency Funds	$ 631,934

The County's custodial credit risk policy is to require all banks to collateralize the County's deposits at 110% of account balances and to have a perfected security agreement supporting the collateral agreement with the bank. The County does not have a foreign credit risk.

Component Unit

The Elbert County Health Department has defined cash and cash equivalents to include cash on hand, demand deposits, and cash with fiscal agents. The carrying amount of the Health Department's deposits as of June 30, 2019, was $544,856 and the bank balances were $578,519.

NOTE 3: RECEIVABLES

Primary Government

Receivables at June 30, 2019, at the fund level, consisted of taxes, accounts (billings for user charges), intergovernmental receivables arising from sales tax collections and interfund receivables.

Receivables and payables are recorded on the County's financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation but also by a reasonable, systematic method of determining their existence, completeness, valuation and, in the case of receivables, collectability.

Receivables are reported net of an allowance for doubtful accounts and consist of the following:

Governmental Funds:		
Taxes receivables	$	685,772
Accounts receivable - EMS Charges for Services		259,961
Accounts receivable - E911 Charges for Services		27,514
Accounts receivable - Other Charges for Services		892
Fines Receivable		14,717
Due from other governments - LMIG		646,014
Due from other governments - SPLOST		176,435
Due from other governments - State of GA		349,734
Due from other governments - Other		242,546
Total Governmental Receivables:	$	2,403,585
Business-type Funds:		
Due from other governments - GA DOT	$	130,108
Due from other governments - City of Elberton		572,716
Accounts receivable - Solid waste service charges		148,177
Total Business-type Receivables:	$	851,001

Component Unit

The Elbert County Health Department has an amount due from the Georgia Department of Public Health of $66,893 which represents the June 2019 amount in aid reimbursement requests.

NOTE 4: DEFERRED OUTFLOWS OF RESOURCES

Government-Wide Financial Statements:

Deferred outflows of resources - governmental activities		
Defined benefit retirement plan - See Note 6	$	3,011,854
Total deferred outflows of resources - governmental activities	$	3,011,854

NOTE 5: DEFERRED INFLOWS OF RESOURCES

Governmental Fund Financial Statements:

Property Taxes	$	458,941	Non-exchange transaction resource collected
Total Deferred Inflows of Resources	$	458,941	beyond the City's period of availability.

Government-Wide Financial Statements:

Deferred inflows of resources - governmental activities		
Defined benefit retirement plan - See Note 6	$	1,520,892
Total deferred inflows of resources - governmental activities	$	1,520,892

NOTE 6: RETIREMENT PLANS

Defined Benefit Retirement Plan

Plan Description

The County contributes to the Association County Commissioners of Georgia ("ACCG") Defined Benefit Plan, an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating counties in Georgia as defined in the Governmental Accounting Standards Board (GASB) Statement No. 67, *Financial Reporting for Pension Plans.*

The specific benefit provisions of the Elbert County Defined Benefit Plan was established by an adoption agreement executed by the County Board of Commissioners. The Plan provides for benefits upon retirement, death, disablement, and termination of employment, if certain eligibility conditions are met. The Board of Trustees for the ACCG Pension Plan and Trust oversees the administration, investment and funding of the ACCG Retirement Program for member employers. The Georgia Constitution enables the governing authority of the County, the Board of Commissioners, to establish, and amend from time-to-time the contribution rates for the County and its plan participants. The pension plan's financial report is included in the report of the ACCG Elbert County Defined Benefit Plan prepared by GEBCorp.

A copy of the Pension Plan financial reports can be obtained from:

GEBCorp
191 Peachtree Street NE, Suite 700
Atlanta, Georgia 30303

Employee membership data related to the Plan, as of January 1, 2018 (the most recent actuarial valuation date are shown below:

Active participants	157
Deferred Vested Participants	93
Retirees, Beneficiaries and Disables Receiving Benefits	63
Total Number of Plan Participants	313

Funding Policy

The County is required to contribute at an actuarially determined rate. Section 47-20 of the Georgia Code sets forth the minimum funding standards for state and local governmental pension plans. Administrative expenses are based on total covered compensation of active plan participants and are added to the state-required annual funding requirement. The required annual contributions for Elbert County is $358,712 for FY 2019, which is 6.56% of fiscal year 2018's covered payroll.

Plan Benefits and Eligibility

The Plan went effective on December 1, 1968 and was last amended and restated on January 1, 2015. Any full-time employee meeting the provisions as set out in the Adoption Agreement are eligible upon employment. The normal form of benefit is a straight life annuity. Other forms of payment are available and are actuarially equivalent to the normal form. There have been no substantive changes since the last actuarial valuation.

	Benefits
Normal Retirement	Attained age 65 & 5 years of service.
Late Retirement	Any date subsequent to Normal Retirement.
Early Retirement	Attained at age 50 and 25 years of service or age 60 and 10 years of service. Prior Contributory Plan participants are also eligible at age 55 with 25 years of service at no reduction
Disability Retirement	10 years of Service, deemed to be totally disabled by the Federal Social Security Adminisration.
Vested Termination	100% vested after 5 years of Service.
Pre-Retirement Death Benefit	Lump Sum for active Participants, terminated vested Participants, and participants receiving a Disability Retirement benefit and not yet age 65.
Post-Retirement Death Benefit	Termination of employment due to Early, Normal or Late Retirement. Participants receiving a Disability Retirement benefit and who have attained normal retirement age are also eligible.
Accrued Benefit	Effective January 1, 1993 through October 31, 2000: 2.00% of Average Annual compensation plus $36 multiplied by years of Service. Effective November 1, 2000: 2.5% of Average Annual compensation plus $36 multiplied by years of Service. No contributory plan participants: 1.25% of Average Annual Compensation for Credit Services after January 1, 2011.

	Benefit Amounts
Normal Retirement	Benefit payable monthly for life - Participant's Accrued Benefit at Normal Retirement
Late Retirement	Benefit payable monthly for life - Participant's Accrued Benefit at Late Retirement
Early Retirement	Benefit payable monthly for life - Participant's Accrued Benefit actuarially reduce at Early Retirement Prior Contributory Plan: 25 years of Service with minimum age 55, unreduced benefit.
Disability Retirement	Benefit payable monthly for life equal to the Participant's Accrued Disability at Disability Retirement
Vested Termination	Benefit payable monthly for life beginning at normal retirement equal to the Participant's Accrued Benefit at termination. Participants with 25 years of Service or 10 years of Service may elect to receive benefits at an early retirement date calculated in the same manner as an early retirement benefit.
Pre-Retirement Death Benefit	Lump-Sum (i) 50 times the projected monthly benefit based on level earnings and continued Service to Normal Retirement limited to $50,000. (ii) 50 times the participant's monthly pension benefit limited to $50,000
Post-Retirement Death Benefit	Lump sum death benefit eaual to 50 times the retiree's monthly benefit limited to $15,000.

Funding History

The following chart shows the historical funding information. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial Valuation Date	1/1/2018
Actuarial Value of Assets (a)	$ 16,572,759
Actuarial Accrued Liability (b)	$ 19,784,839
Underfunded/(Surplus) (b) - (a)	$ 3,212,080
Funded Ratio (a) / (b)	83.76%
Covered Payroll	$ 5,471,320
Underfunded Actuarial Accrued Liability as a Percentage of Covered Payroll	58.71%

Actuarial Cost Method. Entry Age Normal: A method under which actuarial present value of the projected benefits of each individual included in the actuarial valuation is allocated on a level basis over the service of the individual between entry age and assumed exit age(s).

Amortization Method. Closed level percentage of pay.

Asset Valuation Method. Smoothed market value with a 5-year smoothing period.

Actuarial assumptions. The total pension liability in the January 1, 2018 actuarial valuation date was determined using the following actuarial assumptions, applied to all periods included in the measurement.

Expected Long-Term Rate of Return	7.0% per year
	(Based on analysis performed by the Board of Trustees in 2019)
Future Salary Increases	3.50% per year with an age based scale
	(Based on results of the February 2019 experience study)
Mortality Rates	RP-2000 projected with Scale AA
Cost of Living Adjustment	N/A

The discount rate is determined through a blend of using a building blocks approach based on 20-year benchmarks (33.33%) and 30-year benchmarks (33.33%), as well as the forward-looking capital market assumptions for a moderate asset allocation (33.34%), as determined by the UBS.

Discount Rate Building Blocks

Benchmark	Asset Allocation	Average 20 Yr Return	Weighted 20 Yr Return	Average 30 Yr Return	Weighted 30 Yr Return
S&P 500	30%	7.91%	2.37%	10.22%	3.07%
Barlay's Agg.	30%	5.60%	1.68%	6.56%	1.97%
MSCI EAFE	15%	4.29%	0.64%	5.73%	0.86%
Citi Non US WEBI	5%	4.66%	0.23%	5.98%	0.30%
NAREIT Equity	5%	10.79%	0.54%	10.44%	0.52%
Russell 2000	5%	8.06%	0.40%	9.33%	0.47%
Russell 3000	5%	8.03%	0.40%	10.14%	0.51%
S&P Mid Cap	5%	11.22%	0.56%	11.53%	0.58%
Weighted Return			6.82%		8.28%

Future salary increases 3.50% per year with an age based scale based on results of the February 2019 experience study as follows:

Age	Salary Increase
Under 30	3.5% rate plus 1.0%
30-39	3.5% rate plus 0.5%
40-49	3.5% rate less 0.5%
50+	3.5% rate less 1.0%

Termination rates were determined from an experienced based, age and service-based set of rates; sample rates as follows:

	Probability of Termination (By Years of Service)			
Age	1	2	3	4 or more
25	27.8%	22.5%	18.5%	13.6%
35	23.8%	17.8%	13.8%	7.9%
45	19.8%	14.1%	10.1%	5.5%
55	0.0%	0.0%	0.0%	0.0%

Disability rates for both sexes were determined from a 1985 CIDA Table Class 1. Incidence of disability resulting in eligibility for both disability benefits under the County retirement plan and the Social Security. Rates are based on the results of February, 2019 experience study. Sample rates as follows:

Age	Probability of Disability (male)	Probability of Disability (female)
Under 20	0.0000%	0.0000%
20	0.0290%	0.0300%
25	0.0380%	0.0470%
30	0.0480%	0.0800%
35	0.0690%	0.1360%
40	0.1170%	0.2110%
45	0.2020%	0.3230%
50	0.3580%	0.5330%
55	0.7220%	0.9520%
60 & Over	0.0000%	0.0000%

Retirement rates were determined from a February, 2019 experience study; sample rates as follows:

	Probability of Retirement	
Age	If Eligible for Unreduced	All Others
55-60	20%	10%
61-64	20%	20%
65-69	30%	30%
70	100%	100%

Vested Terminated Participants: 25% at Earliest Unreduced Date and 75% at NRD.

