

FRANKLIN County georgia

Franklin County, Georgia

Annual Financial Report

For the fiscal year ended June 30, 2024

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FRANKLIN COUNTY, GEORGIA
ANNUAL FINANCIAL REPORT
For the fiscal year ended June 30, 2024

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Independent Auditor's Report

Honorable Chairman and Members
of the Board of Commissioners
Franklin County, Georgia

Report on the Financial Statements

Opinions

We have audited the accompanying 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 Franklin County, Georgia, as of and for the fiscal year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Franklin County, Georgia's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the 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 units, each major fund, and the aggregate remaining fund information of Franklin County, Georgia, as of June 30, 2024, and the respective changes in the financial position and the budgetary comparisons of the General Fund, the ARPA Grant Special Revenue Fund, the Emergency 911 Special Revenue Fund, and the Opioid Settlement Special Revenue Fund for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Franklin County Health Department, a component unit of Franklin County, Georgia, which represents 11.77 percent, 0.98 percent, and 80.36 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. 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 Franklin County Health Department, is based solely on the reports of the other auditors.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Franklin County, Georgia's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information on pages 73 through 78, 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 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.

Franklin County, Georgia, has not presented the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Franklin County, Georgia's basic financial statements. The combining and individual fund financial statements and schedules, the schedule of projects financed with special purpose local option sales tax, and the schedule of completed state awards expended are presented for purposes of additional analysis and are not a required part of the basic financial statements. The 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. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules, the schedule of projects financed with special purpose local option sales tax, the schedule of completed state awards expended, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the financial statements as a whole.
are fairly stated in all material respects in relation to the 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 December 20, 2024, on our consideration of Franklin County, Georgia's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, 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 results of that testing, and not to provide an opinion on the 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 Franklin County, Georgia's internal control over financial reporting and compliance.

Rushton, LLC

Certified Public Accountants

Gainesville, Georgia
December 20, 2024

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BASIC FINANCIAL STATEMENTS

FRANKLIN COUNTY, GEORGIA
STATEMENT OF NET POSITION
June 30, 2024

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
ASSETS				
Current assets				
Cash and cash equivalents	$ 26,301,579	$ 1,534,268	$ 27,835,847	$ 1,921,019
Restricted assets				
Cash and cash equivalents	713,380	5,021	718,401	0
Receivables (net)				
Accounts	1,602,716	282,160	1,884,876	79,886
Intergovernmental	136,884	308,920	445,804	21,157
Taxes	888,680	0	888,680	1,795
Inventory	0	77,083	77,083	0
Net OPEB asset	0	0	0	64,953
Prepaid items	176,844	0	176,844	0
Internal balances	364,953	(364,953)	0	0
Total current assets	30,185,036	1,842,499	32,027,535	2,088,810
Noncurrent assets				
Property held for development	0	0	0	5,568,680
Capital assets				
Non-depreciable	5,232,159	1,111,649	6,343,808	0
Depreciable/Intangible amortizable (net)	27,662,096	25,593,403	53,255,499	9,428
Total noncurrent assets	32,894,255	26,705,052	59,599,307	5,578,108
Total assets	63,079,291	28,547,551	91,626,842	7,666,918
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources - pension	1,101,732	19,624	1,121,356	274,765
Deferred outflows of resources - OPEB	0	0	0	146,488
Deferred charge on refunding	334,911	0	334,911	0
Total deferred outflows of resources	1,436,643	19,624	1,456,267	421,253
LIABILITIES				
Current liabilities				
Payables				
Accounts	415,229	215,219	630,448	14,460
Retainages	0	6,128	6,128	0
Intergovernmental	300,871	0	300,871	0
Interest	0	2,010	2,010	0
Unearned revenue	3,796,240	0	3,796,240	0
Accrued salaries and expenses	326,810	7,810	334,620	0
Compensated absences	895,383	3,159	898,542	58,900
Due to other agencies	858,471	0	858,471	0
Lease payable	275,950	0	275,950	0
Notes payable	28,886	215,065	243,951	0
Bonds payable	603,758	37,650	641,408	0
Post-closure care costs	0	32,319	32,319	0
Total current liabilities	7,501,598	519,360	8,020,958	73,360

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

FRANKLIN COUNTY, GEORGIA
STATEMENT OF NET POSITION
June 30, 2024

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Noncurrent liabilities				
Compensated absences	$ 99,488	$ 351	$ 99,839	$ 55,123
Net pension liability	1,623,110	28,910	1,652,020	0
Proportionate share of net pension liability	0	0	0	1,076,013
Lease payable	538,811	0	538,811	0
Notes payable	91,285	3,289,071	3,380,356	0
Bonds payable	7,387,584	2,029,914	9,417,498	0
Post-closure care costs	0	865,545	865,545	0
Total noncurrent liabilities	9,740,278	6,213,791	15,954,069	1,131,136
Total liabilities	17,241,876	6,733,151	23,975,027	1,204,496
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources - pension	84,570	1,506	86,076	2,521
Deferred inflows of resources - OPEB	0	0	0	53,376
Total deferred inflows of resources	84,570	1,506	86,076	55,897
NET POSITION				
Net investment in capital assets	31,877,181	21,119,161	52,996,342	9,428
Restricted for:				
Judicial	120,393	0	120,393	0
Public safety	2,868,010	0	2,868,010	0
Culture and recreation	23,740	0	23,740	0
Housing and Development	39,965	0	39,965	0
Capital outlay	8,029,290	0	8,029,290	0
Unrestricted	4,230,909	713,357	4,944,266	6,818,350
Total net position	$ 47,189,488	$ 21,832,518	$ 69,022,006	$ 6,827,778

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

FRANKLIN COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
For the fiscal year ended June 30, 2024

FUNCTIONS/PROGRAMS	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue
Primary government					
Governmental activities					
General Government	$ 4,158,323	$ 877,443	$ 0	$ 56	$ (3,280,824)
Judicial	1,597,076	1,023,074	0	0	(574,002)
Public Safety	13,082,405	3,792,845	253,049	27	(9,036,484)
Public Works	12,040,287	194,245	0	9,841,284	(2,004,758)
Health and Welfare	525,737	0	3,950	0	(521,787)
Culture and Recreation	674,691	84,483	0	4	(590,204)
Housing and Development	742,460	0	0	8	(742,452)
Interest on long-term debt	294,633	0	0	0	(294,633)
Total governmental activities	33,115,612	5,972,090	256,999	9,841,379	(17,045,144)
Business-type activities					
Water and Sewer	3,201,239	3,212,160	0	170,883	181,804
Solid Waste	120,434	212,233	0	0	91,799
Total business-type activities	3,321,673	3,424,393	0	170,883	273,603
Total primary government	36,437,285	9,396,483	256,999	10,012,262	(16,771,541)
Component Units					
Franklin County Industrial Building Authority					
Housing and Development	216,544	0	0	0	(216,544)
Franklin County Health Department					
Health and Welfare	1,393,157	293,982	689,823	0	(409,352)
Total component units	1,609,701	293,982	689,823	0	(625,896)

	Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total	Component Units
Change in net position				
Net (expense) revenue	$ (17,045,144)	$ 273,603	$ (16,771,541)	$ (625,896)
General revenues				
Taxes				
Property	11,017,079	0	11,017,079	258,254
Sales	9,576,089	0	9,576,089	0
Intangible	121,846	0	121,846	0
Insurance premium	1,381,048	0	1,381,048	0
Other	204,801	0	204,801	0
Interest and investment earnings	16,359	2,763	19,122	0
Payments from Franklin County	0	0	0	108,437
Other	399,798	11,033	410,831	0
Transfers	(1,360,379)	1,360,379	0	0
Total general revenues and transfers	21,356,641	1,374,175	22,730,816	366,691
Change in net position	4,311,497	1,647,778	5,959,275	(259,205)
Net position - beginning (original)	43,042,964	20,184,740	63,227,704	7,086,983
Error correction	(164,973)	0	(164,973)	0
Net position - beginning (restated)	42,877,991	20,184,740	63,062,731	7,086,983
Net position - ending	$ 47,189,488	$ 21,832,518	$ 69,022,006	$ 6,827,778

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

FRANKLIN COUNTY, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2024

	General	ARPA Grant	Emergency 911
ASSETS			
Cash and cash equivalents	$ 11,643,008	$ 3,796,240	$ 1,278,557
Restricted assets			
Cash and cash equivalents	383,495	0	0
Receivables (net)			
Accounts	397,761	0	0
Intergovernmental	32,682	0	40,922
Taxes	369,796	0	0
Prepaid items	176,844	0	0
Due from other funds	1,560,705	0	0
Total assets	$ 14,564,291	$ 3,796,240	$ 1,319,479
LIABILITIES AND FUND BALANCES			
Liabilities			
Payables			
Accounts	$ 303,478	$ 0	$ 1,098
Intergovernmental	20,974	0	0
Accrued salaries and expenses	291,265	0	19,876
Unearned revenue	0	3,796,240	0
Due to other agencies	359,755	0	0
Due to other funds	375,425	0	1,000,000
Total liabilities	1,350,897	3,796,240	1,020,974
Deferred inflows of resources			
Unavailable revenue			
Fines, fees, and forfeitures	0	0	0
Taxes	51,735	0	0
Total deferred inflows of resources	51,735	0	0
Fund balances			
Nonspendable:			
Prepaid items	176,844	0	0
Restricted for:			
Judicial	0	0	0
Public Safety	0	0	0
Culture and Recreation	23,740	0	0
Housing and Development	0	0	0
Capital outlay	0	0	0
Assigned for:			
Public Safety	0	0	298,505
Unassigned	12,961,075	0	0
Total fund balances	13,161,659	0	298,505
Total liabilities, deferred inflows of resources, and fund balances	$ 14,564,291	$ 3,796,240	$ 1,319,479

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

Opioid Settlement	SPLOST V	SPLOST VI	Nonmajor Governmental Funds	Totals
$ 0	$ 3,704,636	$ 3,920,625	$ 1,958,513	$ 26,301,579
0	329,885	0	0	713,380
1,204,955	0	0	0	1,602,716
0	0	0	63,280	136,884
0	0	510,838	8,046	888,680
0	0	0	0	176,844
335,968	41,262	0	51,521	1,989,456
$ 1,540,923	$ 4,075,783	$ 4,431,463	$ 2,081,360	$ 31,809,539
$ 0	$ 87,798	$ 0	$ 22,855	$ 415,229
0	0	279,897	0	300,871
0	0	0	15,669	326,810
0	0	0	0	3,796,240
0	0	0	498,716	858,471
0	151,141	41,262	56,675	1,624,503
0	238,939	321,159	593,915	7,322,124
1,144,924	0	0	0	1,144,924
0	0	0	0	51,735
1,144,924	0	0	0	1,196,659
0	0	0	0	176,844
0	0	0	120,393	120,393
395,999	0	0	1,327,087	1,723,086
0	0	0	0	23,740
0	0	0	39,965	39,965
0	3,836,844	4,110,304	0	7,947,148
0	0	0	0	298,505
0	0	0	0	12,961,075
395,999	3,836,844	4,110,304	1,487,445	23,290,756
$ 1,540,923	$ 4,075,783	$ 4,431,463	$ 2,081,360	$ 31,809,539

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

FRANKLIN COUNTY, GEORGIA
RECONCILIATION OF THE BALANCE SHEET OF
GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET POSITION
June 30, 2024

Total fund balance - total governmental funds		$ 23,290,756
Amounts reported for governmental activities in the statement of net position are different because:		
Some assets are not financial resources and, therefore, are not reported in the funds. These are:		
Capital assets, net of accumulated depreciation/amortization		32,894,255
Long-term assets (receivables) are not available to pay current period expenditures and, therefore, are reported as unavailable revenue in the funds. These are:		
Property taxes	$ 51,735	
Fines, fees, and forfeitures	1,144,924	1,196,659
Deferred outflows of resources related to pensions and debt refunding are applicable to future periods and, therefore, are not reported in the funds.		1,436,643
Deferred inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.		(84,570)
Long-term liabilities are not due and payable in the current period and are not reported in the funds. These are:		
Bonds payable	(7,991,342)	
Lease payable	(814,761)	
Notes payable	(120,171)	
Compensated absences	(994,871)	
Net pension liability	(1,623,110)	(11,544,255)
Net position of governmental activities		$ 47,189,488

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

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FRANKLIN COUNTY, GEORGIA
STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2024

	General	ARPA Grant	Emergency 911
REVENUES			
Taxes	$ 16,280,923	$ 0	$ 0
Licenses and permits	197,430	0	0
Fines, fees and forfeitures	1,329,606	0	0
Charges for services	2,353,242	0	481,483
Intergovernmental	1,985,986	8,117,622	0
Investment	11,006	0	0
Contributions	3,950	0	0
Other	399,798	0	0
Total revenues	22,561,941	8,117,622	481,483
EXPENDITURES			
Current			
General government	3,659,368	0	0
Judicial	1,616,212	0	0
Public safety	10,982,086	0	970,727
Public works	2,082,193	7,378,607	0
Health and welfare	474,642	0	0
Culture and recreation	562,212	0	0
Housing and development	697,226	0	0
Capital outlay	0	0	0
Intergovernmental	0	0	0
Debt service	294,200	0	0
Total expenditures	20,368,139	7,378,607	970,727
Excess (deficiency) of revenues over (under) expenditures	2,193,802	739,015	(489,244)
Other financing sources (uses)			
Transfers in	87,352	0	532,041
Transfers out	(2,064,584)	(739,015)	0
Issuance of notes	137,559	0	0
Issuance of leases	166,710	0	0
Total other financing sources (uses)	(1,672,963)	(739,015)	532,041
Net change in fund balance	520,839	0	42,797
Fund balances, July 1 (as previously reported)	12,805,793	0	0
Error correction	(164,973)	0	0
Changes within financial reporting entity	0	0	255,708
Fund balances, July 1 (as restated)	12,640,820	0	255,708
Fund balances, June 30	$ 13,161,659	$ 0	$ 298,505

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

Opioid Settlement	SPLOST V	SPLOST VI	Nonmajor Governmental Funds	Totals
$ 0	$ 0	$ 5,933,902	$ 88,785	$ 22,303,610
0	0	0	0	197,430
232,438	0	0	182,846	1,744,890
0	0	0	768,796	3,603,521
0	0	0	0	10,103,608
0	153	0	5,356	16,515
0	0	0	0	3,950
0	0	0	0	399,798
232,438	153	5,933,902	1,045,783	38,373,322
0	0	0	0	3,659,368
0	0	0	14,478	1,630,690
0	0	0	974,113	12,926,926
0	0	0	0	9,460,800
0	0	0	0	474,642
0	0	0	0	562,212
0	0	0	34,728	731,954
0	2,929,940	531,817	20,260	3,482,017
0	0	1,589,092	0	1,589,092
0	0	827,907	0	1,122,107
0	2,929,940	2,948,816	1,043,579	35,639,808
232,438	(2,929,787)	2,985,086	2,204	2,733,514
0	0	0	1,158,107	1,777,500
0	(246,928)	0	(87,352)	(3,137,879)
0	0	0	0	137,559
0	0	0	0	166,710
0	(246,928)	0	1,070,755	(1,056,110)
232,438	(3,176,715)	2,985,086	1,072,959	1,677,404
0	7,013,559	0	1,958,973	21,778,325
0	0	0	0	(164,973)
163,561	0	1,125,218	(1,544,487)	0
163,561	7,013,559	1,125,218	414,486	21,613,352
$ 395,999	$ 3,836,844	$ 4,110,304	$ 1,487,445	$ 23,290,756