Asset Allocation Policy. The Trustees shall rebalance the portfolio at least annually for asset allocation purposes. The guidelines for allocation are: equities shall not exceed 70% of total Plan assets, valued at cost. Fixed Income shall be targeted at 30% of total Plan assets, valued at cost. The Trustee's guidelines for asset allocation are as follows:

Asset Class	Target Allocation	Range
Fixed Income:	30%	25%-35%
Equities:	70%	65%-75%
Large Cap	30%	25%-35%
Mid Cap	5%	2.5%-10%
Small Cap	5%	2.5%-10%
REIT	5%	2.5%-10%
International	15%	10%-20%
Multi Cap	5%	2.5%-10%
Global Allocation	5%	2.5%-10%

Discount Rate. The discount rate used to measure the total pension liability was 7.00 percent. In projecting plan assets, the assumed contribution was based on the average contribution made to the plan over the prior five years. Projected assets are sufficient to pay all projected benefits promised to current plan participants. Therefore, the expected long-term rate of return was used to discount all projected benefit payments. As of December 31, 2018, the expected long-term rate of return was revised to 7.00 percent. The discount rate reflects the long-term expected rate of return on pension plan investments during the period in which the fiduciary net position is projected to be sufficient to pay benefits.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate. The following presents the County's net pension liability calculated using the discount rate of 7.00 percent, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	Discount Rate	Net Pension Liability
1% Decrease	6.00%	$ 5,639,397
Current Discount Rate	7.00%	$ 3,212,080
1% Increase	8.00%	$ 1,180,183

Pension Expense for the Year Ended June 30, 2019

Service Cost	$ 283,831
Interest on TPL	1,355,871
Employee Contributions	(121,026)
Administrative Expenses	31,788
Projected Earnings on Plan Investments	(1,252,117)
Other Changes - Investment Expense, Post-Retirement & Pre-Retirement Death Benefit Expense	46,940
Amortization of:	
Liability Experience (Gain)/Loss	(213,320)
Change in Assumptions	319,811
Asset (Gain)/Loss	418,124
Total Pension Expense	$ 869,902

For the year ended June 30, 2019, Elbert County, Georgia recognized pension expense of $869,902.

Net Pension Liability. The County's net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2018. At June 30, 2019, the County reported a net pension liability. Changes in the County's net pension liability for the year ended December 31, 2018 were as follows:

Changes in the Net Pension Liability

	Total Pension Liability (TPL) (a)	Plan Net Position (FNP) (b)	Net Pension Liability (NPL) (a)-(b)
Balances at December 31, 2017	19,091,285	17,441,886	1,649,399
			-
Changes for the Year:			
Service Cost	$ 283,831	$ -	$ 283,831
Interest Expense	1,355,871	-	1,355,871
Benefit Changes (Changes of benefit terms)	-	-	-
Experience Losses (Gains)	(863,639)	-	(863,639)
(Amortized over avg remain svc period of actives & inactives)	-	-	
Changes of Assumptions	696,714	-	696,714
Contributions - Employer/Nonemployer	-	760,000	(760,000)
Contributions - Employee	-	121,026	(121,026)
Other Changes - Contribution timing differences	-	-	-
Net Investment Income	-	(813,551)	813,551
Expected Return on Plan Investments	-	-	-
Amortized Portion of Current-period	-	-	-
Differences between Actual	-		-
and Expected Returns on Plan Investments	-	-	-
Refunds of Contributions	-	-	-
Benefits Paid	(779,223)	(779,223)	-
Plan Administrative Expenses	-	(31,788)	31,788
Contributions for Specific Liabilities	-	-	-
Other Changes	-	(125,591)	125,591
Amortization of or Change in Beginning Balances of Deferred Outflow	-	-	-
NET CHANGES:	**$ 693,554**	**$ (869,127)**	**$ 1,562,681**
Balances at December 31, 2018	**$ 19,784,839**	**$ 16,572,759**	**$ 3,212,080**

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in the separately issued GEBCorp financial report.

At December 31, 2018, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Inflow/Outflows of Resources Related to Pension

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Investment Earnings	$ 1,955,495	$ (756,032)
Difference Betweem Expected and Actual Pension Liability	11,663	(764,860)
Changes in Assumption	1,044,696	-
Total	$ 3,011,854	$ (1,520,892)

Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in the pension expense as follows:

Projected Recognition of Deferred Outflows/(Inflows)

	Year Established	Outstanding Balance at 1-Jan-18	Amount Recognized During FYE 30-Jun-19	Outstanding Balance at 30-Jun-19	2020	2021	2022	2023	2024	2025 and thereafter
Fiscal Year Outflows										
Investment	2014	$ 19,850	$ 19,850	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Investment	2015	405,610	202,804	202,806	202,806	-	-	-	-	-
Investment	2016	55,851	18,617	37,234	18,617	18,617	-	-	-	-
Investment	2018	2,144,319	428,864	1,715,455	428,864	428,864	428,864	428,863	-	-
Assumption Change	2015	273,383	80,407	192,976	80,407	80,407	32,162	-	-	-
Assumption Change	2016	365,648	81,255	284,393	81,255	81,255	81,255	40,628	-	-
Assumption Change	2017	28,762	6,689	22,073	6,689	6,689	6,689	2,006	-	-
Assumption Change	2018	696,714	151,460	545,254	151,460	151,460	151,460	90,874	-	-
Experience	2016	14,995	3,332	11,663	3,332	3,332	3,332	1,667	-	-
Total Outflows		**$ 4,005,132**	**$ 993,278**	**$ 3,011,854**	**$ 973,430**	**$ 770,624**	**$ 703,762**	**$ 564,038**		**$ -**
Fiscal Year Inflows										
Experience	2015	$ (24,231)	$ (7,127)	$ (17,104)	$ (7,127)	$ (7,127)	$ (2,850)	$ -	$ -	$ -
Experience	2017	(93,642)	(21,777)	(71,865)	(21,777)	(21,777)	(21,777)	(6,534)	-	-
Experience	2018	(863,639)	(187,748)	(675,891)	(187,748)	(187,748)	(187,748)	(112,647)	-	-
Investment	2017	(1,008,043)	(252,011)	(756,032)	(252,011)	(252,011)	(252,010)	-	-	-
Total Inflows		**$ (1,989,555)**	**$ (468,663)**	**$ (1,520,892)**	**$ (468,663)**	**$ (468,663)**	**$ (464,385)**	**$ (119,181)**	**$ -**	**$ -**

Other Retirement Plans

Certain qualified employees of the County are included in two of the seven retirement plans in which the County participates. These retirement plans are the Georgia Firefighters' Pension Fund and the Sheriff's Retirement Fund of Georgia. The County does not maintain the accounting records, hold the investments or administer these retirement funds.

Plan Description

The Georgia Firefighters' Pension Fund was created in 1955 by an act of the Georgia General Assembly to provide retirement benefits for qualified firefighters. The fund administers a cost-sharing, multiple-employer defined benefit pension plan as defined in the Governmental Accounting Standards Board (GASB) Statement No. 67, *Financial Reporting for Pension Plans – an amendment of GASB Statement No. 25.* Any person employed as a firefighter or enrolled as a volunteer firefighter within the State of Georgia or any regular employee of the Fund is eligible for membership in the Fund.

The Sheriff's Retirement Fund of Georgia was created by an act of the Georgia General Assembly in 1963. The purpose of the Fund is to provide a source of revenue for the purpose of providing benefits to the elected officials serving in the capacity of Sheriff of the counties of Georgia. The fund administers a cost-sharing multiple employer defined benefit pension plan as defined in the Governmental Accounting Standards Board (GASB) Statement No. 67, *Financial Reporting for Pension Plans – an amendment of GASB Statement No. 25.* Membership in the fund is available to those serving as a duly qualified and commissioned sheriff of a county of the State of Georgia, serving as a sheriff of the Superior Court of that county at the time the application is filed. Membership is voluntary and an application must be filed within 12 months of assuming the Office of Sheriff, or within the first 30 days of a newly elected term.

Contributions

Special Funding Situation. The State of Georgia provides non-employer contributions directly to the abovementioned retirement funds through the collection of insurance premium tax, court fines and filing fees, court fines and forfeitures as well as membership dues. The various county departments, as the employers of the Fund, do not make contributions to the Fund. The County is not legally responsible for contributions to the fund and does not recognize net pension liability. Therefore, these non-employer contributions are recognized as revenue and expenditures by the County. See Note 15: On-Behalf Payments for further disclosure.

Actuarial Valuation Date

The collective total pension liability used to calculate the net pension liability is based upon the June 30, 2018 actuarial valuation for the Georgia Firefighters' Pension Fund and the Sheriff's Retirement Fund of Georgia.

Pension Liabilities, Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* requires participating employers and non-employers contributing entities to recognize their proportionate share of collective net pension liability and pension expense. As discussed above, the County departments, as employers of the Fund's members, do not make contributions to the Fund; therefore, the proportionate share of collective net pension liability for Elbert County, Georgia is 0%. Elbert County, Georgia does not recognize any net pension liability (asset) or deferred inflows or outflows of resources in the financial statements.

However, the County is required to disclose the portion of the non-employer contributing entities' total proportionate share of the collective net pension liability (asset) associated with the County as follows:

Retirement Plan	County's Proportionate Share of the Net Pension Liability	State's Proportionate Share of the Net Pension Liablity
Georgia Firefighters' Pension Fund	$ -	$ 1,078,363
	$ -	$ 1,078,363

The net pension liability was measured as of June 30, 2019.

In accordance with GASB 68, Elbert County, Georgia is required to disclose the deferred inflows and outflows of resources allocated to the County. The County does not recognize any amounts in the financial statements. The deferred inflows of resources and outflows of resources allocated to Elbert County, Georgia are as follows:

	Deferred Outflows of Resources		Deferred Inflows of Resources	
Retirement Plan	Changes in Assumptions	Difference Between Expected & Actual Experience	Difference Between Expected & Actual Investment Earnings	Difference Between Expected & Actual Experience
Georgia Firefighters' Pension Fund	$ 174,513	$ 41,850	$ 53,160	$ 52,014
	$ 174,513	$ 41,850	$ 53,160	$ 52,014

NOTE 7: CAPITAL ASSET

Capital asset activities for the year ended June 30, 2019 were as follows:

	Beginning Balance	Additions	Retirements	Ending Balance
Primary Government:				
Governmental Activities:				
Non-Depreciable Assets:				
Land	$ 1,735,376	$ 3,365	-	$ 1,738,741
Construction in Progress	344,001	145,376	-	489,377
Total non-depreciable capital assets	2,079,377	148,741	-	2,228,118
Depreciable Assets:				
Buildings & Improvements	13,252,687	-	-	13,252,687
Land Improvements	184,565	-	-	184,565
Machinery & Equipment	11,200,086	218,254	-	11,418,340
Furniture & Fixtures	-	-	-	-
Vehicles	1,869,209	277,358	(27,678)	2,118,889
Infrastructure	2,816,316	-	-	2,816,316
Total depreciable capital assets	29,322,863	495,612	(27,678)	29,790,797
Accumulated Depreciation:				
Buildings & Improvements	3,515,262	291,597	-	3,806,859
Land Improvements	50,755	4,614	-	55,369
Machinery & Equipment	8,930,118	334,176	-	9,264,294
Furniture & Fixtures	-	-	-	-
Vehicles	688,305	296,814	(27,678)	957,441
Infrastructure	491,391	68,070	-	559,461
Total accumulated depreciation	13,675,831	995,271	(27,678)	14,643,424
Total depreciable capital assets, net	15,647,032	(499,659)	-	15,147,373
Governmental activities capital assets, net	$ 17,726,409	$ (350,918)	$ -	$ 17,375,491
Business-type Activities:				
Non-Depreciable Assets:				
Land	$ 193,190	$ -	-	$ 193,190
Total non-depreciable capital assets	193,190	-	-	193,190
Depreciable Assets:				
Buildings & Improvements	443,690	69,512	-	513,202
Machinery & Equipment	316,328	-	-	316,328
Vehicles	312,533	-	-	312,533
Total depreciable capital assets	1,072,551	69,512	-	1,142,063
Accumulated Depreciation:				
Buildings & Improvements	172,772	18,155	-	190,927
Machinery & Equipment	292,657	8,789	-	301,446
Vehicles	209,374	35,767	-	245,141
Total accumulated depreciation	674,803	62,711	-	737,514
Total depreciable capital assets, net	397,748	6,801	-	404,549
Business-type activities capital assets, net	$ 590,938	$ 6,801	$ -	$ 597,739

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

Governmental Activities:	
General Government	$ 144,825
Judicial	5,905
Public Safety	520,091
Public Works	166,177
Health & Welfare	44,488
Culture & Recreation	29,969
Housing & Development	83,816
Total depreciation expense - governmental activities	$ 995,271
Business-type Activities:	
Solid Waste Fund	$ 16,794
Transportation Fund	35,767
Bobby Brown Fund	10,150
Total depreciation expense - business-type activities	$ 62,711

Component Unit - Health Department

	Beginning Balance	Additions	Retirements	Reclassifications	Ending Balance
Governmental Activities:					
Depreciable Assets:					
Office & Medical Equipment	$ 128,517	$ 23,624	$ 18,586	$ -	$ 133,555
Total depreciable capital assets	128,517	23,624	18,586	-	133,555
Accumulated Depreciation:					
Office & Medical Equipment	98,097	8,446	18,586	-	$ 87,957
Total accumulated depreciation	98,097	8,446	18,586	-	87,957
Governmental activities capital assets, net	$ 30,420	$ 15,178	$ -	$ -	$ 45,598

Depreciation expense was charged to functions/programs of the Health Department as follows:

Governmental activities:	
Health	$ 8,446

NOTE 8: SHORT TERM DEBT

The County issues tax anticipation notes in advance of property tax collections, depositing the proceeds into its General Fund. The notes are necessary because the County does not currently possess sufficient resources to carry it from one year to the next. In 2019, the note was with Northeast Georgia Bank and could not exceed $3 million. It bore an interest rate of 2.49% and matured on December 31, 2018. Interest expense paid in 2019 was $5,517. As of the year ending June 30, 2019, the County had no short-term debt balance. The activity during the year was as follows:

	Beginning Balances July 1, 2018	Issued	Redeemed	Ending Balance June 30, 2019
2018 Tax Anticipation Note:	$ -	$ 750,000	$ 750,000	$ -
	$ -	$ 750,000	$ 750,000	$ -

NOTE 9: LONG-TERM DEBT

The retirement cost of debt, pension liabilities, and compensated absences is typically charged to the general fund.

Governmental Activities-Capital Leases:

On November 9, 2016, the County financed the purchase of a Radio Communication System through a 60 month capital lease. The lease is payable in monthly installments of $9,560. The original lease was for $538,822 at an interest rate of 2.575% with a maturity in May 2022. The lease is secured by the equipment and payments will be made out of the Capital Projects Fund. Interest expense paid in 2019 was $9,762.

Expense resulting from amortization of asset recorded under capital leases is included with depreciation expense. The asset acquired through the capital lease and future maturities is as follows:

Asset:	Governmental Activities
Machinery and Equipment	$ 538,822
Less: Accumulated Depreciation	(112,255)
Total	$ 426,567

Payout schedule:

Year Ending	Total Payments	Principal	Interest
2020	114,720	107,693	7,027
2021	114,720	110,499	4,221
2022	105,160	103,819	1,341
Total	$ 334,600	$ 322,011	$ 12,589

On August 14, 2018, the County financed the purchase of an Interact E-911 System through a 60-month capital lease that began when the equipment installation was completed in April 2019. The lease is payable in monthly installments of $3,152. The original lease was for $155,945 at an interest rate of 7.9% matures in March 2024. Interest expense paid in 2019 was $3,023.

Expense resulting from amortization of assets recorded under capital leases is included with depreciation expense. The assets acquired through capital leases and future maturities are as follows:

Asset:	Governmental Activities
Machinery and Equipment	$ 155,945
Less: Accumulated Depreciation	(1,300)
Total	$ 154,645

Payout schedule:

Year Ending	Total Payments	Principal	Interest
2020	37,820	27,026	10,793
2021	37,820	29,229	8,591
2022	37,820	31,612	6,208
2023	37,820	34,188	3,632
2024	28,365	27,458	907
Total	$ 179,644	$ 149,513	$ 30,131

Governmental Activities-Intergovernmental loans:

On December 16, 2010, the County financed the purchase of fire trucks through a USDA loan. The original loan amount was $523,037 with an interest rate of 7.9% and matures January 16, 2021. The loan is amortized with 120 monthly payments of $5,236 each. The loan is secured by the fire trucks. Interest expense paid in 2019 was $4,608. The asset acquired through the loan and future maturities is as follows:

Asset:	Governmental Activities
Machinery and Equipment	$ 650,100
Less: Accumulated Depreciation	(650,100)
Total	$ -

Payout schedule:

Year Ending	Total Payments	Principal	Interest
2020	62,832	60,445	2,387
2021	31,416	31,089	327
Total	$ 94,248	$ 91,534	$ 2,714

Changes in long-term debt:

	Balance as of June 30, 2018	Additions	Reductions	Balance as of June 30, 2019	Due Within One Year
Governmental Activities:					
Compensated Absences	$ 54,911	$ -	$ (539)	$ 54,372	$ -
USDA Loan	149,758	-	(58,224)	91,534	60,445
Capital Leases	426,970	155,944	(111,390)	471,524	134,719
Total governmental activities	$ 631,639	$ 155,944	$ (170,153)	$ 617,430	$ 195,164
Business-Type Activities:					
Compensated Absences	$ 9,541	$ -	$ (539)	$ 9,002	$ -
Closure Liability	1,071,599	19,288	-	1,090,887	54,544
Total business-type activities	$ 1,081,140	$ 19,288	$ (539)	$ 1,099,889	$ 54,544