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

FRANKLIN COUNTY, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the fiscal year ended June 30, 2024

Net change in fund balances - total governmental funds		$ 1,677,404
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlays	$ 3,492,592	
Depreciation/Amortization	(1,934,708)	1,557,884
In the statement of activities, the gain/loss on the disposal of assets is reported, whereas in the governmental funds, the proceeds from the sale of capital assets increases financial resources.		
Cost of assets disposed	(117,863)	
Related accumulated depreciation/amortization	26,451	(91,412)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds These include recognition of unavailable revenue.		448,924
The proceeds of debt issuance 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 reduces long-term liabilities in the statement of net position. In addition, interest on long-term debt is not recognized in the governmental funds until due, but is recognized in the statement of activities as it accrues.		
Debt principal payments	789,161	
Net change in unamortized bond premium	68,758	
Net change in deferred debt refunding	(30,446)	
Debt terminations	92,829	
Debt issuances	(304,269)	616,033
Governmental funds report pension contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned, net of employee contributions is reported as pension expense.		
Pension contributions	750,622	
Cost of benefits earned net of employee contributions	(585,788)	164,834
Some expenses reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in governmental funds.		
Compensated absences		(62,170)
Change in net position of governmental activities		$ 4,311,497

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

FRANKLIN COUNTY, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP) AND ACTUAL
For the fiscal year ended June 30, 2024

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	$ 13,914,510	$ 15,190,910	$ 16,280,923	$ 1,090,013
Licenses and permits	80,000	80,000	197,430	117,430
Fines, fees and forfeitures	910,250	910,250	1,329,606	419,356
Charges for services	2,135,400	2,135,400	2,353,242	217,842
Intergovernmental	698,000	698,000	1,985,986	1,287,986
Investment	1,000	1,000	11,006	10,006
Contributions	0	0	3,950	3,950
Other	310,000	310,000	399,798	89,798
Total revenues	18,049,160	19,325,560	22,561,941	3,236,381
EXPENDITURES				
Current				
General Government				
Adminstration	1,266,000	1,372,000	1,371,264	736
Commission Board	215,710	226,710	226,380	330
County Manager	875,850	512,850	512,744	106
Elections	205,700	218,700	218,510	190
Tax Commissioner	498,600	550,600	549,953	647
Tax Assessor	483,500	552,500	552,465	35
Board of Equalization	4,850	4,850	4,816	34
County Engineer	151,050	224,050	223,236	814
Judicial				
Probate Court	337,600	337,600	321,267	16,333
Magistrate Court	218,800	235,800	235,180	620
Clerk of Superior Court	476,800	643,800	643,655	145
Superior Court	216,650	216,650	202,691	13,959
District Attorney	90,380	99,380	98,787	593
Public Defender	116,500	116,500	114,632	1,868
Public Safety				
Fire Departments	567,100	567,100	556,855	10,245
Coroner	138,550	138,950	138,933	17
Emergency Medical Service	2,848,350	3,133,350	3,133,054	296
Emergency Management	40,400	40,400	18,411	21,989
County Marshall	154,000	154,000	147,556	6,444
Sheriff Department	3,823,000	4,650,000	4,649,671	329
Detention Center	1,990,300	2,338,300	2,337,606	694
Public Works				
Highways and Streets	2,829,950	2,082,950	2,082,193	757
Health and Welfare				
Senior Center	238,350	335,350	335,334	16
Foster Care Services	30,000	30,000	14,041	15,959
Health Department	104,350	125,350	125,267	83
Culture and Recreation				
Recreation	461,300	562,300	562,212	88
Housing and Development				
County Agent	87,550	97,550	97,199	351
Forestry	6,500	6,500	0	6,500
Planning and Zoning	252,200	442,200	441,417	783
Economic Development	160,700	160,700	158,610	2,090
Debt Service	0	295,000	294,200	800
Total expenditures	18,890,590	20,471,990	20,368,139	103,851

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

Exhibit A-7, continued

FRANKLIN COUNTY, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP) AND ACTUAL
For the fiscal year ended June 30, 2024

	Budget			Variance with
	Original	Final	Actual	Final Budget
Excess (deficiency) of revenues over (under) expenditures	$ (841,430)	$ (1,146,430)	$ 2,193,802	$ 3,340,232
Other financing sources (uses)				
Transfers in	0	0	87,352	87,352
Transfers out	(976,000)	(976,000)	(2,064,584)	(1,088,584)
Proceeds from sale of capital assets	25,000	25,000	0	(25,000)
Issuance of notes	0	138,000	137,559	(441)
Issuance of leases	0	167,000	166,710	(290)
Total other financing sources (uses)	(951,000)	(646,000)	(1,672,963)	(1,026,963)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(1,792,430)	(1,792,430)	520,839	2,313,269
Fund balances, July 1 (original)	1,792,430	0	12,805,793	12,805,793
Error correction	0	0	(164,973)	164,973
Fund balances, July 1 (restated)	1,792,430	1,792,430	12,640,820	10,848,390
Fund balances, June 30	$ 0	$ 0	$ 13,161,659	$ 13,161,659

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

Exhibit A-7, continued

FRANKLIN COUNTY, GEORGIA
ARPA GRANT SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP) AND ACTUAL
For the fiscal year ended June 30, 2024

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Intergovernmental	$ 0	$ 8,117,622	$ 8,117,622	$ 0
EXPENDITURES				
Current				
Public Works	0	7,378,607	7,378,607	0
Excess (deficiency) of revenues over (under) expenditures	0	739,015	739,015	0
Other financing sources (uses)				
Transfers out	0	(739,015)	(739,015)	0
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing sources (uses)	0	0	0	0
Fund balances, July 1	0	0	0	0
Fund balances, June 30	$ 0	$ 0	$ 0	$ 0

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

FRANKLIN COUNTY, GEORGIA
EMERGENCY 911 SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP) AND ACTUAL
For the fiscal year ended June 30, 2024

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Charges for services	$ 412,100	$ 412,100	$ 481,483	$ 69,383
EXPENDITURES				
Current				
Public Safety	987,800	987,800	970,727	17,073
Excess (deficiency) of revenues over (under) expenditures	(575,700)	(575,700)	(489,244)	86,456
Other financing sources (uses)				
Transfers in	605,700	605,700	532,041	73,659
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing sources (uses)	30,000	30,000	42,797	12,797
Fund balances, July 1	(30,000)	(30,000)	255,708	285,708
Fund balances, June 30	$ 0	$ 0	$ 298,505	$ 298,505

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

FRANKLIN COUNTY, GEORGIA
OPIOID SETTLEMENT SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP) AND ACTUAL
For the fiscal year ended June 30, 2024

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Fines, fees, and forfeitures	$ 0	$ 0	$ 232,438	$ 232,438
EXPENDITURES				
Current				
Public Safety	0	0	0	0
Excess (deficiency) of revenues over (under) expenditures	0	0	232,438	232,438
Fund balances, July 1	0	0	163,561	163,561
Fund balances, June 30	$ 0	$ 0	$ 395,999	$ 395,999

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

FRANKLIN COUNTY, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2024

	Business-Type Activities		
	Water and Sewer	Solid Waste	Totals
ASSETS			
Current assets			
Cash and cash equivalents	$ 1,138,183	$ 396,085	$ 1,534,268
Receivables			
Accounts (net)	269,248	12,912	282,160
Intergovernmental	308,920	0	308,920
Due from other funds	0	110,978	110,978
Inventories	77,083	0	77,083
Restricted assets			
Cash and cash equivalents	5,021	0	5,021
Total current assets	1,798,455	519,975	2,318,430
Noncurrent assets			
Capital assets			
Non-depreciable	732,673	378,976	1,111,649
Depreciable (net)	25,593,403	0	25,593,403
Total noncurrent assets	26,326,076	378,976	26,705,052
Total assets	28,124,531	898,951	29,023,482
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources - pension	19,624	0	19,624
LIABILITIES			
Current liabilities			
Payables			
Accounts	215,219	0	215,219
Retainages	6,128	0	6,128
Interest	2,010	0	2,010
Accrued salaries	6,723	1,087	7,810
Compensated absences	3,159	0	3,159
Due to other funds	475,931	0	475,931
Notes payable	215,065	0	215,065
Bonds payable	37,650	0	37,650
Postclosure care	0	32,319	32,319
Total current liabilities	961,885	33,406	995,291
Noncurrent liabilities			
Compensated absences	351	0	351
Net pension liability	28,910	0	28,910
Notes payable	3,289,071	0	3,289,071
Bonds payable	2,029,914	0	2,029,914
Postclosure care	0	865,545	865,545
Total noncurrent liabilities	5,348,246	865,545	6,213,791
Total liabilities	6,310,131	898,951	7,209,082
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources - pension	1,506	0	1,506
NET POSITION			
Net investment in capital assets	20,740,185	378,976	21,119,161
Unrestricted	1,092,333	(378,976)	713,357
Total net position	$ 21,832,518	$ 0	$ 21,832,518

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

FRANKLIN COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the fiscal year ended June 30, 2024

	Business-Type Activities		
	Water and Sewer	Solid Waste	Totals
OPERATING REVENUES			
Charges for sales and services	$ 3,212,160	$ 212,233	$ 3,424,393
Other	11,033	0	11,033
Total operating revenues	3,223,193	212,233	3,435,426
OPERATING EXPENSES			
Costs of sales and services	1,954,740	39,532	1,994,272
Personal services	325,595	80,902	406,497
Depreciation	795,213	0	795,213
Total operating expenses	3,075,548	120,434	3,195,982
Operating income (loss)	147,645	91,799	239,444
Non-operating revenues (expenses)			
Investment income	1,400	1,363	2,763
Interest expense	(125,691)	0	(125,691)
Intergovernmental	54,460	0	54,460
Total non-operating revenues (expenses)	(69,831)	1,363	(68,468)
Income (loss) before capital contributions and transfers	77,814	93,162	170,976
Capital contributions			
Intergovernmental	116,423	0	116,423
Income (loss) before transfers	194,237	93,162	287,399
Transfers in (out)			
Transfers in	985,943	474,772	1,460,715
Transfers out	(100,336)	0	(100,336)
Total transfers in (out)	885,607	474,772	1,360,379
Change in net position	1,079,844	567,934	1,647,778
Net position, July 1	20,752,674	(567,934)	20,184,740
Net position, June 30	$ 21,832,518	$ 0	$ 21,832,518

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

FRANKLIN COUNTY, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the fiscal year ended June 30, 2024

	Business-Type Activities		
	Water and Sewer	Solid Waste	Totals
Cash flows from operating activities:			
Receipts from customers	$ 3,210,228	$ 199,321	$ 3,409,549
Payments to suppliers	(1,950,879)	(75,213)	(2,026,092)
Payments to employees	(355,497)	(82,184)	(437,681)
Other receipts	11,033	0	11,033
Net cash provided (used) by operating activities	914,885	41,924	956,809
Cash flows from non-capital financing activities:			
Receipts from other funds	545	486,198	486,743
Payments to other funds	(624,405)	(297,406)	(921,811)
Net cash provided (used) by non-capital financing activities	(623,860)	188,792	(435,068)
Cash flows from capital and related financing activities:			
Receipts from other funds	985,943	0	985,943
Acquisition of capital assets	(1,121,723)	0	(1,121,723)
Principal payments - notes payable	(241,767)	0	(241,767)
Principal payments - bonds payable	(36,721)	0	(36,721)
Interest paid	(125,727)	0	(125,727)
Net cash provided (used) by capital and related financing activities	(539,995)	0	(539,995)
Cash flows from investing activities:			
Interest received	1,400	1,363	2,763
Net increase (decrease) in cash and cash equivalents	(247,570)	232,079	(15,491)
Cash and cash equivalents, July 1	1,390,774	164,006	1,554,780
Cash and cash equivalents, June 30	$ 1,143,204	$ 396,085	$ 1,539,289

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

FRANKLIN COUNTY, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the fiscal year ended June 30, 2024

	Business-Type Activities		
	Water and Sewer	Solid Waste	Totals
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	$ 147,645	$ 91,799	$ 239,444
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation expense	795,213	0	795,213
Landfill closure/postclosure costs	0	(32,319)	(32,319)
(Increase) decrease in accounts receivable	(1,932)	(12,912)	(14,844)
(Increase) decrease in inventories	10,703	0	10,703
(Increase) decrease in deferred outflows of resources - pension	38,679	0	38,679
Increase (decrease) in accounts payable	(6,842)	(3,362)	(10,204)
Increase (decrease) in accrued payroll liabilities	(16,199)	(1,282)	(17,481)
Increase (decrease) in deferred inflows of resources - pension	(1,154)	0	(1,154)
Increase (decrease) in net pension liability	(51,228)	0	(51,228)
Total adjustments	767,240	(49,875)	717,365
Net cash provided (used) by operating activities	$ 914,885	$ 41,924	$ 956,809
Cash and cash equivalents reconciliation:			
Cash and cash equivalents	$ 1,138,183	$ 396,085	$ 1,534,268
Restricted cash and cash equivalents	5,021	0	5,021
Total cash and cash equivalents	$ 1,143,204	$ 396,085	$ 1,539,289

Noncash investing, capital, and financing activities:

Contributions of capital assets from other governments totaled $116,423.
Acquisition of capital assets through accounts payable totaled $67,544.
Acquisition of capital assets through retainages payable totaled $6,128.
Issuance of debt through intergovernmental receivable totaled $54,460.