Component Unit

	Balance as of June 30, 2018	Additions	Reductions	Balance as of June 30, 2019	Due Within One Year
Net Pension Liability	$ 353,864	$ 10,415	$ -	$ 364,279	$ -
Net OPEB Liability	298,280	-	(122,202)	176,078	-
Compensated Absences	31,277	16,512	(18,791)	28,998	-
Total component unit liabilities	$ 683,421	$ 26,927	$ (140,993)	$ 569,355	$ -

NOTE 10: INTERFUND BALANCES AND TRANSFERS

Interfund Balances:

	Due From:				
Due To:	General Fund	Capital Projects Fund	Victims Assistance Fund	Public Transportation Fund	Total
General Fund	$ -	$ 9,274	$ -	$ 12,000	$ 21,274
Senior Center	-	-	-	57,893	57,893
Capital Projects Fund	10,170	-	-	-	10,170
Multi-Grant Fund	5,826	-	-	-	5,826
Public Transportation Fund	10,095	-	-	-	10,095
Special Drug Fund	-	-	270	-	270
E-911 Fund	82,580	-	-	-	82,580
Public Defender Fund	4,769	-	-	-	4,769
	$ 113,440	$ 9,274	$ 270	$ 69,893	$ 192,877

Advances to/from Other Funds:

	Due From:			
Due To:	Multi-Grant Fund	Solid Waste Fund	Bobby Brown Park	Total
General Fund	$ 7,068	$ 75,588	$ 395,814	$ 478,470
	$ 7,068	$ 75,588	$ 395,814	$ 478,470

Interfund balances at June 30, 2019, consisted of the following amounts and represent charges for services or reimbursable expenses and expenditures out of capital outlay (SPLOST) funds for operating expenses in the general fund occurring in prior years. These remaining balances resulted from the time lag between the dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting records, and (3) payments between funds are made. The County expects to repay some of the interfund balances within one year. The General Fund receivables from the Multi-Grant, Solid Waste, and Bobby Brown Park are considered as being long term interfund receivables.

Interfund Transfers:

	Transfer From:		
Transfer To:	General Fund	Public Transportation Fund	Total
General Fund	$ -	$ 12,000	$ 12,000
Capital Projects Fund	9,000	-	9,000
Multi-Grant Fund	5,826	-	5,826
Public Transportation Fund	32,365	-	32,365
Fire Insurance Fund	75,000	-	75,000
E-911 Fund	515,000	-	515,000
	$ 637,191	$ 12,000	$ 649,191

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and provide unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to segregate money for anticipated capital projects; to provide additional resources for current operations or debt service; and to return money to the fund from which it was originally provided once a project is complete.

NOTE 11: LANDFILL CLOSURE AND POSTCLOSURE COST

Closure and Post-closure care is required by both federal and state regulations. The estimate for post closure liability is for the cost of monitoring for thirty years after landfill closure. In 2000, the County closed its solid waste landfill and is now in the post-closure phase. The post-closure estimate will be amortized over a 30 year period following closure. These costs and estimates are recognized in the government-wide financial statements. The actual post-closure cost will be met by resources out of the general fund. The unamortized balance of post-closure cost at June 30, 2019 was $1,090,887. The estimated costs are based on what it would cost to perform all closure and post-closure in 2018. Actual cost may be higher due to inflation, changes in technology, or changes in regulations. Should any problems occur during this period, the costs and time period required for maintenance and monitoring functions may increase.

NOTE 12: HOTEL/MOTEL TAX COMPLIANCE – PRIMARY GOVERNMENT

Elbert County, Georgia collects five percent (5%) hotel/motel tax. State statutes require the County to contract with a not for profit organization and fund that organization with a minimum of 40% of collections which must be expended on the promotion of tourism and trade. The County has a working relationship with Elbert County Chamber of Commerce and funds that organization with hotel/motel tax collections.

For the fiscal year ending June 30, 2019:

Tax collections	$	40,947
Amounts provided to:		
Chamber of Commerce	$	5,265
Promotion expenditures		5,417
Georgia DNR		31,302
Total tax and investment earnings disbursements:	$	41,984

NOTE 13: RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which, except as described in the following paragraph, the County carries commercial insurance with Travelers Corporation in amounts deemed prudent by County management. The County participates in the Association of the County Commissioners of Georgia Group Self-Insurance Worker's Compensation Fund public entity risk pools, currently operating as a common risk management and insurance programs for member local governments. As part of these risk pools, the County is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pools' agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with any claim of loss. The County is also to allow the pools' agents and attorneys to represent the County in investigation, settlement discussions and all levels of litigation arising out of any claim made against the County within the scope of loss protection furnished by the funds. The funds are to defend and protect the members of the funds against liability or loss as prescribed in the member government contract and in accordance with the workers' compensation law of Georgia. The funds are to pay all costs taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense.

There have been no significant reductions of insurance coverage from coverage in the prior years, and settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

NOTE 14: COMMITMENTS AND CONTINGENCIES

Litigation and Assessments

The County is involved in several pending lawsuits. Liability, if any, which might result from these proceedings, would not, in the opinion of management and legal counsel, have a material adverse effect on the financial position of the County.

Grant Contingencies

The County has received Federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to the disallowance of certain expenditures previously reimbursed by those agencies. Based upon prior experience, County management believes such disallowances, if any, will not be significant.

NOTE 15. ON-BEHALF PAYMENTS

The County receives on-behalf payments from the State of Georgia to be used for the Georgia Firefighters' Pension Fund and Sheriff's Retirement Fund of Georgia contributions. Such payments are recorded as intergovernmental revenue and expenditures in the GAAP basis government-wide and general fund financial statements, but are not budgeted and therefore are not included in the general fund budgetary basis financial statements. The County is not legally responsible for these contributions. On-behalf payments to the County totaled $225,157 for the fiscal year ended June 30, 2019.

Retirement Plan	Nonemployer Contribution Amount
Georgia Firefighters' Pension Fund	$ 225,157
	$ 225,157

NOTE 16: COMPLIANCE

At June 30, 2019, the County was not in compliance with the following statutes:

OCGA 36-81-3 Relating to expenditures in excess of budgeted amounts.

At June 30, 2019, the County was in compliance with O.C.G.A 36-81-7:

E-911 Funds: All E-911 funds collected by Elbert County were expended in accordance with state statutes

NOTE 17: BUDGETS

The following are Governmental Funds for which expenditures exceeded appropriations:

Department	Budgeted Expenditures and Other Financing Uses	Actual Expenditures and Other Financing Uses	Actual in Excess of Appropriations
General Fund			
General Government	$ 2,679,340	$ 2,836,487	$ 157,147
Judicial	1,065,400	1,036,803	-
Public Safety	5,237,870	5,308,745	70,875
Public Works	1,073,600	961,335	-
Health & Welfare	245,890	234,905	-
Recreation & Culture	355,520	377,930	22,410
Housing & development	515,680	433,440	-
Debt Service - interest	3,800	5,516	1,716
Transfers Out	590,000	637,191	47,191
Senior Center			-
Health & Welfare	251,180	329,630	78,450
Victims Assistance Fund			-
Judicial	444,263	432,166	-
Multi-Grant Fund			-
Judicial	173,300	196,678	23,378
Public Safety Exp	6,000	-	-
Public Works	1,025,000	354,452	-
Housing & Development	-	171,367	171,367
Capital Outlay	180,000	1,254	-
Law Library	6,000	7,231	1,231
10% Fines Jail Fund	29,720	29,970	250
Special Drug Fund	20,000	25,289	5,289
Hotel/Motel Fund	33,200	41,984	8,784
Revolving Loan Fund	-	-	-
Fire Insurance Fund	67,500	36,461	-
E-911 Fund	837,180	918,923	81,743
Public Defender Fund	408,740	405,348	-

The County's legal level of control is at the department level.

NOTE 18. PRIOR PERIOD ADJUSTMENT

During fiscal year 2019, the County recorded a prior period adjustment of $61,362 to correct a previous error recording an EMS revenue accrual for the EMS department. As a result of this error, a prior period adjustment was recorded to decrease the General Fund's fund balance and increase the General Fund's EMS charges for services balance by $61,362 as of June 30, 2019.

NOTE 19: SUBSEQUENT EVENT

The County entered into an intergovernmental agreement with the City of Elberton and the City of Bowman to approve a resolution to implement a 1 percent TSPLOST beginning on July 1, 2019. The proceeds from TSPLOST will be used to fund roads, streets, and bridges improvements and maintenance. The proposed share is 73 percent Elbert County, 23 percent to the City of Elberton, and 4 percent to the City of Bowman.

The County issues tax anticipation notes in advance of property tax collections, depositing the proceeds into its General Fund. The notes are necessary because the County does not currently possess sufficient resources to carry it from one year to the next. The note is with Pinnacle Bank and may not exceed $3 million. In July 2019, the notes were opened.

In early 2020 an outbreak of the novel strain of coronavirus (COVID-19) emerged globally. As a result, there have been mandates from federal, state and local authorities resulting in an overall decline in economic activity. The ultimate impact of COVID-19 on County's financial position is not reasonably estimable at this time.

Subsequent events have been evaluated through June 25, 2021.

ELBERT COUNTY, GEORGIA

Budgetary Comparison Schedule

General Fund

For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Budget to GAAP Differences	Actual Amounts	Variance with
	Original	Final	Budgetary Basis	Over / (Under)	GAAP Basis	Final Budget
Revenues						
Property tax	$ 7,383,900	$ 7,383,900	$ 6,943,801	$ -	$ 6,943,801	$ (440,099)
Real estate transfer tax	18,000	18,000	29,164	-	29,164	11,164
Sales tax	1,300,000	1,300,000	1,381,917	-	1,381,917	81,917
Business tax	920,000	920,000	996,749	-	996,749	76,749
Franchise tax	85,000	85,000	94,887	-	94,887	9,887
Alcohol tax	80,000	80,000	87,908	-	87,908	7,908
Intergovernmental	89,000	89,000	83,960	-	83,960	(5,040)
Licenses and permits	7,100	7,100	8,350	-	8,350	1,250
Fines and forfeitures	381,500	381,500	402,581	-	402,581	21,081
Charges for services	1,430,500	1,430,500	1,794,868	-	1,794,868	364,368
Investment earnings	1,300	1,300	1,723	-	1,723	423
Miscellaneous	108,800	108,800	133,479	-	133,479	24,679
Total Revenues	11,805,100	11,805,100	11,959,387	-	11,959,387	154,287
Expenditures						
Current Operating:						
General government	2,679,340	2,679,340	2,836,487	-	2,836,487	157,147
Judicial	1,065,400	1,065,400	1,036,803	-	1,036,803	(28,597)
Public safety	5,237,870	5,237,870	5,308,745	-	5,308,745	70,875
Public works	1,073,600	1,073,600	961,335	-	961,335	(112,265)
Health and welfare	245,890	245,890	234,905	-	234,905	(10,985)
Recreation and culture	355,520	355,520	377,930	-	377,930	22,410
Housing and development	515,680	515,680	433,440	-	433,440	(82,240)
Debt service	3,800	3,800	5,516	-	5,516	1,716
Total Expenditures	11,177,100	11,177,100	11,195,161	-	11,195,161	18,061
Excess (Deficiency) of Revenues Over (Under) Expenditures	628,000	628,000	764,226	-	764,226	136,226
Other Financing Sources (Uses)						
Transfers in	100,000	100,000	12,000	-	12,000	(88,000)
Transfers out	(590,000)	(590,000)	(637,191)	-	(637,191)	(47,191)
Insurance refunds and recoveries	2,000	2,000	19,917	-	19,917	17,917
Proceeds from sale of assets	-	-	5,451	-	5,451	5,451
Budgeted Fund Balance	(140,000)	(140,000)	-	-	-	140,000
Total Other Financing Sources (Uses)	(628,000)	(628,000)	(599,823)	-	(599,823)	28,177
Net Change in Fund Balances	$ -	$ -	164,403	$ -	164,403	$ 164,403
Fund Balance Beginning of Year			2,931,196		2,931,196	
Prior Period Adjustment			(61,362)		(61,362)	
Fund Balance End of Year			$ 3,034,237		$ 3,034,237	

ELBERT COUNTY, GEORGIA
Budgetary Comparison Schedule
Senior Center
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Budget to GAAP Differences	Actual Amounts	Variance with
	Original	Final	Budgetary Basis	Over / (Under)	GAAP Basis	Final Budget
Revenues						
Intergovernmental	$ 183,530	$ 183,530	$ 457,328	$ -	$ 457,328	$ 273,798
Charges for services	13,200	13,200	12,791	-	12,791	(409)
Investment earnings	10	10	43	-	43	33
Contributions and donations	4,000	4,000	8,523	-	8,523	4,523
Total Revenues	200,740	200,740	478,685	-	478,685	277,945
Expenditures						
Current Operating:						
Health and welfare	251,180	251,180	329,630	-	329,630	78,450
Total Expenditures	251,180	251,180	329,630	-	329,630	78,450
Excess (Deficiency) of Revenues Over (Under) Expenditures	(50,440)	(50,440)	149,055	-	149,055	199,495
Other Financing Sources (Uses)						
Budgeted Fund Balance	50,440	50,440	-	-	-	(50,440)
Total Other Financing Sources (Uses)	50,440	50,440	-	-	-	(50,440)
Net Change in Fund Balances	$ -	$ -	149,055	$ -	149,055	$ 149,055
Fund Balance Beginning of Year			186,569		186,569	
Fund Balance End of Year			$ 335,624		$ 335,624	

ELBERT COUNTY, GEORGIA
Budgetary Comparison Schedule
Victims Assistance Fund
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Budget to GAAP Differences	Actual Amounts	Variance with
	Original	Final	Budgetary Basis	Over / (Under)	GAAP Basis	Final Budget
Revenues						
Intergovernmental	320,880	320,880	304,541	-	304,541	(16,339)
Fines and forfeitures	139,500	139,500	167,947	-	167,947	28,447
Total Revenues	460,380	460,380	472,488	-	472,488	12,108
Expenditures						
Current Operating:						
Judicial	444,263	444,263	432,166	-	432,166	(12,097)
Total Expenditures	444,263	444,263	432,166	-	432,166	(12,097)
Excess (Deficiency) of Revenues Over (Under) Expenditures	16,117	16,117	40,322	-	40,322	(24,205)
Other Financing Sources (Uses)						
Budgeted Fund Balance	(16,117)	(16,117)	-	-	-	(16,117)
Total Other Financing Sources (Uses)	(16,117)	(16,117)	-	-	-	(16,117)
Net Change in Fund Balances	$ -	$ -	40,322	$ -	40,322	$ 40,322
Fund Balance Beginning of Year			232,728		232,728	
Fund Balance End of Year			$ 273,050		$ 273,050	

ELBERT COUNTY, GEORGIA
Budgetary Comparison Schedule
Multi-Grant Fund
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Budget to GAAP Differences	Actual Amounts	Variance with
	Original	Final	Budgetary Basis	Over / (Under)	GAAP Basis	Final Budget
Revenues						
Intergovernmental	$ 985,300	$ 985,300	$ 986,671	$ -	$ 986,671	$ 1,371
Charges for services	24,000	24,000	31,563	-	31,563	7,563
Total Revenues	1,009,300	1,009,300	1,018,234	-	1,018,234	8,934
Expenditures						
Current Operating:						
Judicial	173,300	173,300	196,678	-	196,678	23,378
Public safety	6,000	6,000	-	-	-	(6,000)
Public works	1,025,000	1,025,000	354,452	-	354,452	(670,548)
Housing and development	-	-	171,367	-	171,367	171,367
Capital outlay	180,000	180,000	1,254	-	1,254	(178,746)
Total Expenditures	1,384,300	1,384,300	723,751	-	723,751	(660,549)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(375,000)	(375,000)	294,483	-	294,483	669,483
Other Financing Sources (Uses)						
Transfers in	-	-	5,826	-	5,826	5,826
Budgeted Fund Balance	375,000	375,000	-	-	-	(375,000)
Total Other Financing Sources (Uses)	375,000	375,000	5,826	-	5,826	(369,174)
Net Change in Fund Balances	$ -	$ -	300,309	$ -	300,309	$ 300,309
Fund Balance Beginning of Year			439,830		439,830	
Fund Balance End of Year			$ 740,139		$ 740,139	

BUDGETARY ACCOUNTING AND CONTROL

Budget Law

The County prepares its annual operating budget under the provisions of the official Code of Georgia. In accordance with those provisions, the following process is used to adopt the annual budget:

(a) Prior to June 1, the County Finance Officer submits to the County Commissioners a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.

(b) Public hearings are conducted at regular Commission meetings to obtain taxpayer comments. Public hearings are normally scheduled no later than 15 days prior to the beginning of the budget year.

(c) Subsequent to the public hearings, the budget is legally enacted through the passage of a resolution by the County Commissioners.

All governmental funds with revenues and/or expenditures as defined by State law are required to have annual budgets. The legal level of control at which expenditures may not legally exceed appropriations is at the department level within a fund.

Budgetary Accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. All annual appropriations lapse at fiscal year-end. The appropriated budget is prepared by fund, function, and department. The government's department heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of commissioners. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level.

Budget Requirements

There were no budget amendments by the County Commissioners for the year ended June 30, 2019.

Department	Original Budget	Supplemental Appropriations	Supplemental Decreases	Revised Appropriations
General Fund				
General Government	$ 2,679,340	$ -	$ -	$ 2,679,340
Judicial	1,065,400	-	-	1,065,400
Public Safety	5,237,870	-	-	5,237,870
Public Works	1,073,600	-	-	1,073,600
Health & Welfare	245,890	-	-	245,890
Recreation & Culture	355,520	-	-	355,520
Housing & development	515,680	-	-	515,680
Debt Service - interest	3,800	-	-	3,800
Transfers Out	590,000	-	-	590,000
Senior Center	251,180	-	-	251,180
E-911	460,380	-	-	460,380
Multi-Grant Fund	$ 704,300	-	-	704,300
	$ 13,182,960	$ -	$ -	$ 13,182,960

ELBERT COUNTY, GEORGIA
Required Supplementary Information
Defined Benefit Retirement Plan
June 30, 2019