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

FRANKLIN COUNTY, GEORGIA
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
June 30, 2024

	Custodial Funds
ASSETS	
Cash	$ 949,820
Taxes receivable, net	174,560
Total assets	1,124,380
LIABILITIES	
Due to other agencies	666,253
NET POSITION	
Restricted for individuals, organizations, and other governments	$ 458,127

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

FRANKLIN COUNTY, GEORGIA
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the fiscal year ended June 30, 2024

	Custodial Funds
ADDITIONS	
Taxes collected for other agencies	$ 20,927,037
Court fees collected for other agencies	1,275,624
Court individual cases	88,665
Sheriff fees collected	464,444
Sheriff inmate account deposits	322,331
Total additions	23,078,101
DEDUCTIONS	
Taxes distributed to other agencies	20,927,037
Court fees distributed to other agencies	1,395,951
Payments to others	23,703
Sheriff fees distributed to other agencies	321,570
Payments from inmates to others	461,553
Total deductions	23,129,814
Change in net position	(51,713)
Net position, July 1	509,840
Net position, June 30	$ 458,127

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

FRANKLIN COUNTY, GEORGIA
COMPONENT UNITS
COMBINING STATEMENT OF NET POSITION
June 30, 2024

	Franklin County Industrial Building Authority	Franklin County Health Department	Totals
ASSETS			
Current assets			
Cash and cash equivalents	$ 1,163,088	$ 757,931	$ 1,921,019
Receivable (net)			
Accounts	0	79,886	79,886
Taxes	1,795	0	1,795
Intergovernmental	21,157	0	21,157
Net OPEB Asset	0	64,953	64,953
Total current assets	1,186,040	902,770	2,088,810
Noncurrent assets			
Property held for development	5,568,680	0	5,568,680
Capital assets			
Depreciable (net)	9,428	0	9,428
Total noncurrent assets	5,578,108	0	5,578,108
Total assets	6,764,148	902,770	7,666,918
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources - pension	0	274,765	274,765
Deferred outflows of resources - OPEB	0	146,488	146,488
Total deferred outflows of resources	0	421,253	421,253
LIABILITIES			
Current liabilities			
Accounts payable	3,510	10,950	14,460
Compensated absences	0	58,900	58,900
Total current liabilities	3,510	69,850	73,360
Noncurrent liabilities			
Compensated absences	0	55,123	55,123
Proportionate share of net pension liability	0	1,076,013	1,076,013
Total noncurrent liabilities	0	1,131,136	1,131,136
Total liabilities	3,510	1,200,986	1,204,496
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources - pension	0	2,521	2,521
Deferred inflows of resources - OPEB	0	53,376	53,376
Total deferred inflows of resources	0	55,897	55,897
NET POSITION			
Investment in capital assets	9,428	0	9,428
Unrestricted	6,751,210	67,140	6,818,350
Total net position	$ 6,760,638	$ 67,140	$ 6,827,778

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

FRANKLIN COUNTY, GEORGIA
COMPONENT UNITS
COMBINING STATEMENT OF ACTIVITIES
For the fiscal year ended June 30, 2024

	Franklin County Industrial Building Authority	Franklin County Health Department	Totals
Expenses			
Health and Welfare	$ 0	$ 1,393,157	$ 1,393,157
Housing and Development	216,544	0	216,544
Total expenses	216,544	1,393,157	1,609,701
Program revenues			
Charges for services	0	293,982	293,982
Operating grants and contributions	0	689,823	689,823
Total program revenues	0	983,805	983,805
Net (expense) revenue	(216,544)	(409,352)	(625,896)
General revenues			
Property taxes	258,254	0	258,254
Payments from Franklin County	7,006	101,431	108,437
Total general revenues	265,260	101,431	366,691
Change in net position	48,716	(307,921)	(259,205)
Net position, July 1	6,711,922	375,061	7,086,983
Net position, June 30	$ 6,760,638	$ 67,140	$ 6,827,778

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

1. Description of Government Unit

Franklin County, Georgia (the County) is located in the Northeastern area of Georgia about 80 miles northeast of Atlanta and about 60 miles southwest of Greenville, South Carolina, along Interstate 85.

The County provides a full range of governmental services, including public safety, health and welfare services, recreational programs, and economic development as well as water and sewer service and solid waste services.

The government is governed by an elected Chairman and four Commissioners.

2. Summary of Significant Accounting Policies

A. Basis of Presentation

The financial statements of Franklin County, Georgia, have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies established in GAAP and used by the County are discussed below.

B. Reporting Entity

As required by generally accepted accounting principles, the financial statements of the reporting entity include those of Franklin County (the primary government) and material component units. The component units discussed below are included in the County's reporting entity because of the significance of its operational and financial relationship with the County.

In conformity with generally accepted accounting principles, as set forth in Governmental Accounting Standards Board Statement No. 14, *The Financial Reporting Entity*, the financial statements of component units have been included either as blended or discretely presented component units.

2. Summary of Significant Accounting Policies (continued)

B. Reporting Entity, continued

Blended Component Units – Blended component units, although legally separate entities, are, in substance, part of the Government's operations.

Solid Waste Management Authority – On October 23, 1995, Franklin County created the Solid Waste Management Authority of Franklin County, Georgia, under the provisions of the Official Code of Georgia Annotated Section 12-8-50. The Authority consists of five directors who are appointed by the Franklin County Board of Commissioners. The Authority is blended with the Solid Waste Enterprise Fund since all services benefit Franklin County. Separate financial statements are not issued for the Authority.

Water and Sewer Authority – On April 1, 1980, Franklin County created the Water and Sewer Authority of Franklin County, Georgia, under the provisions of 1980 Georgia Law page 4388. The Authority consists of nine directors, five are each Mayor of the five municipalities in the County and the remaining four are appointed by the Franklin County Board of Commissioners. The Authority is blended with the Water Enterprise Fund since all services benefit Franklin County. Separate financial statements are not issued for the Authority.

Public Building Authority - On April 29, 1997, Franklin County created the Public Building Authority of Franklin County, Georgia, under the provisions of 1997 Georgia Law act 229 (H.B. 904). The Authority consists of five directors, which are appointed by the Franklin County Board of Commissioners. The Authority is blended with the General Fund since all services benefit Franklin County. Separate financial statements are not issued for the Authority.

2. Summary of Significant Accounting Policies (continued)

B. Reporting Entity, continued

Discretely Presented Component Units – Discretely presented component units are reported in a separate column in the combined financial statements to emphasize it is legally separate from the government.

Franklin County Industrial Building Authority – The Franklin County Industrial Building Authority was established as a legally separate entity and operates pursuant to the Official Code of Georgia Annotated Section 36-62-4. The Board consists of seven members. Two members are appointed by the Board of Commissioners. The remaining five members are the mayors of the five cities located in Franklin County. The Industrial Building Authority facilitates economic development in the County. Individual financial statements may be obtained by contacting the Franklin County Industrial Building Authority, PO Box 151, Carnesville, Georgia 30521.

Franklin County Health Department – The Franklin County Health Department was established as a legally separate entity and operates pursuant to the Georgia Health Code 88-2, Georgia Laws 1964. The District Health Director is the Executive Officer of the Franklin County Health Department and is responsible for the overall coordination of the local health activities. Franklin County appoints members (a voting majority) to the Franklin County Health Department Board. The Franklin County Health Department is funded by the State and County under the Grant-in-Aid provisions and operated under the supervision of the local Board of Health. A copy of the Franklin County Health Department financial statements can be obtained from the Franklin County Health Department, P.O. Box 546, Carnesville, Georgia 30521.

2. Summary of Significant Accounting Policies (continued)

C. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from the legally separate component units for which the primary government is financially accountable.

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

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

2. Summary of Significant Accounting Policies (continued)

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

The County's government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

These statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Custodial funds have no measurement focus. Accordingly, all the County's assets and liabilities, including capital assets, as well as current year infrastructure assets, and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in assets. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

The types of transactions reported as program revenues for the County are reported in three categories: 1) charges for services to customers who directly benefit from goods, services or privileges provided by a given function, 2) operating grants and contributions that are restricted to meeting the operational needs requirements of a particular function and 3) capital grants and contributions that are restricted to meeting the capital needs requirements of a particular function.

Certain indirect costs have been included as part of the program expenses reported for the various functional activities.

2. Summary of Significant Accounting Policies (continued)

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation, continued

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated, however, those transactions between governmental and business-type activities have not been eliminated. Governmental activities that normally are supported by taxes and intergovernmental revenues are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

Governmental Fund Financial Statements

Governmental Fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. Governmental Fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheets. The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Those revenues susceptible to accrual are property taxes, sales taxes, licenses, interest revenue and charges for services. Sales taxes collected and held by the state at year-end on behalf of the government are also recognized as revenue. The County considers property taxes as available in the period for which they were levied if they are collected within 60 days subsequent to year-end. A 60-day availability period is also used for revenue recognition for all other governmental fund revenue.

2. Summary of Significant Accounting Policies (continued)

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation, continued

The County reports the following major governmental funds:

General Fund – The general operating fund of the County is used to account for all financial resources except those required to be accounted for in another fund.

ARPA Grant Special Revenue Fund – This fund is used to account for revenues and expenditures of the American Rescue Plan Act Coronavirus State and Local Fiscal Recovery Fund.

Emergency 911 Special Revenue Fund – This fund is used to account for the County's share of telephone fees for the operation of their 911 emergency system.

Opioid Settlement Special Revenue Fund – This fund is used to account for the County's share of the National Opioid Settlement monies.

SPLOST V Capital Projects Fund – This fund is used to account for financial resources to be used for the acquisition or construction of capital facilities financed by special purpose local option sales taxes passed by the 2015 referendum.

SPLOST VI Capital Projects Fund – This fund is used to account for financial resources to be used for the acquisition or construction of capital facilities financed by special purpose local option sales taxes passed by the 2022 referendum.

2. Summary of Significant Accounting Policies (continued)

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation, continued

The County reports the following major proprietary funds:

Water and Sewer Enterprise Fund – This fund is used to account for activities connected with the development, operation and maintenance of water and sewer services in Franklin County.

Solid Waste Enterprise Fund – This fund is used to account for activities connected with the disposal of residential and commercial solid waste at the County's solid waste transfer station.

Additionally, the County reports the following fund types:

Governmental Fund Types

Special Revenue Funds – This fund type is used to account for the proceeds of specific revenue sources that are legally or donor restricted to expenditure for specified purposes.

Capital projects Funds – Funds are used to account for financial resources to be used for the acquisition or construction of specifically planned projects (other than those financed by proprietary funds).

Fiduciary Fund Types

Custodial Funds – Custodial Funds are fiduciary in nature and are accounted for using the accrual basis of accounting. These funds are used to account for assets that are held for others. Liabilities are recognized when an event compels a government to disburse fiduciary resources, with the exception of taxes collected for other governments, in which case a government collecting taxes would incur a liability as soon as it takes control of resources since the other governments do not need to take further action to compel the government to disburse the resources.

2. Summary of Significant Accounting Policies (continued)

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation, continued

Component Units

The Franklin County Industrial Building Authority and the Franklin County Health Department are accounted for using a current financial resources measurement focus and use the modified accrual basis of accounting. Under this method, revenues are recognized when susceptible to accrual (i.e., when they both become measurable and available).

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

During the course of operations, the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

2. Summary of Significant Accounting Policies (continued)

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation, continued

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for enterprise funds and internal services funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

E. Budgets and Budgetary Accounting

The Board of Commissioners adopts an annual budget for all governmental fund types, prior to June 30, except for the Capital Projects Funds. The Capital Projects Funds are budgeted by the Board of Commissioners when capital projects are approved. The operating budget includes proposed expenditures and the means of financing them. The budget is legally enacted at a public meeting. The County did not adopt a budget for the Drug Enforcement Special Revenue Fund, Inmate Welfare Special Revenue Fund, and Law Library Special Revenue Fund for the current fiscal year.

Each year in April, each department submits a proposed budget to the Board of Commissioners for their review. Each department will have scheduled meetings with the Board of Commissioners to review the proposed budget and to ratify any adjustments to the budget. Public hearings are held to discuss the proposed budget and to obtain input from the citizens of Franklin County. These hearings are publicized in the local newspaper at least one week before the first hearing, and the budget document is made available for public inspection during this week. The final proposed budget is presented at a Board of Commissioners meeting for final passage prior to June 30.

2. Summary of Significant Accounting Policies (continued)

E. Budgets and Budgetary Accounting, continued

The level of legal budgetary control (the level at which expenditures may not exceed appropriations) is the department level. Any changes in total departmental expenditures/expenses, personnel benefits, or capital purchases must be approved by the Board of Commissioners.

Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) at the legal level of budgetary control, which is the department, sub-department, or project level. Expenditures may not exceed the appropriations within a fund. Budgets, as reported in the financial statements, are as originally passed by ordinance and subsequently amended. During the year, several supplementary appropriations are made as needed. The results are increases and decreases to the appropriations within the funds. All annual appropriations lapse at year end.

The County does not use the encumbrance system of accounting.

F. Cash and Investments

Cash and equivalents, as reported in the statement of cash flows, includes amounts in demand deposits, amounts with fiscal agents, and investments with an original maturity at three months or less. Investments are reported at fair market value with accrued interest shown under a separate caption on the balance sheet. Reinvested interest on certain debt service and capital projects investments is included in the investment accounts.

The County measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Quoted prices for identical investments in active markets;
- Level 2: Observable inputs other than quoted market prices; and,
- Level 3: Unobservable inputs.

2. Summary of Significant Accounting Policies (continued)

G. Intergovernmental Receivables

Receivables from other governments are recorded as revenue for the period of the allocation or as earned based on expenditures made for which reimbursement is due.

H. Inventories

Inventories in the Water and Sewer Enterprise Fund are valued at cost on the first-in, first-out method.

I. Prepaid Items

Payments made to vendors for services that will benefit periods beyond the current year are recorded as prepaid items. Prepaid items in the governmental funds are recorded as expenditures when consumed.

J. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (i.e., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

GASB Statement No. 34 required the County to report and depreciate new infrastructure assets effective with the fiscal year ended June 30, 2003. Infrastructure assets include roads, bridges, underground pipe (other than related to utilities), traffic signals, etc. These infrastructure assets are among the largest asset classes of the County. Prior to July 1, 2006, neither their historical costs, nor related depreciation, had been reported in the financial statements. The County implemented the requirements for retroactive reporting of major general infrastructure assets during the fiscal year ended June 30, 2007. The County elected to report general infrastructure assets placed into service prior to July 1, 1980.

2. Summary of Significant Accounting Policies (continued)

J. Capital Assets, continued

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their acquisition value on the date donated.

Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets ranging as follows:

	Useful Life in Years	Capitalization Threshold
Land	N/A	$ 1
Land Improvements	15	$ 5,000
Buildings	40	$ 5,000
Machinery and Equipment	5-10	$ 5,000
Furniture and Fixtures	5	$ 5,000
Vehicles	5-10	$ 5,000
Computer Hardware and Software	3-5	$ 5,000
Infrastructure	15-50	$20,000 - $100,000
Intangible right-to-use assets		
Vehicles	3-5	$ 5,000

The costs of normal maintenance and repairs that do not add value or materiality extend the life of the asset are charged to operations as incurred. Costs of major additions and improvements are capitalized.

The County has recorded right to use leased assets as a result of implementing GASB Statement No. 87, *Leases*. The right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right to use leased assets are amortized on a straight-line basis over the shorter of the estimated useful life of the leased asset or life of the related lease.

2. Summary of Significant Accounting Policies (continued)

K. Fund Balances – Governmental Funds

Franklin County implemented GASB No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, in fiscal year 2011. In the fund financial statements, governmental funds report the following classifications of fund balance:

Nonspendable – includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact. All amounts reported as nonspendable by the County are nonspendable in form. The County has not reported any amounts that are legally or contractually required to be maintained intact.