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total Pension Liability										
Service Cost	$ 283,831	$ 283,536	$ 303,149	$ 301,083	$ 297,316					
Interest	1,355,871	1,302,069	1,243,934	1,153,856	1,101,101					
Differences Between Expected and Actual Experience	(863,639)	(115,419)	21,659	(45,612)	-					
Changes of Assumptions	696,714	35,451	528,158	514,604	-					
Changes of Benefit Terms	-	-	-	-	-					
Other Changes	-	-	-	-	-					
Benefit Payments, Including Refunds of	-	-	-	-	-					
Employee Contributions	(779,223)	(747,858)	(698,355)	(747,421)	(642,636)					
Net Change in Total Pension Liability	693,554	757,779	1,398,545	1,176,510	755,781					
Total Pension Liability - Beginning	19,091,285	18,333,506	16,934,961	15,758,451	15,002,670					
Total Pension Liability - Ending (a)	$ 19,784,839	$ 19,091,285	$ 18,333,506	$ 16,934,961	$ 15,758,451					
Plan Fiduciary Net Position										
Contributions - Employer	$ 760,000	$ 690,000	$ 600,000	$ 567,117	$ 640,583					
Contributions - Employee	121,026	120,660	134,994	136,368	148,882					
Net Investment Income	(813,551)	2,420,925	1,025,242	52,358	904,414					
Benefit Payments, Including Refunds of	-	-	-	-	-					
Employee Contributions	(779,223)	(747,858)	(698,355)	(747,421)	(688,101)					
Administrative Expense	(31,788)	(29,265)	(32,487)	(29,742)	(27,491)					
Other Changes	(125,591)	(105,462)	(157,369)	(26,095)	(64,961)					
Net Change in Fiduciary Net Position	(869,127)	2,349,000	872,025	(47,415)	913,326					
Plan Fiduciary Net Position - Beginning	17,441,886	15,092,886	14,220,861	14,268,276	13,354,950					
Plan Fiduciary Net Position - Ending (b)	$ 16,572,759	$ 17,441,886	$ 15,092,886	$ 14,220,861	$ 14,268,276					
Net Pension Liability - Ending: (a)-(b)	$ 3,212,080	$ 1,649,399	$ 3,240,620	$ 2,714,100	$ 1,490,175					
Plan's Fiduciary Net Position as a Percentage of the Total Pension Liability	83.76%	91.36%	82.32%	84.00%	90.50%					
Covered-Employee Payroll (Prior Year)	$ 5,471,320	$ 5,431,405	$ 5,331,251	$ 5,269,420	$ 5,220,302					
Net Pension Liability as a Percentage of Covered-Employee Payroll	58.71%	30.37%	60.79%	51.51%	28.55%					

Note: The schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

ELBERT COUNTY, GEORGIA
Required Supplementary Information
Defined Benefit Retirement Plan
June 30, 2019

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Actuarially Determined Contribution	$ 358,712	$ 562,802	$ 593,350	$ 567,117	$ 640,583					
Contributions in Relation to the Actuarially	-	-	-	-	-					
Determined Contribution	$ 358,712	$ 562,802	$ 593,350	567,117	640,583					
Contribtuion Deficiency (Excess)	-	-	-	-	-					
Covered-Employee Payroll	5,471,320	5,431,405	5,331,251	5,269,420	5,220,302					
Contributions as a Percentage of										
Covered-Employee Payroll	7%	10%	11%	11%	12%					

Changes of Assumptions

There has been no substantive changes in assumptions since the last actuarial valuation.

Benefit Changes

There has been no substantive changes in plan provisions since the last actuarial valuation.

ELBERT COUNTY, GEORGIA

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2019

	Law Library	10% Fines Jail Fund	Special Drug Fund	Hotel/Motel Fund	Revolving Loan Fund	Fire Insurance Fund	E-911 Fund	Public Defender Fund	Total Nonmajor Governmental Funds
Assets									
Cash and cash equivalents	$ 22,585	$ 9,740	$ 39,979	$ 8,324	$ -	$ 159,952	$ 118,315	$ 20,685	$ 379,580
Accounts receivable (net)	-	-	275	5,905	-	-	27,514	-	33,694
Due from other governments	563	2,697	2,592	-	-	-	-	37,468	43,320
Due from other funds	-	-	270	-	-	-	82,580	4,769	87,619
Total Assets	23,148	12,437	43,116	14,229	-	159,952	228,409	62,922	544,213
Deferred Outflows of Resources	-	-	-	-	-	-	-	-	-
Total Assets and Deferred Outflows of Resources	23,148	12,437	43,116	14,229	-	159,952	228,409	62,922	544,213
Liabilities									
Accounts payable	-	-	4,663	5,463	-	-	1,106	26,699	37,931
Accrued expenses	-	-	-	-	-	-	11,210	969	12,179
Total Liabilities	-	-	4,663	5,463	-	-	12,316	27,668	50,110
Deferred Inflows of Resources	-	-	-	-	-	-	-	-	-
Total Liabilities and Deferred Inflows of Resources	-	-	4,663	5,463	-	-	12,316	27,668	50,110
Fund Balance									
Restricted for:									
Law Enforcement	23,148	12,437	38,453	-	-	-	216,093	35,254	325,385
Tourism	-	-	-	8,766	-	-	-	-	8,766
Fire Insurance Fund	-	-	-	-	-	159,952	-	-	159,952
Total Fund Balance	23,148	12,437	38,453	8,766	-	159,952	216,093	35,254	494,103
Total Liabilities, Deferred Inflows and Fund Balance	$ 23,148	$ 12,437	$ 43,116	$ 14,229	$ -	$ 159,952	$ 228,409	$ 62,922	$ 544,213

ELBERT COUNTY, GEORGIA

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Governmental Funds

For the Year Ended June 30, 2019

	Law Library	10% Fines Jail Fund	Special Drug Fund	Hotel/Motel Fund	Fire Insurance Fund	E-911 Fund	Public Defender Fund	Total Nonmajor Governmental Funds
Revenues								
Hotel/Motel tax	$ -	$ -	$ -	$ 40,947	$ -	$ -	$ -	$ 40,947
Intergovernmental	-	-	-	-	-	-	408,586	408,586
Fines and forfeitures	7,171	27,526	31,697	-	-	-	-	66,394
Charges for services	-	-	-	-	6,700	415,296	-	421,996
Interest	-	15	45	15	160	162	-	397
Miscellaneous	-	-	-	-	517	2	10,630	11,149
Total Revenue	7,171	27,541	31,742	40,962	7,377	415,460	419,216	949,469
Expenditures								
Current:								
Judicial	7,231	-	-	-	-	-	405,348	412,579
Public safety	-	29,970	25,289	-	27,536	759,022	-	841,817
Housing and development	-	-	-	41,984	-	-	-	41,984
Principal retirement	-	-	-	-	-	3,956	-	3,956
Capital Outlay	-	-	-	-	8,925	155,945	-	164,870
Total Expenditures	7,231	29,970	25,289	41,984	36,461	918,923	405,348	1,465,206
Excess (Deficiency) of Revenues Over (Under) Expenditures	(60)	(2,429)	6,453	(1,022)	(29,084)	(503,463)	13,868	(515,737)
Other Financing Sources (Uses)								
Transfers in	-	-	-	-	75,000	515,000	-	590,000
Proceeds from isuance of debt	-	-	-	-	-	155,945	-	155,945
Total Other Financing Sources (Uses)	-	-	-	-	75,000	670,945	-	745,945
Net Change in Fund Balances	(60)	(2,429)	6,453	(1,022)	45,916	167,482	13,868	230,208
Fund Balances Beginning of Year	23,208	14,866	32,000	9,788	114,036	48,611	21,386	263,895
Fund Balances End of Year	$ 23,148	$ 12,437	$ 38,453	$ 8,766	$ 159,952	$ 216,093	$ 35,254	$ 494,103

ELBERT COUNTY, GEORGIA

Combining Statement of Fiduciary Assets and Liabilities

All Agency Funds

June 30, 2019

	Tax Commissioner	Probate Court	Magistrate Court	Clerk of Court	Sheriff	Totals
Assets						
Cash and cash equivalents	$ 484,388	$ 52,217	$ 2,448	$ 52,765	$ 40,116	$ 631,934
Taxes receivable	831,422	-	-	-	-	831,422
Total Assets	1,315,810	52,217	2,448	52,765	40,116	1,463,356
Liabilities						
Due to others	1,315,810	52,217	2,448	52,765	40,116	1,463,356
Total Liabilities	$ 1,315,810	$ 52,217	$ 2,448	$ 52,765	$ 40,116	$ 1,463,356

Walker Pierce & Tuck
CERTIFIED PUBLIC ACCOUNTANTS, P.C.

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

To the Board of Commissioners
Elbert County, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Elbert County, Georgia, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise Elbert County, Georgia's basic financial statements and have issued our report thereon dated June 25, 2021. Our report also makes reference to other auditors who audited the financial statements of the Elbert County Health Department, as described in our report on the County's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Elbert County, Georgia's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Elbert County, Georgia's internal control. Accordingly, we do not express an opinion on the effectiveness of Elbert County, Georgia's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items as items 2019-1 thru 2019-6 that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Elbert County, Georgia's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 2019-7.

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Elbert County, Georgia's Response to Findings

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Walker, Pierce & Tuck CPA's P.C.

Walker, Pierce & Tuck CPA's P.C.
Gainesville, Georgia
June 25, 2021

ELBERT COUNTY, GEORGIA
Summary Schedule of Prior Year Audit Findings
For the Year Ended June 30, 2019

Section II Financial Statement Findings and Responses

Material Weaknesses

2018-1

Finding: An individual employee's duties should not include all aspects of a transaction. The County finance department staff performs duties that are conflicting from an internal control perspective. Overlapping of duties exists in the areas of cash receipts, cash disbursements and payroll.

Status: Repeat Finding. Corrective action still in progress.

Corrective Action: The County administration / finance staff has added a full-time purchasing director. This person has, in addition to the purchasing duties, taken on the task of preparing and making deposits of currency. This person has also taken over responsibilities of SPLOST expenditures summations, review of all expenditures under $2,500, and record keeping of capital asset expenditures. The county has limited financial resources at this time to be able to add more staff.

2018-2

Finding: The Tax Commissioner's office does not employ internal control procedures to verify receipts, deposits and changes in the tax accounts due the County. Internal control procedures should be in place that provide reasonable assurance that all changes in the tax balances are reconciled on a monthly basis

Status: Repeat Finding. Corrective action still in progress.