Restricted – includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.

Committed – includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Commissioners, Franklin County's highest level of decision-making authority, which include the language "committed for the purpose of". Commitments may be modified or rescinded only through adoption of a subsequent resolution. A resolution committing amounts must be adopted prior to the end of the fiscal year; however, the amount to be committed may be determined within 90 days of fiscal year-end.

Assigned – includes amounts that the County intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the County's adopted policy, amounts may be assigned by the County Manager, under the authorization of the Board of Commissioners, through a written memorandum. Amounts appropriated to eliminate a projected deficit in the subsequent fiscal year's budget shall constitute assignments and are documented by adoption of the County's annual operating budget. Equity amounts reported in special revenue funds, capital project funds, debt service funds, or permanent funds not otherwise classified as nonspendable, restricted, or committed shall constitute assignments of fund balance.

2. Summary of Significant Accounting Policies (continued)

K. Fund Balances – Governmental Funds, continued

Unassigned – includes amounts that do not fall into one of the above four categories. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The General Fund is the only fund that should report this category of fund balance as a positive number.

For the purposes of fund balance classification, the County considers restricted amounts spent first when an expenditure is incurred for which both restricted and unrestricted fund balance is available. Furthermore, when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance can be used, then committed amounts are spent first, followed by assigned amounts, and then unassigned amounts.

L. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The County reports deferred outflow of resource for deferred charges on bond refunding and their defined benefit pension plan. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

2. Summary of Significant Accounting Policies (continued)

L. Deferred Outflows/Inflows of Resources , continued

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has one type of item that arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from one source: property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The County also reports deferred inflows of resources related to their defined benefit pension plans.

M. Net Position Flow Assumption

Sometimes the County will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the County's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

2. Summary of Significant Accounting Policies (continued)

N. Fund Balance Flow Assumption

Sometimes the County will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the County's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

O. Restricted Assets and Restricted Net Position

Restricted assets represent certain resources restricted by funding source or required to be set aside for the repayment of debt. They are maintained in a separate bank account and their use is limited.

Restricted net position is equal to the excess of the restricted assets funded from operations over the liabilities to be paid with restricted assets which are due in one year or less. Restricted assets exclude bond proceeds for calculation of restricted net position.

P. Compensation for Future Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and compensation benefits. These will be paid to the employees upon separation from County service. Accumulated unpaid vacation pay amounts are accrued when incurred by the County in the government-wide, proprietary, and fiduciary fund financial statements. The liability of the proprietary funds is recorded as an expense and a liability of those funds as the benefits accrue to the employees. In governmental fund types, a liability is recorded only if the benefit has matured and is expected to be liquidated with expendable available financial resources.

2. Summary of Significant Accounting Policies (continued)

Q. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types, bond premiums and discounts, as well as issuance costs, are recognized during the current period. The face amount of debt issued is reported as an other financing source. Premiums received on debt issuances are reported as other financial sources while discounts on debt issuances are reported as other financing uses. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

R. Capital Contributions

Federal, state, and local government assistance in the form of grants that are permanent in nature and restricted for the construction or acquisition of specific property and equipment is recorded as an asset and as non-operating revenue.

S. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Franklin County Defined Benefit Plan (the Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

3. Deposit and Investment Risk

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that, in the event of a financial institution failure, the County's deposits may not be returned. The City has no formal policy but follows State of Georgia requirements that all deposits be federally insured or fully collateralized.

Interest Rate Risk

The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

State of Georgia law limits investments to include certificates of deposit, repurchase agreements, direct and agency obligations of the United States, obligations of the State of Georgia or other states, obligations of other political subdivisions of the State of Georgia, and pooled investment programs of the State of Georgia. The County has no investment policy that would further limit its investment choices. Investments are reported at fair value.

Concentration of Credit Risk

The County has no formal policy on the amount the County may invest in any one issuer.

Foreign Currency Risk

The County has no investments denominated in a foreign currency.

Investments

The County measures and records its investments using fair value hierarchy measurement guidelines established by generally accepted accounting principles. The hierarchy is based on valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs other than quoted market prices. Level 3 inputs are significant unobservable inputs.

4. Accounts Receivable

Net accounts receivable consist of the following at end of the current fiscal year:

Primary Government:		
Major Funds		
General Fund	$ 638,238	
Less: Allowance for Uncollectibles	(240,477)	$ 397,761
Opioid Settlement Fund		1,204,955
Enterprise Funds		
Water and Sewer Fund	329,514	
Less: Allowance for Uncollectibles	(60,266)	
Solid Waste Fund	12,912	282,160
Total primary government		$ 1,884,876
Component Unit		
Franklin County Health Department		$ 79,886

5. Intergovernmental Receivables

Intergovernmental receivables consist of the following at the end of the current fiscal year:

Major Funds	
General Fund	$ 32,682
Emergency 911 Fund	40,922
Water and Sewer Enterprise Fund	308,920
Nonmajor Funds	
Probation Service Special Revenue Fund	63,280
Total primary government	$ 445,804
Component Unit	
Franklin County Industrial Building Authority	$ 21,157

6. Property Taxes

Property tax rates are set by the Board of Commissioners each year and are limited by statutory or constitutional provision. Property values are assessed as of January 1st each year. Property taxes for fiscal year 2024, based upon the assessments of January 1, 2023, were levied on August 7, 2023, billed on September 22, 2023, and due on November 15, 2023. Tax liens may be issued 90 days after the due date.

7. Interfund Receivables, Payables, and Transfers

A summary of interfund receivables and payables at the end of the current fiscal year:

Receivable Fund	Payable Fund	Amount
General	Water and Sewer	$ 364,953
	Emergency 911	1,000,000
	SPLOST V	151,141
	Nonmajor Governmental	44,611
Opioid Settlement	General	323,904
	Nonmajor Governmental	12,064
Nonmajor Governmental	General	51,521
SPLOST V	SPLOST VI	41,262
Solid Waste	Water and Sewer	110,978
Total		$ 2,100,434

The balances reported as Due to/Due from represent loans between the borrower funds and the lender funds. These balances resulted from the time lag between the dates that transactions are recorded in the accounting system and payments between the funds are made.

Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.

7. Interfund Receivables, Payables, and Transfers (continued)

A summary of interfund transfers is as follows:

Transfer out Fund	Transfer in Fund	Amount
General	Emergency 911	$ 532,041
	Solid Waste	374,436
	Nonmajor governmental	1,158,107
ARPA Grant	Water and Sewer	739,015
SPLOST V	Water and Sewer	246,928
Water and Sewer	Solid Waste	100,336
Nonmajor governmental	General	87,352
		$ 3,238,215

Interfund transfers were used to 1) move revenues from the fund that statute or budget requires collecting them to the fund that statute or budget requires to expend them, and 2) use unrestricted revenues collected to finance various programs accounted for in other funds in accordance with budgetary authorizations. Transfers are eliminated in the government-wide financial statements if the interfund transfer is within the governmental fund group or business-type fund group.

8. Capital Assets

Capital asset activity for the primary government for the current fiscal year was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Nondepreciable assets				
Land	$ 5,232,159	$ 0	$ 0	$ 5,232,159
Construction in progress	1,176,577	1,008,616	(2,185,193)	0
Total nondepreciable assets	6,408,736	1,008,616	(2,185,193)	5,232,159
Depreciable/amortizable assets				
Land improvements	1,317,885	0	0	1,317,885
Infrastructure	43,562,488	321,990	0	43,884,478
Buildings	11,365,970	2,701,279	0	14,067,249
Machinery and equipment	3,946,895	493,962	0	4,440,857
Vehicles	7,453,566	985,228	0	8,438,794
Intangible right-to-use assets				
Vehicles	1,164,869	166,710	(117,863)	1,213,716
Total depreciable/amortizable assets	68,811,673	4,669,169	(117,863)	73,362,979
Accumulated Depreciation/Amortization				
Land improvements	(1,122,112)	(39,341)	0	(1,161,453)
Infrastructure	(26,344,171)	(883,003)	0	(27,227,174)
Buildings	(6,480,454)	(299,021)	0	(6,779,475)
Machinery and equipment	(3,149,100)	(196,055)	0	(3,345,155)
Vehicles	(6,354,132)	(243,036)	0	(6,597,168)
Intangible right-to-use assets				
Vehicles	(342,657)	(274,252)	26,451	(590,458)
Total accumulated depreciation/amortization	(43,792,626)	(1,934,708)	26,451	(45,700,883)
Total depreciable/amortizable assets, net	25,019,047	2,734,461	(91,412)	27,662,096
Governmental Activities capital assets, net	$ 31,427,783	$ 3,743,077	$ (2,276,605)	$ 32,894,255

8. Capital Assets, continued

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type Activities				
Nondepreciable assets				
Land	$ 492,923	$ 0	$ 0	$ 492,923
Construction in progress	383,980	234,746	0	618,726
Total non-depreciable assets	876,903	234,746	0	1,111,649
Depreciable assets				
Land improvements	29,382	0	0	29,382
Distribution system	34,754,163	1,049,227	0	35,803,390
Buildings	40,380	18,460	0	58,840
Machinery and equipment	719,855	9,385	0	729,240
Vehicles	362,315	0	0	362,315
Total depreciable assets	35,906,095	1,077,072	0	36,983,167
Accumulated Depreciation				
Land improvements	(29,382)	0	0	(29,382)
Distribution system	(9,834,933)	(762,251)	0	(10,597,184)
Buildings	(18,238)	(1,594)	0	(19,832)
Machinery and equipment	(378,931)	(23,030)	0	(401,961)
Vehicles	(333,067)	(8,338)	0	(341,405)
Total accumulated depreciation	(10,594,551)	(795,213)	0	(11,389,764)
Total depreciable assets, net	25,311,544	281,859	0	25,593,403
Business-type Activities capital assets, net	$ 26,188,447	$ 516,605	$ 0	$ 26,705,052

Capital asset activity for the Industrial Building Authority Component Unit for the current fiscal year was as follows:

Industrial Building Authority Component Unit	Beginning Balance	Increases	Decreases	Ending Balance
Depreciable assets				
Land improvements	$ 7,356	$ 0	$ 0	$ 7,356
Furniture and fixtures	4,000	0	0	4,000
Total depreciable assets	11,356	0	0	11,356
Accumulated Depreciation				
Land improvements	(572)	(489)	0	(1,061)
Furniture and fixtures	(467)	(400)	0	(867)
Total accumulated depreciation	(1,039)	(889)	0	(1,928)
Industrial Building Authority Component Unit capital assets, net	$ 10,317	$ (889)	$ 0	$ 9,428

8. Capital Assets, continued

Depreciation/amortization expense was charged to functions/programs as follows:

Primary Government	
Governmental activities	
General Government	$ 132,442
Judicial	17,291
Public Safety	642,747
Public Works	978,308
Health and Welfare	48,557
Culture and Recreation	115,363
Total depreciation/amortization expense for governmental activities	$ 1,934,708
Business-type activities	
Water and Sewer	$ 795,213
Industrial Building Authority Component Unit	$ 889

9. Long-Term Debt

Leases

Governmental Activities

The County entered into several agreements to lease certain vehicles. The lease agreements qualify as other than short-term leases under GASB Statement No. 87, *Leases* and, therefore have been recorded at the present value of the future minimum lease payments at their inception. Capital lease liabilities are comprised of the following individual leases at the end of the current fiscal year:

- Thirty-one vehicle leases (original issuance ranging from $28,430 to $62,822) due in monthly installments ranging from $524 to $1,269 through June 2029, interest ranging from 0.270% to 5.758%, $814,761 outstanding.

9. Long-Term Debt (continued)

Leases, continued

The following is a schedule of future minimum lease payments together with the present value of the net minimum lease payments at the end of the current fiscal year:

Year Ending June 30,	Principal	Interest	Total
2025	$ 275,950	$ 20,317	$ 296,267
2026	261,199	12,604	273,803
2027	212,661	5,201	217,862
2028	54,408	908	55,316
2029	10,543	176	10,719
Totals	$ 814,761	$ 39,206	$ 853,967

General Obligation Bonds

General obligations bonds issued by the County are comprised of the following:

In 2016, Franklin County issued the Franklin County General Obligation Bonds Series 2016A and the Franklin County Taxable General Obligation Bonds, Series 2016B. The Bonds issued provide funds to finance the cost of advance refunding the outstanding Hospital Authority of the City of Lavonia Revenue Anticipation Certificates (Ty Cobb Regional Medical Center Project), Series 2010 and all related issue costs.

$8,510,000 2016 Series A bonds due in annual installments of $33,023 to $827,400 through July 1, 2035; interest at 2% to 4% ($7,235,000 outstanding). The proceeds were used to advance refund the Hospital Authority of the City of Lavonia Revenue Anticipation Certificates (Ty Cobb Regional Medical Center Project), Series 2010 bonds.

9. Long-Term Debt (continued)

General Obligation Bonds, continued

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	$ 535,000	$ 289,400	$ 824,400
2026	560,000	268,000	828,000
2027	580,000	245,600	825,600
2028	605,000	222,400	827,400
2029	625,000	198,200	823,200
2030-2034	3,535,000	594,600	4,129,600
2035-2036	795,000	31,800	826,800
Totals	$ 7,235,000	$ 1,850,000	$ 9,085,000

Bonds from Direct Placements

Business-type Activities

$2,242,268 2019 Franklin County Water and Sewer Revenue series revenue bonds due in monthly installments of $7,409 of principal and interest through May 31, 2059; interest at 2.51% ($2,067,564 outstanding), to finance a portion of the County's wastewater treatment project with the United States Department of Agriculture. The bonds are secured by a pledge of first lien on the revenues derived from the system.

9. Long-Term Debt (continued)

Bonds from Direct Placements, continued

Business-type Activities, continued

Annual debt service requirements to maturity for direct-placement bonds are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2025	$ 37,650	$ 51,258	$ 88,908
2026	38,602	50,306	88,908
2027	39,578	49,330	88,908
2028	40,579	48,329	88,908
2029	41,605	47,303	88,908
2030-2034	224,351	220,189	444,540
2035-2039	254,190	190,350	444,540
2040-2044	287,998	156,542	444,540
2045-2049	326,302	118,238	444,540
2050-2054	369,700	74,840	444,540
2055-2059	407,009	25,678	432,687
Totals	$ 2,067,564	$ 1,032,363	$ 3,099,927

Notes from Direct Borrowings

Governmental Activities

The County has entered into an agreement with a vendor to finance the purchase of certain equipment in the original amount of $137,559. Annual installments ranging from $17,476 to $32,039 principal are due through December 2027; interest at 2.59% ($120,171 outstanding). The note is secured by the equipment.