Corrective Action: The County Finance Director has met with the staff of the Tax Commissioner's office to discuss procedures to improve their control systems. The Tax Commissioner has believed that the systems she has in place were sufficient to safeguard the assets and provide accurate disbursements to the appropriate governing authorities. The County Finance Director and the Tax Commissioner will work on developing more documentation regarding the systems in place. Any specific areas that need additional controls will be addressed.

2018-3

Criteria: Written internal control procedures should be to in place and followed to ensure an accurate accounting of all funds held by the tax commissioner can be produced at all times. The Tax Commissioner's office does not employ internal control procedures to reconcile and track funds held in the property tax bank account verify receipts, deposits and changes in the tax accounts due the County, School Board, State of Georgia, and other third parties.

Status: Repeat Finding. Corrective action still in progress.

Corrective Action: The Tax Commissioner has already started working on documentation regarding internal controls in her office.

2018-4

Criteria: Written internal control procedures should be to in place and followed to insure an accurate accounting of all funds held by the Sheriff's office can be produced at all times. The Sheriff's office does not maintain timely prepared reconciliations of funds held in bank accounts managed by the Sheriff's office.

Status: Repeat Finding. Corrective action still in progress.

Corrective Action: The County Finance Director met with the Sheriff to discuss this condition. The Sheriff stated that he would begin a process of reviewing and documenting their internal control procedures.

2018-5

Criteria: A basic part of proper internal controls includes a written policy and procedure manual for all accounting tasks. The County does not maintain a complete and accurate policy and procedure manual for all repetitive monthly accounting tasks performed by accounting and non-accounting staff responsible for task involving the revenue and expenditure processes.

Status: Repeat Finding. Corrective action still in progress.

Corrective Action: The finance staff has started working on a manual twice but did not finish the project. The finance staff is committed to continuing work on sufficient documentation.

2018-6

Criteria: The Schedule of Federal Awards Expenditures (SEFA) should properly identify expenditures of all federal awards, federal awards from pass-through entities and the federal portion of multi-funded awards. The County's SEFA was incomplete and did not initially identify all expenditures of federal awards obtained during fiscal year 2018.

Status: Repeat Finding. Corrective action still in progress.

Corrective Action: Because of the complexity of compiling the SEFA, the only staff member capable of completing this job is the Finance Director. With the addition of the accounting of a number of outside governmental organizations, the staff has been pushed to the limits just to complete day to day work. There has been a relief and benefit to the staff by adding a Purchasing Officer to the finance and accounting staff.

2018-7 Resolved

Instances of Noncompliance

2018-8

Criteria: Georgia code OCGA 36-81-3 requires limiting expenditures to the legally approved budget amounts. The County had expenditures in excess of appropriations in the General Fund, Senior Center, Multi-Grant Fund, Fire Insurance Fund, Special Drug Fund, Hotel/Motel Fund, Public Defender Fund and Victim's Assistance Fund.

Status: Repeat Finding for various departments. Corrective action still in progress.

Corrective Action: The staff usually checks balances during the year and provides budget amendments for the year. Also, some expenditures are approved by the Board, which would increase the appropriations budgets. Due to the increasing workload, the amended budget was not presented.

ELBERT COUNTY, GEORGIA
Summary Schedule of Prior Year Audit Findings
For the Year Ended June 30, 2019

Section III Federal Awards Findings and Questioned Costs

Compliance

2018-9	Resolved

Material Weakness

2018-10	Resolved

ELBERT COUNTY, GEORGIA
Schedule of Findings and Questioned Costs
For the Year Ending June, 30, 2019

Section I Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	__X__ Yes ____ No
Significant deficiencies identified not considered to be material weaknesses?	____ Yes __X__ None Reported
Noncompliance material to financial statements noted?	__X__ Yes ____ No

Federal Awards

Internal Control over major programs:	
Material weaknesses identified?	__X__ Yes ____ No
Significant deficiencies identified not considered to be material weaknesses?	____ Yes __X__ None Reported
Type of auditor's report issued on compliance for major programs	
Crime Victim's Assistance Program	Unmodified
Special Program for the Aging	Unmodified
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?	__X__ Yes ____ No

Identification of major programs:

CFDA Number	Name of Program or Cluster
16.575	Crime Victims Assistance Program
93.044	Special Program for the Aging Cluster
93.045	Special Program for the Aging Cluster
93.053	Special Program for the Aging Cluster

Dollar threshold used to distinguish between Type A and Type B programs:	$750,000
Auditee qualified as low-risk auditee?	____ Yes __X__ No

ELBERT COUNTY, GEORGIA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2019

Section II Financial Statement Findings and Responses

Material Weakness

2019-1 (Previous year finding)

Criteria: An individual employee's duties should not include all aspects of a transaction.

Condition: The County finance department staff performs duties that are conflicting from an internal control perspective. Overlapping of duties exists in the areas of cash receipts, cash disbursements and payroll.

Effect: Inadequate segregation of duties presents a risk of unauthorized or incorrect transactions occurring and not being detected within a timely period.

Recommendation: Compensating controls should be established to reduce the inherent risks created by the lack of segregation of duties. These controls may include items such as continual supervision of employees, rotation of duties and periodic internal review by others not directly involved in the daily operations.

Response: The County agrees with this findings.

2019-2 (Previous year finding)

Condition: The Tax Commissioner's office does not employ internal control procedures to verify receipts, deposits and changes in the tax accounts due the County.

Criteria: Internal control procedures should be in place that provide reasonable assurance that all changes in the tax balances are reconciled on a monthly basis

Cause: There are no procedures in place to require the reconciliations.

Effect: Due to the lack of reconciliation procedures, the Tax Commissioner's office does not possess the ability to detect errors and omissions in a timely manner.

Recommendation: Written policies and procedures should be developed and training provided to the Tax Commissioner's staff on how to reconcile receipts, bank deposits, and authorized changes in outstanding tax accounts to changes in tax receivable on a monthly basis.

Response: The County agrees with this finding. Management will discuss this finding with the Commissioner.

2019-3 (Previous year finding)

Criteria: Written internal control procedures should be to in place and followed to ensure an accurate accounting of all funds held by the tax commissioner can be produced at all times.

Condition: The Tax Commissioner's office does not employ internal control procedures to reconcile and track funds held in the property tax bank account verify receipts, deposits and changes in the tax accounts due the County, School Board, State of Georgia, and other third parties.

Cause: There are no procedures in place to require the reconciliations.

Effect: Due to the lack of reconciliation procedures, the Tax Commissioner's office is unable to identify the appropriate party to remit monies in the motor vehicle funds and the property tax account resulted in excess liabilities over cash balances held at year end.

Section II Financial Statement Findings and Responses (continued)

2019-3 (continued)

Recommendation: Written policies and procedures should be promptly created and implemented to insure the Tax Commissioner's office is able to reconcile and remit all fund collected to the appropriate parties on a monthly basis.

Response: The County agrees with this finding. Management will discuss this finding with the Tax Commissioner.

2019-4 (Previous year finding)

Criteria: Written internal control procedures should be to in place and followed to ensure an accurate accounting of all funds held by the Sheriff's office can be produced at all times.

Condition: The Sheriff's office does not maintain timely prepared reconciliations of funds held in bank accounts managed by the Sheriff's office.

Cause: There are no procedures in place to require the reconciliations.

Effect: The Sheriff's office does not perform a monthly reconciliation of bank accounts held or maintain a reconciliation of funds held for third parties pending the outcome of court proceedings.

Recommendation: Written policies and procedures should be promptly created and implemented to insure the Sheriff's office performs monthly bank reconciliation on all bank accounts held and is able to reconcile and report on all fund by held for third parties pending the outcome of court proceedings.

Response: The County agrees with this finding. Management will discuss this finding with the Sheriff's office.

2019-5 (Previous year finding)

Criteria: A basic part of proper internal controls includes a written policy and procedure manual for all accounting tasks.

Condition: The County does not maintain a complete and accurate policy and procedure manual for all repetitive monthly accounting tasks performed by accounting and non-accounting staff responsible for task involving the revenue and expenditure processes.

Cause: The County does not have a complete and accurate policy and procedure manual of accounting tasks for reference and use by staff.

Effect: The County's staff does not have written policy and procedures manual to follow to insure internal control procedures are followed as intended to prevent errors.

Recommendation: A written policy and procedures manual should be created, regularly updated and provided to staff to help insure proper internal procedures for all accounting tasks are consistently followed.

Response: The County agrees with this finding.

2019-6 (Previous year finding)

Criteria: The Schedule of Federal Awards Expenditures (SEFA) should properly identify expenditures of all federal awards, federal awards from pass-through entities and the federal portion of multi-funded awards.

Condition: The County's SEFA was incomplete and did not initially identify all expenditures of federal awards obtained during fiscal year end.

Section II Financial Statement Findings and Responses (continued)

2019-6 (continued)

Cause: Due to staffing limitations, the County's accounting staff was unable to maintain an up-to-date SEFA that included all federal grants obtained by County departments, agencies and component unit.

Effect: The County had to prepare a revised SEFA to include all federal grant expenditures in order to reconcile the SEFA to the underlying accounting records and financial statements.

Recommendation: In addition to increasing the professional staffing levels of the accounting office the County should develop policies and procedures to ensure the federal portion of all grant awards are identified, reconciled and included in the preparation of the SEFA.

Response: The County agrees with this finding.

Instances of Noncompliance

2019-7 (Previous year finding)

Criteria: Georgia code OCGA 36-81-3 requires limiting expenditures to the legally approved budget amounts.

Condition: The County had expenditures in excess of appropriations in the General Fund, Senior Center, Multi-Grant Fund, Law Library, 10% Fines Jail Fund, Special Drug Fund, Hotel/Motel Fund, and E-911 Fund.

Cause: The County did not amend its budget to authorize expenditures in excess of the original budget.