9. Long-Term Debt (continued)

Notes from Direct Borrowings (continued)

Governmental Activities, continued

Annual debt service requirements for notes from direct borrowings in the governmental activities are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	$ 28,886	$ 3,153	$ 32,039
2026	29,644	2,395	32,039
2027	30,422	1,617	32,039
2028	31,219	819	32,038
Totals	$ 120,171	$ 7,984	$ 128,155

Business-type Activities

The County has entered into a lending agreement with the Georgia Environmental Finance Authority for expansion of the water and sewer system in the original amount of $2,166,217. Quarterly installments of $32,332 principal are due through March 1, 2023; interest at 0.00%. Upon an event of default, all outstanding principal and accrued interest may be declared immediately due and payable. Note payments and performance obligations are secured by revenues of taxes, fees and charges collected by the County. The note obligation was paid in full during the current fiscal year.

The County has entered into a lending agreement with the Georgia Environmental Finance Authority for expansion of the water and sewer system in the original amount of $1,600,000. At the end of the current fiscal year, the balance of this note is $950,409. Monthly installments of $8,193 principal are due through October 1, 2034; interest at 2.13%. Upon an event of default, all outstanding principal and accrued interest may be declared immediately due and payable. Note payments and performance obligations are secured by revenues of taxes, fees and charges collected by the County.

9. Long-Term Debt (continued)

Notes from Direct Borrowings, continued

Business-type Activities, continued

The County has entered into a lending agreement with the Georgia Environmental Finance Authority for expansion of the water and sewer system in the original amount of $582,290. At the end of the current year, the balance of this note is $249,899. Quarterly installments of $2,426 principal are due through July 1, 2033; interest at 0% Upon an event of default, all outstanding principal and accrued interest may be declared immediately due and payable. Note payments and performance obligations are secured by revenues of taxes, fees and charges collected by the County.

The County has entered into a lending agreement with the Georgia Environmental Finance Authority for expansion of the water and sewer system in the original amount of $3,500,000. GEFA agrees to forgive $500,000 of the loan if all funds are drawn. Monthly installments of principal and interest are due, beginning on the first day of the calendar month following the date that the loan is fully disbursed (the Amortization Commencement Date) for 239 months; interest at 2.25%. The County has drawn $2,900,815 on this agreement and recognized $447,456 in principal forgiveness. As of the end of the current fiscal year, the balance of this note is $2,249,368. Upon an event of default, all outstanding principal and accrued interest may be declared immediately due and payable. Note payments and performance obligations are secured by revenues of taxes, fees and charges collected by the County.

The County has entered into a lending agreement with the Georgia Environmental Finance Authority for expansion of the water and sewer system in the original amount of $2,500,000. GEFA agrees to forgive $1,250,000 of the loan if all funds are drawn. Monthly installments of principal and interest are due, beginning on the first day of the calendar month following the date that the loan is fully disbursed (the Amortization Commencement Date) for 239 months; interest at 2.34%. The County has drawn $108,920 on this agreement and recognized $54,460 in principal forgiveness. As of the end of the current fiscal year, the note is still in the drawdown phase ($54,460 outstanding) and is not included in the amortization schedule below. Upon an event of default, all outstanding principal and accrued interest may be declared immediately due and payable. Note payments and performance obligations are secured by revenues of taxes, fees and charges collected by the County.

9. Long-Term Debt (continued)

Notes from Direct Borrowings, continued

Business-type Activities, continued

Annual debt service requirements for notes from direct borrowings in the business-type activities are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2025	$ 215,065	$ 69,004	284,069
2026	217,534	64,911	282,445
2027	221,719	60,726	282,445
2028	225,997	56,448	282,445
2029	230,370	52,075	282,445
2030-2034	1,179,676	191,302	1,370,978
2035-2039	772,256	84,771	857,027
2040-2042	387,059	11,770	398,829
Totals	$ 3,449,676	$ 591,007	$ 4,040,683

10. Long-Term Liabilities

The following is a summary of changes in long-term liabilities of the County for the current fiscal year:

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
Governmental activities					
General obligation bonds	$ 7,755,000	$ 0	$ (520,000)	$ 7,235,000	$ 535,000
Unamortized bond premium	825,100	0	(68,758)	756,342	68,758
Total bonds payable	8,580,100	0	(588,758)	7,991,342	603,758
Notes from direct borrowings	0	137,559	(17,388)	120,171	28,886
Lease payable	992,653	166,710	(344,602)	814,761	275,950
Compensated absences	932,699	901,602	(839,430)	994,871	895,383
Total governmental activities	$ 10,505,452	$ 1,205,871	$ (1,790,178)	$ 9,921,145	$ 1,803,977
Business-type activities					
Notes from direct borrowings	$ 3,691,443	$ 54,460	$ (241,767)	$ 3,504,136	$ 215,065
Bonds from direct placements	2,104,285	0	(36,721)	2,067,564	37,650
Post-closure care costs	930,183	0	(32,319)	897,864	32,319
Compensated absences	20,743	1,436	(18,669)	3,510	3,159
Total business-type activities	$ 6,746,654	$ 55,896	$ (329,476)	$ 6,473,074	$ 288,193

Compensated absences are liquidated by those governmental funds that have salary and wage expenditures. In prior years, long-term liabilities, such as compensated absences, of the governmental activities were liquidated in the General Fund and Emergency 911 Special Revenue Fund.

The total interest incurred and charged to expense for the fiscal year ended June 30, 2024, was $294,633 for governmental activities and $125,691 for business-type activities.

11. Conduit Debt

From time to time, the County issues Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the County, nor the State, or any political subdivision thereof, is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. At the end of the current fiscal year, there is one series of Revenue Bonds outstanding. The current principal amount outstanding is $1,294,002. The original issue amounts totaled $4,200,000.

12. Landfill Post-Closure Care Costs

The County closed its solid waste landfill in 2002. State and federal laws and regulations require the County to perform certain maintenance and monitoring operations at the landfill site for 30 years after official closure. The estimated cost of all post closure care activities is $897,864 and is reflected as a liability in the Solid Waste Enterprise Fund. Because of future changes in technology, laws, or regulations, these costs may change.

13. Fund Balances

A summary of restricted and assigned fund balances of the governmental funds as of the end of the current fiscal year is as follows:

	General	Emergency 911	Opioid Settlement	SPLOST V	SPLOST VI	Nonmajor Governmental	Total Governmental Funds
Restricted for:							
Judicial							
Law library operations	$ 0	$ 0	$ 0	$ 0	$ 0	$ 120,393	$ 120,393
Public safety							
Construction, operation, and staffing of detention facilities	0	0	0	0	0	783,417	783,417
Drug abuse treatment and education programs	0	0	0	0	0	377,540	377,540
Opioid remediation efforts	0	0	395,999	0	0	0	395,999
Sheriff facilities and equipment	0	0	0	0	0	166,130	166,130
Culture and recreation							
Construction, operation, and maintenance of veterans' memorial	23,740	0	0	0	0	0	23,740
Housing and development							
Trade and tourism	0	0	0	0	0	39,965	39,965
Capital projects	0	0	0	3,836,844	4,110,304	0	7,947,148
	$ 23,740	$ 0	$ 395,999	$ 3,836,844	$ 4,110,304	$ 1,487,445	$ 9,854,332
Assigned for:							
Public safety							
Emergency 911 system operations	$ 0	$ 298,505	$ 0	$ 0	$ 0	$ 0	$ 298,505

14. Net Investment in Capital Assets

The net investment in capital assets reported on the government-wide statement of net position is calculated as follows as of the end of the current fiscal year:

	Governmental Activities	Business-Type Activities	Franklin County Industrial Development Authority
Capital assets, net	$ 32,894,255	$ 26,705,052	$ 9,428
Capital-related accounts payable	(82,142)	(67,544)	0
Capital-related retainages payable	0	(6,128)	0
Leases payable	(814,761)	0	0
Bonds payable	0	(2,067,564)	0
Notes payable	(120,171)	(3,504,136)	0
Unspent debt proceeds	0	59,481	0
Net investment in capital assets	$ 31,877,181	$ 21,119,161	$ 9,428

15. Pension Plans

County Defined Benefit Plan

Plan Description. The County is a participating member of the Association of County Commissioners of Georgia ("ACCG") Defined Benefit Plan ("Plan"), an agent multiple-employer retirement system, administered by the Association of County Commissioners of Georgia. This is a defined benefit pension plan, which provides retirement, disability, and death benefits to plan members and beneficiaries. The Commission has established provisions, which assign the authority to the Commission council members to establish and amend the benefit provisions of the plan.

Control over the operation and administration of the plan is vested with ACCG along with custody of the plan assets. The plan provides that the County has no liability with respect to payments or benefits or otherwise under the plan except to pay over to ACCG such actuarially determined contributions as are required to meet minimum funding standards of the Public Retirement Systems

Standards Law and provide benefits thereunder. If terminated, the plan provides that if there are funds remaining after the satisfaction of all liabilities, such funds shall not revert to the County but shall be allocated to employees. All full-time County employees are eligible to participate in the Plan after completing one year of service and having reached their 21st birthday. These benefit provisions and powers to amend the plan were established by a resolution executed by the County Board of Commissioners. The plan is closed to new participants. Employees with a hire date or rehire date on or after March 7, 2011, are ineligible to participate in the plan.

15. Pension Plans (continued)

There are no loans to any of the County officials or other "party-in-interest," and there are no prohibited transactions. The plan assets do not include any securities or investments in Franklin County. The funds are managed by independent money managers.

The annual report and more detailed information regarding the plan can be obtained by writing to Pension Service Company, 1100 Circle 75 Parkway, Suite 320, Atlanta, GA 30339.

At January 1, 2023, the date of the most recent actuarial valuation, participants consisted of the following:

Retirees, beneficiaries and disables currently receiving benefits	60
Terminated vested participants entitled to but not yet receiving benefits	76
Active participants	57
Total number of participants	193

Benefits Provided. The plan provides retirement and death benefits. Benefits are based on years of credited service, equal to one year of full-time employment. Benefits vest evenly over five years of service. Participants become eligible to retire with unreduced benefits at age 65 with 5 years of plan participation. The amount of monthly retirement benefits to be provided for each participant at their normal retirement date is equal to two percent of the participant's average annual compensation multiplied by the participant's total number of years of service. The Plan also provides benefits in the event of death or disability.

15. Pension Plans (continued)

Contributions. Employees make no contributions to the plan. The County is required to contribute the remaining amounts necessary to fund the plan in compliance with the minimum funding standards of the Public Retirement Systems Standards Law. This funding policy, as specified by ordinance, has been the same since the inception of the plan. The current rate is 21.88% of annual covered payroll. The Board of Commissioners provides for the benefits and funding policy through County ordinance and maintains the authority to change the policy.

Pension Liabilities (Assets), Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions. At June 30, 2024, the County reported a net pension liability of $1,652,020. The net pension liability was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2023. For the fiscal year ended June 30, 2024, the County recognized pension expense of $585,454. For governmental activities, the net pension asset is liquidated in the General Fund and the Emergency 911 Fund Special Revenue Fund.

At the end of the current year, the County reported deferred outflows of resources and deferred inflows of resources related to the plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 137,840	$ (86,076)
Net difference between projected and actual earnings on pension plan investments	589,745	0
Changes of assumptions	393,771	0
	$ 1,121,356	$ (86,076)

15. Pension Plans (continued)

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

Year Ending June 30	
2025	$ 428,240
2026	358,090
2027	471,563
2028	(222,613)
Totals	$ 1,035,280

Actuarial Assumptions. The total pension liability in the January 1, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Projected salary increases	4.50% plus service-based merit increases
Cost of living adjustments	N/A
Net investment rate of return	7.00%
Actuarial cost method	Entry age normal
Amortization method	Closed level dollar
Remaining amortization period	15 years

Healthy mortality rates were based on the Pub-2010 Amount weighted Mortality Table with Scale AA to 2023. Disabled mortality rates were based on the 1985 CIDA Table Class 1 sex-distinct rates. The mortality and economic actuarial assumptions used in the December 31, 2023 valuation were based on the results of a February 2024 experience study.

15. Pension Plans (continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2023 are summarized in the following table:

	Target Allocation	Range
Fixed Income	30%	25%-35%
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. The projection of cash flows used to determine the discount rate assumed that contributions from employer will be made at contractually required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

15. Pension Plans (continued)

Changes in Net Pension Liability (Asset)

	Total Pension Liability (Asset) (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at 12/31/2022	$ 16,665,414	$ 14,063,523	$ 2,601,891
Changes for the year:			
Service cost	160,142	0	160,142
Interest	1,148,843	0	1,148,843
Differences between expected and actual experience	(139,874)	0	(139,874)
Changes of assumptions	627,515	0	627,515
Contributions—employer	0	763,992	(763,992)
Net investment income	0	2,141,820	(2,141,820)
Benefit payments, including refunds of employee contributions	(506,731)	(506,731)	0
Administrative expense	0	(37,557)	37,557
Other changes	0	(121,758)	121,758
Net changes	1,289,895	2,239,766	(949,871)
Balances at 12/31/2023	$ 17,955,309	$ 16,303,289	$ 1,652,020

Plan's fiduciary net position as a percentage of the total pension liability	90.80%
Covered payroll	$ 3,286,748
Net pension liability as a percentage of covered payroll	50.26%

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

	Discount Rate	Net Pension Liability (Asset)
1% decrease	6.00%	$ 4,212,000
Current discount rate	7.00%	1,652,020
1% increase	8.00%	(469,707)

15. Pension Plans (continued)

Plan Fiduciary Net Position. Detailed information about the Plan's fiduciary net position is available in the separately issued Association County Commissioners of Georgia Benefit System financial report.

Other Plans

In addition to the plan above, various County employees are covered under the following plans: Georgia Firefighters' Pension Fund, Georgia State Employees' Retirement System (ERS), Magistrates' Retirement Fund of Georgia, Peace Officers' Annuity and Benefit Fund of Georgia, Probate Judges' Retirement Fund of Georgia, Sheriffs' Retirement Fund of Georgia, and Superior Court Clerks' Retirement Fund of Georgia. Further information regarding these plans can be obtained from the plans' annual reports. These plans are immaterial to the financial statements.

Franklin County Department of Public Health Retirement Plan

Eligible employees of the Franklin County Department of Public Health participate in the Georgia State Employees' Retirement System (ERS), a statewide multiple-employer public employee retirement system. During the current fiscal year, the Department contributed $147,909. At the end of the current fiscal year, the Department reported a liability in the amount of $1,076,013 for its proportionate share (0.018037%) of the net pension liability. The Department recognized pension expense of $208,442 during the current fiscal year. Further information regarding the plan can be obtained from Department's annual audit report by contacting District 2, Public Health, 1280 Athens Street, Gainesville, GA 30507.

16. Deferred Compensation Plans

The County provides retirement benefits for its employees through two deferred compensation, defined contribution plans. The Plans were created under Internal Revenue Code Sections 457 and 401(a) and are administered by the Variable Annuity Life Insurance Company (VALIC) and the Government Employees Benefits Corporation (GEBCorp) of Georgia, independent third parties. Under the terms of the Plans, employees may defer a portion of their salary through voluntary contributions to the Plans. Employees may defer a maximum of 25% of their salary, up to the maximum allowed by federal law. Employees may choose to contribute to one or both of the Plans.

The County will contribute 1% for each year of service of the employee's contribution per year. There is a cap of 12% for this additional match and an overall cap of $1,000 for County contributions. County contributions are paid into the Plans at the end of each calendar year.

Funds are vested 100% at the time of contribution. Amounts held in the Plans are not available to the employees until termination, retirement, death, or unforeseeable emergency.

During the current fiscal year, the County contributed $173,472 to the Plans, based on covered salaries of $10,951,312. Total payroll was $11,008,224. Plan members made voluntary contributions of $248,063.

The County has no fiduciary relationship with the Plans, and Plan assets are not available to the County or its general creditors. The Plan assets are held in trust by the administrators for the exclusive benefit of the participants of the Plans.

17. Other Post-Employment Benefits

Franklin County Health Department

Eligible employees of the Franklin County Health Department are provided OPEB through the State of Georgia OPEB Fund, a cost-sharing multiple-employer defined benefit post-employment healthcare plan and life insurance through the SEAD-OPEB Fund, a cost-sharing multiple-employer defined benefit other post-employment benefit plan. During the current fiscal year, the Department contributed $72,259. At the end of the current fiscal year, the Department reported a net OPEB asset in the amount of $64,953 for its proportionate share of 0.016638% for the State of Georgia OPEB Fund and 0.025422% for the SEAD-OPEB Fund. The Department recognized OPEB income of $94,446 for the current fiscal year. Further information regarding the plans can be obtained from Department's annual audit report by contacting District 2 Public Health, 1280 Athens Street, Gainesville, Georgia 30507.

18. Joint Ventures

Franklin County participates jointly with Hart County, Georgia in the Franklin-Hart Airport. Both Franklin and Hart County have agreed to allocate funds as part of their respective budget toward the venture. The Airport is a separate entity that maintains and accumulates assets of its individual ownership. The Airport entity will apply for grants and seek other outside revenue needed to supplement the entity's budget. Franklin County did not contribute funds to the Airport during the current fiscal year. A copy of the Airport financial statements can be obtained from Franklin-Hart Airport, 710 Hartwell Street, Royston, Georgia 30662.

Under Georgia law, the County, in conjunction with other cities and counties in the northeast Georgia area, is a member of the Georgia Mountains Regional Commission (GMRC) and is required to pay annual dues thereto. During the current fiscal year, the County paid $32,474 in such dues. Membership in an RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34, which provides for the organizational structure of the RC in Georgia. The RC Board membership includes the chief elected official in each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RDC. A copy of the GMRC financial statements can be obtained from GMRC, 1310 West Ridge Road, Gainesville, Georgia 30501.

19. Risk Financing Activities

Material estimates have been made by management about the historical cost of capital assets and the life of the depreciated capital assets. Management has used a conservative approach on these estimates.

The County is exposed to various risks of losses related to torts, thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has joined together with other municipalities in the state as part of the Association of County Commissioners of Georgia Interlocal Risk Management Agency Property and Liability Insurance Fund and the Association of County Commissioners of Georgia Group Self-Insurance Workers Compensation Fund, a public entity risk pool currently operating as a common risk management and insurance program 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 pool's agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the funds being required to pay any claim of loss. The County is also to allow the pool's agent 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 worker's compensation law of Georgia. The funds are to pay all cost taxed against the 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.

Settled claims in the past three years have not exceeded the coverages.

20. Commitments and Contingencies

Commitments

The County has active construction projects at the end of the current fiscal year. At fiscal year end, the County's had no outstanding commitments with contractors.

Contingencies

The County is a defendant in several lawsuits. Management intends to contest these open cases vigorously. The County's legal counsel has stated that the outcome of these lawsuits is not presently determinable.

Franklin County participates in several Revenue Sharing Grants. Expenditures financed by Revenue Sharing Grants are subject to a compliance audit by the grantor or its representative. If expenditures are disallowed due to noncompliance with program regulations, the County may be required to reimburse the grantor government. The County believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual funds or the overall financial position of the County.

21. Hotel/Motel Lodging Tax

The County has levied a 5% lodging tax in accordance with OCGA 48-13-51. A summary of the transactions for the current fiscal year follows:

Lodging tax receipts	$	88,785	
Disbursements for tourism and trade	$	34,728	40% of tax receipts
Transfers to General Fund	$	53,271	60% of tax receipts

22. Changes in Beginning Balances

Correction of an Error

An adjustment has been made in the General Fund to correct payroll tax expense incurred at June 30, 2022. This adjustment decreased beginning fund balance by $164,973.

Changes to or Within Reporting Entity

The County changed the presentation of the Emergency 911 Special Revenue Fund from nonmajor fund presentation to major fund presentation during the current fiscal year.

The County changed the presentation of the Opioid Settlement Special Revenue Fund from nonmajor fund presentation to major fund presentation during the current fiscal year.

The County changed the presentation of the SPLOST VI Capital Projects Fund from nonmajor fund presentation to major fund presentation during the current fiscal year.

A summary of the changes in beginning balances is presented below:

	Beginning as Previously Reported	Error Correction	Changes to or Within Reporting Entity	Beginning as Restated
Governmental Funds				
Major Funds				
General	$ 12,805,793	$ (164,973)	$ 0	$ 12,640,820
Emergency 911	0	0	255,708	255,708
Opioid Settlement	0	0	163,561	163,561
SPLOST VI	0	0	1,125,218	1,125,218
Nonmajor Funds	1,958,973	0	(1,544,487)	414,486
	$ 14,764,766	$ (164,973)	$ 0	$ 14,599,793

23. New Accounting Pronouncements

The County implemented GASB Statement No. 100, *Accounting Changes and Error Corrections,* effective for the County's current fiscal year. The requirements of this statement are effective for periods beginning after June 15, 2023. A summary of the impact on this standard to the County's fund balance is detailed in Note 22.

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REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

This section contains required supplementary information provided by Franklin County.

FRANKLIN COUNTY, GEORGIA
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
LAST TEN FISCAL YEARS
June 30, 2024
(Unaudited)

	Fiscal Year End		
	2024	**2023**	**2022**
Total pension liability			
Service cost	$ 160,142	$ 159,541	$ 163,369
Interest	1,148,843	1,060,396	1,025,947
Differences between expected and actual expenses	(139,874)	531,666	(215,370)
Changes of assumptions	627,515	29,348	44,119
Benefit payments, including refunds of employee contributions	(506,731)	(528,096)	(523,782)
Net change in total pension liability	1,289,895	1,252,855	494,283
Total pension liability - beginning	16,665,414	15,412,559	14,918,276
Total pension liability - ending (a)	$ 17,955,309	$ 16,665,414	$ 15,412,559
Plan fiduciary net position			
Contributions - employer	$ 763,992	$ 771,755	$ 725,187
Net investment income	2,141,820	(2,294,768)	2,157,154
Benefit payments, including refunds of employee contributions	(506,731)	(528,096)	(523,782)
Administrative expense	(37,557)	(35,679)	(33,521)
Other	(121,758)	(113,756)	(129,135)
Net change in plan fiduciary net position	2,239,766	(2,200,544)	2,195,903
Plan fiduciary net position - beginning	14,063,523	16,264,067	14,068,164
Plan fiduciary net position - ending (b)	$ 16,303,289	$ 14,063,523	$ 16,264,067
Net pension liability (asset) - ending: (a) - (b)	$ 1,652,020	$ 2,601,891	$ (851,508)
Plan's fiduciary net position as a percentage of the total pension liability	90.80%	84.39%	105.52%
Covered payroll	$ 3,286,748	$ 3,328,696	$ 3,298,841
Net pension liability as a percentage of covered payroll	50.26%	78.17%	-25.81%

The accompanying notes to the required supplementary information are an integral part of this schedule.

Fiscal Year End							
2021	2020	2019	2018	2017	2016	2015
$ 194,691	$ 189,934	$ 240,421	$ 262,592	$ 262,245	$ 260,613	$ 280,360
996,857	893,759	859,976	800,312	750,611	691,116	640,744
(312,194)	203,321	578,860	105,406	(56,481)	(272,691)	0
26,792	681,396	(116,950)	28,077	396,254	426,313	0
(457,374)	(533,787)	(389,168)	(373,431)	(321,996)	(312,075)	(249,481)
448,772	1,434,623	1,173,139	822,956	1,030,633	793,276	671,623
14,469,504	13,034,881	11,861,742	11,038,786	10,008,153	9,214,877	8,543,254
$ 14,918,276	$ 14,469,504	$ 13,034,881	$ 11,861,742	$ 11,038,786	$ 10,008,153	$ 9,214,877
$ 756,445	$ 710,570	$ 693,691	$ 660,216	$ 615,713	$ 608,046	$ 682,504
1,646,157	2,108,160	(491,068)	1,383,884	557,257	66,325	496,502
(457,374)	(533,787)	(375,554)	(360,368)	(310,358)	(300,795)	(240,464)
(34,450)	(34,291)	(25,309)	(22,933)	(27,342)	(25,282)	(25,509)
(92,933)	(66,081)	(71,180)	(78,555)	(72,403)	(57,322)	(71,539)
1,817,845	2,184,571	(269,420)	1,582,244	762,867	290,972	841,494
12,250,319	10,065,748	10,335,168	8,752,924	7,990,057	7,699,085	6,857,591
$ 14,068,164	$ 12,250,319	$ 10,065,748	$ 10,335,168	$ 8,752,924	$ 7,990,057	$ 7,699,085
$ 850,112	$ 2,219,185	$ 2,969,133	$ 1,526,574	$ 2,285,862	$ 2,018,096	$ 1,515,792
94.30%	84.66%	77.22%	87.13%	79.29%	79.84%	83.55%
$ 3,591,519	$ 3,685,654	$ 4,160,058	$ 4,101,353	$ 4,285,613	$ 4,484,980	$ 4,779,734
23.67%	60.21%	71.37%	37.22%	53.34%	45.00%	31.71%

The accompanying notes to the required supplementary information are an integral part of this schedule.

FRANKLIN COUNTY, GEORGIA
SCHEDULE OF CONTRIBUTIONS
LAST TEN FISCAL YEARS
June 30, 2024
(Unaudited)

	Fiscal Year End		
	2024	**2023**	**2022**
Actuarially determined contribution	$ 359,012	$ 664,345	$ 639,084
Contributions in relation to the actuarially determined contribution	(763,992)	(771,755)	(725,187)
Contribution deficiency (excess)	$ (404,980)	$ (107,410)	$ (86,103)
Covered payroll	$ 3,491,151	$ 3,572,071	$ 3,284,018
Contributions as a percentage of covered payroll	21.88%	21.61%	22.08%

The accompanying notes to the required supplementary information are an integral part of this schedule.

Fiscal Year End							
2021	2020	2019	2018	2017	2016	2015
$ 682,411	$ 643,596	$ 642,399	$ 638,474	$ 579,622	$ 584,000	$ 681,542
(756,445)	(710,570)	(693,691)	(660,216)	(615,713)	(608,046)	(681,542)
$ (74,034)	$ (66,974)	$ (51,292)	$ (21,742)	$ (36,091)	$ (24,046)	$ 0
$ 3,589,105	$ 3,581,698	$ 3,780,707	$ 3,976,158	$ 4,285,613	$ 4,484,980	$ 4,779,734
21.08%	19.84%	18.35%	16.60%	14.37%	13.56%	14.26%

The accompanying notes to the required supplementary information are an integral part of this schedule.

1. Valuation Date

The actuarially determined contribution rate was determined as of December 31, 2024, with an interest adjustment to the fiscal year. Contributions in relation to this actuarially determined contribution rate will be reported for the fiscal year ending June 30, 2025.

2. Methods and Assumptions Used to Determine Contribution Rates

Actuarial cost method = Entry age normal

Amortization method = Closed level dollar for remaining unfunded liability

Remaining amortization period = Remaining amortization period varies for the bases, with a net effective amortization period of 15 years

Asset valuation method = Smoothed market value with a 5-year smoothing period

Net investment rate of return = 7.00%

Projected salary increases = 3.00% plus service-based merit increases

Cost of living adjustments = N/A

Retirement age for inactive vested participants = 65

Mortality = Healthy mortality rates were based on the Pub-2010 Amount weighted Mortality Table. Disabled mortality rates were based on the 1985 CIDA Table Class 1 sex-distinct rates

3. Changes in Benefits

There have been no substantive changes since the last actuarial valuation.

4. Changes of Assumptions

The mortality improvements for the Pub-2010 Amt-Weighted mortality table with a blend of 50% of the General Employees Table and 50% of the Public Safety Employees Table is projected to 2023 with Scale AA instead of 2022 with Scale AA.

The adjustment to the base salary increase rate was increased from 1.0% to 1.5% for participants under age 30. The base salary scale was changed from 3.00% to 4.50%. The turnover table was extended to age 60. The disability table was changed to reflect actual disabilities. The retirement rates were updated to reflect the actual retirement rates over the past 5 years.