Effect: At June 30, 2019, the County was not in compliance with OCGA 36-81-3.

Recommendation: We recommend the County comply with all relevant statues concerning the operation of a local government in order to reduce the risk of litigation and other unforeseen actions.

Response: The County agrees with this finding and will amend its budget.

ELBERT COUNTY, GEORGIA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2019

Section III Federal Awards Findings and Questioned Costs

Compliance

None

Material Weakness

2019-8 (Previous year finding)

Criteria: A basic part of proper internal controls includes a written policy and procedure manual for all accounting tasks including the management, oversight and operations of federal grants.

Condition: The County does not maintain a complete and accurate policy and procedure manual to ensure federal grant compliance requirements are known and followed by both accounting and non-accounting staff responsible the grant application, acceptance, implementation, funding requests and reporting requirements.

Cause: The County does not have a complete and accurate policy and procedure manual regarding the compliance with federal grant requirements for use by staff when performing tasks that involve federal grant funds.

Effect: The County's staff may be unaware of federal grant requirements and as a result, unintentionally violate material compliance requirements that could result in the federal agency requesting the County to repay federal grant funds

Recommendation: A written policy and procedures manual should be created, regularly updated and provided to staff to help insure proper internal procedures for all accounting tasks are consistently followed.

Response: The County agrees with this finding.

Walker Pierce & Tuck
CERTIFIED PUBLIC ACCOUNTANTS, P.C.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Elbert County Commission
Elberton, Georgia

Report on Compliance for Each Major Federal Program

We have audited the Elbert County, Georgia's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have direct and material effect on each of the Elbert County, Georgia's major federal programs for the year ended June 30, 2019. Elbert County, Georgia's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Elbert County, Georgia's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Elbert County, Georgia's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our qualified and unmodified opinions on compliance for major federal programs. However, our audit does not provide a legal determination of the Elbert County, Georgia's compliance.

Opinion on Each Major Federal Program

In our opinion, Elbert County, Georgia complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal program for the year ended June 30, 2019.

Report on Internal Control over Compliance

Management of Elbert County, Georgia, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Elbert County, Georgia's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Elbert County, Georgia's 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 a 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 internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2019-8 that we consider to be material weaknesses.

Elbert County, Georgia's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Elbert County, Georgia's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

Firm's signature

Walker, Pierce & Tuck, CPA's P.C.

Walker, Pierce & Tuck, CPA's P.C.
Gainesville, Georgia
June 25, 2021

ELBERT COUNTY GEORGIA
Schedule of Exependitures of Federal Awards
For the Year Ending June 30, 2019

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
U.S. Department of Transportation			
Pass-through programs			
Enhanced Mobility for Seniors Program	20.513	unavailable	184,279
Transit Services Programs	20.509	T006157 OPR	145,359
Total Pass-through programs			329,638
Total U.S. Department of Transportation			329,638
U.S. Department of Health and Human Services			
Pass-through programs			
Georgia Department of Human Services			
Aging Cluster			
Special Program for the Aging	93.044	unavailable	5,903
Special Program for the Aging	93.045	unavailable	102,873
Special Program for the Aging	93.053	unavailable	59,204
Total Aging Cluster			167,980
Nutrition Services Incentive Program	93.667	unavailable	3,070
Total Pass-through programs			171,050
Total U.S. Department of Health and Human Services			171,050
U.S. Department of Justice			
Pass-through programs			
Georgia Criminal Justice Coordinating Council			
Crime Victims Assistance Program	16.575	C15-8-374	17,568
Crime Victims Assistance Program	16.575	C-13-8-048	60,853
Crime Victims Assistance Program	16.575	C13-8-102	48,806
Crime Victims Assistance Program	16.575	C14-8-072	177,314
Total Pass-through programs			304,541
Total U.S.Department of Justice			304,541
U.S. Department of Housing & Urban Development			
Pass-through programs			
Community Development Block Grant			
Porter Drive Project	14.218	15h-y-052-1-5763	153,127
Total Pass-through programs			153,127
Total U.S. Department of Housing & Urban Development			153,127
U.S. Department of Homeland Security			
Pass-through programs			
Georgia Emergency Management Agency			
Homeland Security Grant Program	97.067	OEM-11-054S01	8,012
Total Pass-through programs			8,012
Total U.S.Department of Homeland Security			8,012
Total Expenditures of Federal Awards			$ 966,368

ELBERT COUNTY, GEORGIA
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2019

Note I. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Elbert County, Georgia (the "County"), and is presented on the modified accrual basis of accounting for governmental fund types and the accrual basis of accounting for the proprietary fund types. The County reporting entity is defined in Note 1 to the County's basic financial statements. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Therefore, some amounts presented in the schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note II. Cluster Programs

The programs included in the schedule of expenditures of federal awards with CFDA No., 93.044, 93.045 and 93.053 are considered cluster programs for purposes of performing internal control and compliance testing.

Note III. NonCash Assistance and Loans

There were no federal awards expended in the form of noncash assistance during year. There were also no loans or loan guarantees outstanding at year end.

Note IV. De Minimus Indirect Cost Rate

The County did not use the 10% de minimis indirect cost rate.

ELBERT COUNTY, GEORGIA

Schedule of Special Purpose Local Option Sales Tax
Estimated Cost and Expenditure Summary
For the Year Ended June 30, 2019

SPLOST 2011

Project Description	Estimated Cost		Expenditures		
	Original	Current	Prior Years	Current Year	Total
Capital Projects					
Road, Street & Bridges	$ 4,800,000	$ 4,800,000	$ 4,499,192	$ -	$ 4,499,192
Total Capital Projects	4,800,000	4,800,000	4,499,192		4,499,192
Vehicles and Equipment					
Computer Equipment & Software	130,000	130,000	94,231	8,440	102,671
Parks & Recreation	110,000	110,000	87,737	-	87,737
Fire Department	250,000	250,000	420,733	-	420,733
Emergency Services	997,000	997,000	867,093	-	867,093
E911 Department	165,000	165,000	190,089	-	190,089
Sheriff's Department	396,000	396,000	342,913	1,853	344,766
Senior Center	40,000	40,000	40,000	-	40,000
Building & Maintenance	32,000	32,000	9,684	-	9,684
Cooperative Extension / 4-H	61,000	61,000	36,685	7,647	44,332
Board of Assessors	145,000	145,000	109,891	-	109,891
Total Vehicles and Equipment	2,326,000	2,326,000	2,199,056	17,940	2,216,996
Repayment of Debt					
Fire Station Construction Loan	800,000	800,000	413,647	3,545	417,192
Total Repayment of Debt	800,000	800,000	413,647	3,545	417,192
County Facilities and Infrastructure					
Construct/Improve Complex & Courthouse	60,000	60,000	72,919	-	72,919
Total Facilities & Infrastructure	60,000	60,000	72,919		72,919
Total County Projects	7,986,000	7,986,000	7,184,814	21,485	7,206,299
Elberton Projects	3,828,000	3,828,000	3,378,516	-	3,378,516
Hospital Authority Projects	726,000	726,000	633,960	-	633,960
Bowman Projects	660,000	660,000	582,454	-	582,454
Total:	$13,200,000	$13,200,000	$ 11,779,744	$ 21,485	$11,801,229

ELBERT COUNTY, GEORGIA

Schedule of Special Purpose Local Option Sales Tax
Estimated Cost and Expenditure Summary
For the Year Ended June 30, 2019

SPLOST 2017

Project Description	Estimated Cost		Expenditures		
	Original	Current	Prior Years	Current Year	Total
Capital Projects					
Roads & Bridges	$ 4,036,240	$ 4,036,240	$ 357,930	$ 320,182	$ 678,112
Total Capital Projects	4,036,240	4,036,240	357,930	320,182	678,112
Vehicles and Equipment					
Computer Equipment & Software	150,000	150,000	14,805	22,174	36,979
Parks & Recreation	80,000	80,000	44,030	-	44,030
Fire Department	730,000	730,000	450,789	197,135	647,924
Emergency Services	450,000	450,000	729,956	153,879	883,835
E911 Department	900,000	900,000	153,986	120,220	274,206
Sheriff's Department	400,000	400,000	94,728	80,210	174,938
Senior Center	40,000	40,000	-	-	-
Building & Maintenance	35,000	35,000	16,618	68,455	85,073
Cooperative Extension / 4-H	55,000	55,000	6,905	2,477	9,382
Board of Assessors	95,000	95,000	14,863	-	14,863
Solid Waste Department	225,000	225,000	14,824	-	14,824
Animal Control / Code Enforcement	75,000	75,000	-	4,270	4,270
Bobby Brown Park	54,000	54,000	2,000	14,320	16,320
Total Vehicles & Equipment	3,289,000	3,289,000	1,543,504	663,140	2,206,644
Repayment of Debt					
Fire Station Construction Loan	365,560	365,560	-	-	-
Total Repayment of Debt	365,560	365,560			
County Facilities and Infrastructure					
Construct/Improve Complex & Courthouse	150,000	150,000	-	-	-
Total County Facilities & Infrastructure	150,000	150,000			
Total County Projects	7,840,800	7,840,800	1,901,434	983,322	2,884,756
Elberton Projects	3,445,200	3,445,200	544,469	608,835	1,153,304
Bowman Projects	594,000	594,000	93,859	104,972	198,831
Total:	$ 11,880,000	$ 11,880,000	$ 2,539,762	$ 1,697,129	$ 4,236,891

SPLOST 2017 Current Year Expenditures:

Funds from SPLOST revenue sources	$ 1,718,614
Funds from other revenue sources (intergovernmental grant)	-
Total SPLOST Expenditures reported at June 30, 2019	$ 1,718,614