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COMBINING STATEMENTS

Nonmajor Governmental Funds

FRANKLIN COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2024

	Special Revenue		
	Drug Enforcement	Jail	Inmate Welfare
ASSETS			
Cash and cash equivalents	$ 521,595	$ 783,417	$ 166,130
Due from other funds	0	0	0
Taxes receivable	0	0	0
Intergovernmental receivable	0	0	0
Total assets	$ 521,595	$ 783,417	$ 166,130
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	$ 0	$ 0	$ 0
Due to other funds	0	0	0
Due to other agencies	498,716	0	0
Accrued payroll liabilities	0	0	0
Total liabilities	498,716	0	0
Fund balances			
Restricted for:			
Judicial	0	0	0
Public Safety	22,879	783,417	166,130
Housing and Development	0	0	0
Total fund balances	22,879	783,417	166,130
Total liabilities, deferred inflows of resources, and fund balances	$ 521,595	$ 783,417	$ 166,130

Special Revenue				Capital Projects	Total Nonmajor Governmental Funds
Drug Surcharge	Law Library	Probation Service	Hotel/Motel Tax	SPLOST IV	
$ 366,978	$ 120,393	$ 0	$ 0	$ 0	$ 1,958,513
0	0	0	51,521	0	51,521
0	0	0	8,046	0	8,046
0	0	63,280	0	0	63,280
$ 366,978	$ 120,393	$ 63,280	$ 59,567	$ 0	$ 2,081,360
$ 253	$ 0	$ 3,000	$ 19,602	$ 0	$ 22,855
12,064	0	44,611	0	0	56,675
0	0	0	0	0	498,716
0	0	15,669	0	0	15,669
12,317	0	63,280	19,602	0	593,915
0	120,393	0	0	0	120,393
354,661	0	0	0	0	1,327,087
0	0	0	39,965	0	39,965
354,661	120,393	0	39,965	0	1,487,445
$ 366,978	$ 120,393	$ 63,280	$ 59,567	$ 0	$ 2,081,360

FRANKLIN COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2024

	Special Revenue			
	Drug Enforcement	Jail	Inmate Welfare	Formerly Nonmajor Emergency 911
REVENUES				
Fines, fees, and forfeitures	$ 17,522	$ 97,643	$ 0	
Taxes	0	0	0	
Charges for services	0	0	81,193	
Investment income	4,518	728	0	
Total revenues	22,040	98,371	81,193	
EXPENDITURES				
Current				
Judicial	0	0	0	
Public safety	25,166	0	49,763	
Housing and development	0	0	0	
Intergovernmental	0	0	0	
Capital outlay	0	0	0	
Debt service	0	0	0	
Total expenditures	25,166	0	49,763	
Excess (deficiency) of revenues over (under) expenditures	(3,126)	98,371	31,430	
Other financing sources (uses)				
Transfers in	0	685,046	0	
Transfers out	0	0	0	
Total other financing sources (uses)	0	685,046	0	
Net change in fund balance	(3,126)	783,417	31,430	
Fund balances, July 1 (as previously reported)	26,005	0	134,700	255,708
Changes within financial reporting entity	0	0	0	(255,708)
Fund balances, July 1 (as restated)	26,005	0	134,700	
Fund balances, June 30	$ 22,879	$ 783,417	$ 166,130	$

Special Revenue					Capital Projects		
Drug Surcharge	Formerly Nonmajor Opioid Settlement	Law Library	Probation Service	Hotel/Motel Tax	SPLOST IV	Formerly Nonmajor SPLOST VI	Total Nonmajor Governmental Funds
$ 50,445		$ 17,236	$ 0	$ 0	$ 0		$ 182,846
0		0	0	88,785	0		88,785
0		0	687,603	0	0		768,796
0		107	0	0	3		5,356
50,445		17,343	687,603	88,785	3		1,045,783
0		14,478	0	0	0		14,478
168,845		0	730,339	0	0		974,113
0		0	0	34,728	0		34,728
0		0	0	0	0		0
0		0	0	0	20,260		20,260
0		0	0	0	0		0
168,845		14,478	730,339	34,728	20,260		1,043,579
(118,400)		2,865	(42,736)	54,057	(20,257)		2,204
473,061		0	0	0	0		1,158,107
0		0	(34,081)	(53,271)	0		(87,352)
473,061		0	(34,081)	(53,271)	0		1,070,755
354,661		2,865	(76,817)	786	(20,257)		1,072,959
0	163,561	117,528	76,817	39,179	20,257	1,125,218	1,958,973
0	(163,561)	0	0	0	0	(1,125,218)	(1,544,487)
0		117,528	76,817	39,179	20,257	0	414,486
$ 354,661		$ 120,393	$ 0	$ 39,965	$ 0		$ 1,487,445

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SPECIAL REVENUE FUNDS

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally or donor restricted to expenditure for specified purposes.

Drug Enforcement Fund – This fund is used to account for monies confiscated during drug arrests by the Sheriff's Department. These monies are held for evidence and then disbursed by court order to the appropriate agencies. This fund also includes monies paid to the County that are restricted for law enforcement against drugs.

Jail Fund – This fund is used to account for monies collected as a result of a 10% penalty on certain court cases. These funds are legally restricted for the construction, operation, and staffing of the County detention facilities.

Inmate Welfare Fund – This fund is used to account for monies legally restricted for the benefit of detainees in the County jail.

Drug Surcharge Fund – This fund is used to account for monies collected under Georgia law related to additional penalties on controlled substances offenses. Such monies are restricted for drug abuse treatment and education programs relating to controlled substances, alcohol, and marijuana.

Law Library Fund – This fund is used to account for the funds court office fines and fees legally restricted for operation of a County Law Library.

Probation Services Fund – This fund is used to account for funds legally restricted for the operation of Probation Services.

Hotel/Motel Tax Fund – This fund is used to account for Hotel/Motel tax collections that are restricted for tourism in Franklin County.

FRANKLIN COUNTY, GEORGIA
DRUG ENFORCEMENT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2024

	Final Budget	Actual	Variance
REVENUES			
Fines, fees, and forfeitures	$ 26,000	$ 17,522	$ (8,478)
Investment income	0	4,518	4,518
Total revenues	26,000	22,040	(3,960)
EXPENDITURES			
Current			
Public Safety			
Materials and supplies	26,000	25,166	834
Total expenditures	26,000	25,166	834
Excess (deficiency) of revenues over (under) expenditures	0	(3,126)	(3,126)
Fund balances, July 1	0	26,005	26,005
Fund balances, June 30	$ 0	$ 22,879	$ 22,879

FRANKLIN COUNTY, GEORGIA
JAIL SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2024

	Final Budget	Actual	Variance
REVENUES			
Fines, fees, and forfeitures	$ 0	$ 97,643	$ 97,643
Investment income	0	728	728
Total revenues	0	98,371	98,371
EXPENDITURES	0	0	0
Excess (deficiency) of revenues over (under) expenditures	0	98,371	98,371
Other financing sources (uses) Transfers in	0	685,046	685,046
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing sources (uses)	0	783,417	783,417
Fund balances, July 1	0	0	0
Fund balances, June 30	$ 0	$ 783,417	$ 783,417

FRANKLIN COUNTY, GEORGIA
INMATE WELFARE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2024

	Final Budget	Actual	Variance
REVENUES			
Charges for service	$ 50,000	$ 81,193	$ 31,193
EXPENDITURES			
Current			
Public Safety			
Materials and supplies	50,000	49,763	237
Total expenditures	50,000	49,763	237
Excess (deficiency) of revenues over (under) expenditures	0	31,430	31,430
Fund balances, July 1	0	134,700	134,700
Fund balances, June 30	$ 0	$ 166,130	$ 166,130

FRANKLIN COUNTY, GEORGIA
DRUG SURCHARGE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2024

	Final Budget	Actual	Variance
REVENUES			
Fines, fees, and forfeitures	$ 51,000	$ 50,445	$ (555)
EXPENDITURES			
Current			
Public Safety			
Materials and supplies	10,000	9,459	541
Capital outlay	160,000	159,386	614
Total expenditures	170,000	168,845	1,155
Excess (deficiency) of revenues over (under) expenditures	(119,000)	(118,400)	(1,710)
Other financing sources (uses)			
Transfers in	119,000	473,061	354,061
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	354,661	354,661
Fund balances, July 1	0	0	0
Fund balances, June 30	$ 0	$ 354,661	$ 354,661

FRANKLIN COUNTY, GEORGIA
LAW LIBRARY SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2024

	Final Budget	Actual	Variance
REVENUES			
Fines, fees, and forfeitures	$ 15,000	$ 17,236	$ 2,236
Investment income	0	107	107
Total revenues	15,000	17,343	2,343
EXPENDITURES			
Current			
Judicial			
Personal services	2,000	1,680	320
Materials and supplies	13,000	12,798	202
Total expenditures	15,000	14,478	522
Excess (deficiency) of revenues over (under) expenditures	0	2,865	2,865
Fund balances, July 1	0	117,528	117,528
Fund balances, June 30	$ 0	$ 120,393	$ 120,393

FRANKLIN COUNTY, GEORGIA
PROBATION SERVICES SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2024

	Final Budget	Actual	Variance
REVENUES			
Charges for services	$ 644,450	$ 687,603	$ 43,153
EXPENDITURES			
Current			
Public Safety			
Personal services	662,200	662,143	57
Contract services	59,950	58,977	973
Materials and supplies	10,500	9,219	1,281
Capital outlay	2,500	0	2,500
Total expenditures	735,150	730,339	4,811
Excess (deficiency) of revenues over (under) expenditures	(90,700)	(42,736)	47,964
Other financing sources (uses)			
Transfers in	151,700	0	(151,700)
Transfers out	0	(34,081)	(34,081)
Total other financing sources (uses)	151,700	(34,081)	(185,781)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	61,000	(76,817)	(137,817)
Fund balances, July 1	(61,000)	76,817	137,817
Fund balances, June 30	$ 0	$ 0	$ 0

FRANKLIN COUNTY, GEORGIA
HOTEL/MOTEL TAX SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2024

	Final Budget	Actual	Variance
REVENUES			
Taxes	$ 55,000	$ 88,785	$ 33,785
EXPENDITURES			
Current			
Housing and Development			
Contract services	5,000	0	5,000
Payments to other agencies	30,000	34,728	(4,728)
Total expenditures	35,000	34,728	272
Excess (deficiency) of revenues over (under) expenditures	20,000	54,057	34,057
Other financing sources (uses)			
Transfers out	0	(53,271)	(53,271)
Net change in fund balance	20,000	786	(19,214)
Fund balances, July 1	(20,000)	39,179	59,179
Fund balances, June 30	$ 0	$ 39,965	$ 39,965

CUSTODIAL FUNDS

These funds are used to account for assets held by the County as an agent to be expended in accordance with the conditions of its custodial capacity.

Tax Commissioner - This fund accounts for assets and related liabilities for the collection of taxes and tag and title fees.

Magistrate Court, Probate Court, and Clerk of Superior Court - These funds account for assets and related liabilities for the collection of court related fees.

Sheriff Department - This fund accounts for deposits held for incarcerated inmates.

FRANKLIN COUNTY, GEORGIA
CUSTODIAL FUNDS
STATEMENT OF FIDUCIARY NET POSITION
June 30, 2024

	Tax Commissioner	Magistrate Court	Probate Court	Clerk of Superior Court	Sheriff Department	Total Custodial Funds
ASSETS						
Cash	$ 56,820	$ 17,345	$ 216,495	$ 346,740	$ 312,420	$ 949,820
Taxes receivable, net	174,560	0	0	0	0	174,560
Total assets	231,380	17,345	216,495	346,740	312,420	1,124,380
LIABILITIES						
Due to other agencies	231,380	16,545	30,991	85,197	302,140	666,253
NET POSITION						
Restricted for individuals, organizations, and other governments	$ 0	$ 800	$ 185,504	$ 261,543	$ 10,280	$ 458,127

FRANKLIN COUNTY, GEORGIA
CUSTODIAL FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the fiscal year ended June 30, 2024

	Tax Commissioner	Magistrate Court	Probate Court	Clerk of Superior Court	Sheriff Department	Total Custodial Funds
ADDITIONS						
Taxes collected for other agencies	$ 20,927,037	$ 0	$ 0	$ 0	$ 0	$ 20,927,037
Court fees collected for other agencies	0	151,168	532,038	592,418	0	1,275,624
Court individual cases	0	0	0	88,665	0	88,665
Sheriff fees collected	0	0	0	0	464,444	464,444
Sheriff inmate account deposits	0	0	0	0	322,331	322,331
Total additions	20,927,037	151,168	532,038	681,083	786,775	23,078,101
DEDUCTIONS						
Taxes distributed to other agencies	20,927,037	0	0	0	0	20,927,037
Court fees distributed to other agencies	0	159,618	528,865	707,468	0	1,395,951
Payments to others	0	0	0	23,703	0	23,703
Sheriff fees distributed to other agencies	0	0	0	0	321,570	321,570
Payments from inmates to others	0	0	0	0	461,553	461,553
Total deductions	20,927,037	159,618	528,865	731,171	783,123	23,129,814
Change in net position	0	(8,450)	3,173	(50,088)	3,652	(51,713)
Net position, July 1	0	9,250	182,331	311,631	6,628	509,840
Net position, June 30	$ 0	$ 800	$ 185,504	$ 261,543	$ 10,280	$ 458,127

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OTHER REPORTING SECTION

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SINGLE AUDIT SECTION

This section contains reports required by Uniform Guidance and grantor agencies.

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*

Honorable Chairman and Members
of the Board of Commissioners
Franklin 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 Franklin County, Georgia, as of and for the fiscal year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Franklin County, Georgia's basic financial statements and have issued our report thereon dated December 20, 2024. Our report includes a reference to other auditors who audited the financial statements of Franklin County Health Department, as described in our report on Franklin County, Georgia's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that were reported on separately by those auditors.

Report on Internal Control over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as item 2024-001 through 2024-002 to be material weaknesses.

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. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2024-003 through 2024-010 to be significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Franklin County, Georgia's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants 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. We consider the deficiency described in the accompanying schedule of findings and questions costs as item 2024-011 to be an instance of noncompliance or other matters.

Franklin County, Georgia's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on Franklin County, Georgia's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. Franklin County, Georgia's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion the response.

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 Franklin County, Georgia'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.

Rushton, LLC

Certified Public Accountants

Gainesville, Georgia
December 20, 2024

Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance

Honorable Chairman and Members
of the Board of Commissioners
Franklin County, Georgia

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Franklin County, Georgia's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Franklin County, Georgia's major federal programs for the fiscal year ended June 30, 2024. Franklin 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.

In our opinion, Franklin 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 programs for the fiscal year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Franklin County, Georgia's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of Franklin County, Georgia's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Franklin County, Georgia's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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.

Rushton, LLC

Certified Public Accountants

Gainesville, Georgia
December 20, 2024

FRANKLIN COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the fiscal year ended June 30, 2024

Federal Grant/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Pass-Through Number	Total Federal Expenditures
U.S. Department of the Interior			
Payments in Lieu of Taxes	15.226	N/A	$ 9,431
U.S. Department of the Treasury			
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	739,015
Passed through Georgia Governor's Office of Planning and Budget:			
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	GA-0011816	7,378,607
Total Department of the Treasury			8,117,622
U.S. Environmental Protection Agency			
Passed through the Georgia Environmental Finance Authority:			
Drinking Water State Revolving Fund	66.468	DW2023013	108,920
U.S. Department of Health and Human Services			
Aging Cluster			
Passed through Legacy Link, Inc.:			
COVID-19 Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	FY2024	20,840
Title III, Part C, Nutrition Services	93.045	FY2024	54,021
COVID-19 HDM		FY2024	189
COVID-19 CM		FY2024	14,405
			68,615
Total Aging Cluster of Programs			89,455
Passed through Legacy Link, Inc.:			
Social Services Block Grant	93.667	FY2024	12,668
Total Department of Health and Human Services			102,123
U.S. Department of Homeland Security			
Passed through the Georgia Emergency Management Agency			
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-4338-DR-GA	6,121
		FEMA-4579-DR-GA	7,773
			13,894
Emergency Management Performance Grants	97.042	FEMA-2022-EMPG-GA	816
		FEMA-2023-EMPG-GA	8,155
			8,971
Total Department of Homeland Security			22,865
Total Federal Awards			$ 8,360,961

See accompanying notes to the schedule of expenditures of federal awards and the schedule of findings and questioned costs.

FRANKLIN COUNTY, GEORGIA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
June 30, 2024

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Franklin County, Georgia, under programs for the federal government for the fiscal year ended June 30, 2024. The information in this schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principals, and Audit Requirements for Federal Awards* (Uniform Guidance). Because this schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position or cash flows of the County.

2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,* wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3. De Minimis Indirect Cost Rate

Franklin County, Georgia has elected not to use the 10-percent *de minimis* indirect cost rate allowed under the Uniform Guidance.

4. Passed Through to Subrecipients

For the current fiscal year, Franklin County, Georgia passed $7,378,607 of federal funds through to Truvista as a subrecipient for broadband improvements under the federal program 21.027 – COVID-19 Coronavirus State and Local Fiscal Recovery Funds.

FRANKLIN COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the fiscal year ended June 30, 2024

1. Summary of the Auditor's Results

A. Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	Yes
Significant Deficiencie(s) identified not considered material weaknesses?	Yes
Noncompliance material to financial statements noted?	Yes

B. Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	None reported
Significant Deficiencie(s) identified not considered material weaknesses?	None reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?	None reported

Identification of major programs:

21.027 COVID-19 Coronavirus State and Local Fiscal Recovery Funds

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

2. Financial Statement Findings and Responses

2024-001

Condition: The prior year financial statements were restated for errors and incorrectly reported amounts in the General Fund.

Criteria: Generally accepted accounting principles require that accruals be properly calculated and recorded.

Effect: Failure to properly apply generally accepted accounting principles led to financial statements that were materially misstated.

Cause: Staff made various posting and classification errors.

Recommendation: Management should review their year-end procedures for recording assets and liabilities.

Management Response: Management concurs with this finding. County personnel will review all year-end accruals to ensure they are properly calculated and recorded. This action was taken immediately upon receipt of the comment from our auditors.

2024-002

Condition: The County lacks sufficient controls and procedures regarding year-end close to ensure timely and accurate financial reporting. This included material adjustments during the audit process.

Criteria: Internal controls should be in place to ensure the County can perform timely and accurate year-end close procedures for the County to be able to produce its annual financial statements timely.

Effect: Failure to properly design and implement internal controls over year-end close procedures may lead to financial statements that are materially misstated and lead to delays in financial reporting.

Cause: Various posting and classification errors led to account balances not agreeing to subsidiary ledgers.

Recommendation: We recommend that the County's Finance Department continue to implement and/or strengthen internal controls over the year-end closeout procedures. We also recommend management reconcile account balances monthly to the subsidiary ledgers to ensure proper and timely reporting.

Management Response: Management concurs with this finding. Management will ensure that proper internal controls over the year-end close procedures are designed and implemented. Also, the Finance Department will ensure that account balances are reconciled monthly to the subsidiary ledgers. This action was taken immediately upon receipt of the comment from our auditors.

2. Financial Statement Findings and Responses (continued)

2024-003

Condition: While performing audit procedures at the Board of Commissioners' Office, Tax Commissioner's Office, Sheriff's Office, Clerk of Court, Probate Court, Law Library, and Industrial Building Authority, we noted that there is a lack of segregation of duties.

Criteria: Proper internal controls require adequate segregation of duties.

Effect: Failure to maintain adequate segregation of duties subjects the assets of the County to greater risk of misappropriation.

Cause: The departments do not have an adequate number of staff to properly segregate duties.

Recommendation: To ensure that sufficient internal controls are in place, the listed departments should properly segregate duties.

Management Response: Management has provided a copy of this finding to the listed departments and they concur with this finding. This action was taken immediately upon receipt of the comment from our auditors.

2024-004

Condition: While performing audit procedures at the offices of the Magistrate Court, we noted an excess of funds in the cash accounts. The Magistrate Court has been unable to determine to whom the funds should be disbursed.

Criteria: Proper internal controls require that all cash in agency funds be properly accounted for.

Effect: Failure to account for all cash and to whom it is due subjects the assets of the County to greater risk of misappropriation.

Cause: The Magistrate Court does not have the information available to reconcile to whom excess funds should be disbursed.

Recommendation: The Magistrate Court should determine the proper payee and disburse funds appropriately.

Management Response: Management has provided a copy of this finding to the appropriate Elected Official and they concur with this finding. This action was taken immediately upon receipt of the comment from our auditors.

2024-005

Condition: Vendor payments are paid out of the General Fund for all other funds and charged to the appropriate fund through interfund activity. Residual activity is maintained in interfund balances throughout the year. While performing audit procedures at the Commissioner's Office, we noted that interfund balances are not reconciled and not reimbursed to the General Fund on a timely basis.

Criteria: Proper internal controls require that interfund activity be reconciled and outstanding balances between funds be liquidated.

Effect: Failure to reconcile interfund activity and liquidate outstanding interfund balances throughout the year increases the County's risk for proper reporting.

2. Financial Statement Findings and Responses (continued)

2024-005, continued

Cause: The County does not reconcile interfund activity or settle outstanding interfund balances.

Recommendation: The County should reconcile interfund activity and liquidate balances due back to the General Fund monthly.

Management Response: Management concurs with this finding. Action was taken immediately upon receipt of the comment from our auditors.

2024-006

Condition: While performing audit procedures at the Water Department, we noted that physical inventory count sheets were not updated to reflect the year-end inventory counts.

Criteria: Proper internal controls require that physical inventory counts be performed at least annually and differences properly accounted for on count sheets and reflected on the general ledger.

Effect: Failure to maintain adequate inventory records subjects the assets of the County to greater risk of misappropriation.

Cause: Management did not updated records to reflect any changes in recorded inventory.

Recommendation: To ensure that sufficient internal controls are in place, the Water Department should perform a physical inventory count at least annually and update records to reflect any changes in recorded inventory amounts.

Management Response: Management concurs with this finding. Management will direct the Water Superintendent to implement the recommendations. This action was taken immediately upon receipt of the comment from our auditors.

2024-007

Condition: While performing audit procedures on capital assets, we noted several disbursements tested were misclassified. The disbursements were capital outlays recorded as expenses or expenses recorded as capital outlays.

Criteria: Proper internal controls require that all disbursements be properly classified.

Effect: Failure to properly classify disbursements may lead to financial statements that are materially misstated.

Cause: Multiple disbursements were incorrectly classified when recorded in the general ledger.

Recommendation: Adequate detail of supporting documentation should be maintained for all transactions to provide an audit trail. Each disbursement should be reviewed for accuracy and classified correctly when recorded in the general ledger.

Management Response: Management concurs with this finding. Management will implement the recommendation to ensure that adequate supporting documentation is maintained for all transactions, will review each disbursement for accuracy, and classify correctly when recording in the general ledger. This action was taken immediately upon receipt of the comment from our auditors.

2. Financial Statement Findings and Responses (continued)

2024-008

Condition: While performing audit procedures over cash disbursements, we noted that 25 of 60 (42%) disbursements tested lacked evidence of approval.

Criteria: Proper internal controls require that all disbursements are properly approved.

Effect: Failure to maintain proper supporting documentation with evidence of approval for disbursements subjects the assets of the County to greater risk of misappropriation.

Cause: Multiple disbursements lacked evidence of approval.

Recommendation: Supporting documentation with evidence of approval should be retained.

Management Response: Management concurs with this finding. Management will implement the recommendation to ensure that adequate supporting documentation is maintained for all transactions with proper approval. This action was taken immediately upon receipt of the comment from our auditors.

2024-009

Condition: While performing audit procedures over journal entries, we noted that 14 of 16 (88%) journal entries tested lacked evidence of approval.

Criteria: Proper internal controls require that all journal entries are properly approved.

Effect: Failure to maintain proper supporting documentation with evidence of approval for journal entries subjects the assets of the County to greater risk of misappropriation.

Cause: Multiple journal entries lacked evidence of approval.

Recommendation: Supporting documentation with evidence of approval should be retained.

Management Response: Management concurs with this finding. Management will implement the recommendation to ensure that adequate supporting documentation is maintained for all journal entries with proper approval. This action was taken immediately upon receipt of the comment from our auditors.

2024-010

Condition: While performing audit procedures over payroll transactions, we noted that 18 of 60 (30%) employee pay rates tested lacked evidence of approval.

Criteria: Proper internal controls require that all employee pay rates are properly approved.

Effect: Failure to maintain proper supporting documentation with evidence of approval for employee pay rates subjects the assets of the County to greater risk of misappropriation.

Cause: Multiple employee personnel files lacked evidence of approval.

Recommendation: Supporting documentation with evidence of approval should be retained.

2. Financial Statement Findings and Responses (continued)

2024-010, continued

Management Response: Management concurs with this finding. Management will implement the recommendation to ensure that adequate supporting documentation is maintained for all journal entries with proper approval. This action was taken immediately upon receipt of the comment from our auditors.

2024-011

Condition: The County experienced a material excess of expenditures over appropriations in the Emergency 911 Special Revenue Fund, the Opioid Settlement Special Revenue Fund, the Drug Enforcement Special Revenue Fund, the Jail Special Revenue Fund, the Drug Enforcement Special Revenue Fund, the Inmate Welfare Special Revenue Fund, the Drug Surcharge Fund, and the Law Library Special Revenue Fund. Material budget amendments were required in these funds in order to bring them in compliance with state law.

Criteria: OCGA Code Section 36-81-3 requires local governments to operate under an approved annual budget for the General Fund, each Special Revenue Fund, and each Debt Service Fund.

Effect: Failure to adopt annual budgets as required by OCGA Code Section 36-81-3 will place the County in violation of state law.

Cause: The County did not adopt a budget for the Emergency 911 Special Revenue Fund, the Opioid Settlement Special Revenue Fund, the Drug Enforcement Special Revenue Fund, the Jail Special Revenue Fund, the Drug Enforcement Special Revenue Fund, the Inmate Welfare Special Revenue Fund, the Drug Surcharge Fund, and the Law Library Special Revenue Fund.

Recommendation: Management should ensure that annual operating budgets are adopted for the General Fund, each Special Revenue Fund, and each Debt Service Fund as required by state law. Budget to actual comparisons should be periodically reviewed by Management and budgets amended as needed to ensure that the County remains in compliance with state law.

Management Response: Management concurs with this finding. Management will ensure that an annual budget is adopted for the General Fund, each Special Revenue Fund, and each Debt Service Fund, and will review the budget to actual comparisons and recommend any necessary budget revisions to the Board of Commissioners. This action was taken immediately upon receipt of the comment from our auditors

3. Prior Year Audit Findings Follow-Ups

None noted.

4. Federal Award Findings and Questioned Costs

The audit of our basic financial statements and schedule of expenditures of federal awards disclosed no audit findings or questioned costs which are required to be reported under Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

STATE REPORTING SECTION

This section contains additional reports required by the State of Georgia.

FRANKLIN COUNTY, GEORGIA
SCHEDULE OF PROJECTS FINANCED WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX
For the fiscal year ended June 30, 2024

Project	Estimated Cost *		Expenditures		
	Original	Current	Prior Years	Current Year	Total
SPLOST IV					
Water and Sewer	$ 3,000,000	$ 3,000,000	$ 2,919,762	$ 0	$ 2,919,762
Industrial Development	4,000,000	4,000,000	4,000,000	0	4,000,000
Public Safety	2,250,000	2,250,000	2,548,861	4,365	2,553,226
Roads, Streets, Bridges	3,550,000	3,550,000	4,050,748	0	4,050,748
Airport	100,000	100,000	83,322	0	83,322
Courthouse/Public Facilities	200,000	200,000	215,749	0	215,749
Recreation	500,000	500,000	324,082	15,895	339,977
City of Lavonia	1,402,140	1,402,140	1,464,460	0	1,464,460
City of Royston	1,402,140	1,402,140	1,455,725	0	1,455,725
City of Canon	778,570	778,570	810,748	0	810,748
City of Carnesville	778,570	778,570	810,749	0	810,749
City of Franklin Springs	778,570	778,570	810,748	0	810,748
Total SPLOST IV	$ 18,739,990	$ 18,739,990	$ 19,494,954	$ 20,260	$ 19,515,214

* Estimated cost represents the portion of these projects to be financed with Special Purpose Local Option Sales Tax. Actual costs that are in excess of these amounts have been financed through alternative funds.

Project	Estimated Cost *		Expenditures		
	Original	Current	Prior Years	Current Year	Total
SPLOST V					
General Obligation Debt	$ 3,800,000	$ 3,800,000	$ 6,660,349	$ 0	$ 6,660,349
Roads, Streets, Bridges	3,550,000	3,550,000	2,115,015	392,372	2,507,387
Public Safety	2,510,000	2,510,000	1,698,011	443,208	2,141,219
Water, Sewer, Utilities	1,800,000	1,800,000	1,334,157	246,929	1,581,086
Courthouse Renovation/ Public Facilities Improvements	1,443,000	1,443,000	1,442,203	1,868,824	3,311,027
Industrial Development	750,000	750,000	2,171,948	159,932	2,331,880
Recreation	400,000	400,000	0	65,603	65,603
Airport Improvements	100,000	100,000	55,014	0	55,014
City of Lavonia	1,440,000	1,440,000	1,967,674	0	1,967,674
City of Royston	1,440,000	1,440,000	1,967,674	0	1,967,674
City of Canon	789,000	789,000	1,078,874	0	1,078,874
City of Carnesville	789,000	789,000	1,065,633	0	1,065,633
City of Franklin Springs	789,000	789,000	1,078,874	0	1,078,874
	$ 19,600,000	$ 19,600,000	$ 22,635,426	$ 3,176,868	$ 25,812,294

* Estimated cost represents the portion of these projects to be financed with Special Purpose Local Option Sales Tax. Actual costs that are in excess of these amounts have been financed through alternative funds.

FRANKLIN COUNTY, GEORGIA
SCHEDULE OF PROJECTS FINANCED WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX
For the fiscal year ended June 30, 2024

Project	Estimated Cost *		Expenditures		
	Original	Current	Prior Years	Current Year	Total
SPLOST VI					
General Obligation Debt	$ 3,800,000	$ 3,800,000	$ 0	$ 827,907	$ 827,907
Roads, Streets, Bridges	4,000,000	4,000,000	0	0	0
Fire Services	2,450,000	2,450,000	0	523,138	523,138
Public Safety	2,500,000	2,500,000	0	0	0
Water, Sewer, Utilities	3,775,000	3,775,000	0	0	0
Public Facilities	1,500,000	1,500,000	0	8,679	8,679
Industrial Development	750,000	750,000	0	0	0
Recreation	400,000	400,000	0	0	0
Airport Improvements	100,000	100,000	0	0	0
City of Lavonia	1,000,000	1,000,000	112,860	435,974	548,834
City of Royston	1,000,000	1,000,000	112,860	435,974	548,834
City of Canon	1,000,000	1,000,000	61,881	239,048	300,929
City of Carnesville	1,725,000	1,725,000	61,881	239,048	300,929
City of Franklin Springs	1,725,000	1,725,000	61,881	239,048	300,929
	$ 25,725,000	$ 25,725,000	$ 411,363	$ 2,948,816	$ 3,360,179

* Estimated cost represents the portion of these projects to be financed with Special Purpose Local Option Sales Tax. Actual costs that are in excess of these amounts have been financed through alternative funds.

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