GLASCOCK COUNTY, GEORGIA

ANNUAL FINANCIAL REPORT

For the Year Ended

December 31, 2019

Glascock County, Georgia
Annual Financial Report
For The Year Ended December 31, 2019

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INDEPENDENT AUDITOR'S REPORT

Honorable Chairman and Members of the
Board of Commissioners of Glascock County
Gibson, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Glascock County, Georgia, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Glascock County Health Department, a discretely presented component unit, whose statements reflect 12.3 percent of total assets, (16.7) percent of total net position and 100 percent of total revenues of the aggregate discretely presented component units for the year ended June 30, 2019. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Glascock County Health Department, is based solely on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including

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

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

Opinions

In our opinion, based on our report and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Glascock County, Georgia, as of December 31, 2019 and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on page 28 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.

Emphasis of Matter

Management has omitted 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.

As discussed in the notes to the financial statements, the County adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 83, *Certain Asset Retirement Obligations* and Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. Our opinion is not modified with respect to this matter.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Glascock County, Georgia's basic financial statements. The combining and individual nonmajor fund financial statements, the accompanying schedule of projects constructed with special purpose local option sales tax proceeds, and the Section 5311 Transportation Program Statement of Revenues and Expenditures are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, the accompanying schedule of projects constructed with special purpose local option sales tax proceeds, and the Section 5311 Transportation Program Statement of Revenues and Expenditures are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information, the Schedule of Projects Constructed with Special Sales Tax Proceeds, and the Section 5311 Transportation Program Statement of Revenues and Expenditures are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 30, 2020, on our consideration of Glascock County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Jones, Jones, Davis & Associates

Louisville, Georgia
April 30, 2020

Glascock County, Georgia
Statement of Net Position
December 31, 2019

	Primary Government	
	Governmental Activities	Component Units
Assets		
Current Assets		
Cash and cash equivalents	$ 1,874,242	$ 107,460
Receivables:		
Property taxes	146,179	-
Sales taxes	26,109	-
Other	294,150	26,067
Prepaid items	50,749	-
Capital Assets		
Nondepreciable capital assets	17,939	559,878
Depreciable capital assets, net	5,255,103	-
Total Assets	7,664,471	693,405
Deferred Outflows of Resources	-	60,747
Liabilities		
Current Liabilities		
Accounts payable	52,497	612
Other liabilities	30,160	9,408
Capital lease obligations	34,673	-
Other current liabilities	13,716	-
Landfill postclosure care costs	13,063	-
Compensated absences payable	8,481	-
Long-Term Liabilities:		
Capital lease obligations (net of current portion)	-	-
Landfill postclosure care costs (net of current portion)	133,791	-
Net pension liability	-	118,110
Net OPEB liability	-	54,785
Compensated absences payable (net of current portion)	-	10,997
Total Liabilities	286,381	193,912
Deferred Inflows of Resources	-	34,912
Net Position		
Net investment in capital assets	5,238,369	559,878
Restricted for:		
Public works	688,001	-
Public safety	45,586	
Court system	22,029	-
Unrestricted (deficit)	1,384,105	(34,550)
Total Net Position	$ 7,378,090	$ 525,328

See accompanying notes to the basic financial statements.

Glascock County, Georgia
Statement of Activities
For the Year Ended December 31, 2019

Function/Program	Expenses	Program Revenues: Charges for Services and Sales	Program Revenues: Operating Grants, Contributions and Interest	Program Revenues: Capital Grants, Contributions and Interest	Net (Expense) Revenue and Changes in Net Position: Primary Government Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Component Units
Primary Government						
Governmental Activities						
General government	$ 264,734	$ 40,817	$ 74,763	$ 233	$ (148,921)	$ -
Tax administration	159,134	-	-	-	(159,134)	-
Court system	235,159	57,487	-	-	(177,672)	-
Public works	803,169	4,177	25,820	224,383	(548,789)	-
Public safety	729,744	146,061	24,661	-	(559,022)	-
Culture and recreation	130,330	28,853	-	-	(101,477)	-
Conservation of natural resources	40,243	-	-	-	(40,243)	-
Health and welfare	225,059	-	61,115	-	(163,944)	-
Interest	2,060	-	-	-	(2,060)	-
Total Primary Government	$ 2,589,632	$ 277,395	$ 186,359	$ 224,616	(1,901,262)	-
Component Units						
Department of Public Health	$ 156,954	$ 34,442	$ 159,378	$ -	-	36,866
Development Authority	-	-	-	-	-	-
Total - Component Units	$ 156,954	$ 34,442	$ 159,378	$ -	-	36,866
		General Revenues:				
		Property taxes			1,134,274	-
		Sales taxes			671,113	-
		Insurance premium taxes			151,791	-
		Other taxes			131,613	-
		Investment earnings			1,261	14
		Special item-Gain on disposition of assets			26,829	
		Miscellaneous			28,741	-
		Total General Revenues			2,145,622	14
		Change in Net Position			244,360	36,880
		Net Position, Beginning of Year			7,133,730	488,448
		Net Position, End of Year			$ 7,378,090	$ 525,328

See accompanying notes to the basic financial statements.

Glascock County, Georgia
Balance Sheet
Governmental Funds
December 31, 2019

	General	SPLOST 2015 Capital Projects	TSPLOST Discretionary Fund	TSPLOST Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
Assets						
Cash and cash equivalents	$ 977,659	$ 160,755	$ 662,589	$ -	$ 73,239	$ 1,874,242
Receivables:						
Property taxes	146,179	-	-	-	-	146,179
Sales taxes	9,584	16,525	-	-	-	26,109
Interfund	54,848	-	-	-	-	54,848
Other	252,691	-	37,076	-	4,383	294,150
Prepaid items	50,749	-	-	-	-	50,749
Total Assets	$ 1,491,710	$ 177,280	$ 699,665	$ -	$ 77,622	$ 2,446,277
Liabilities, Deferred Inflows of Resources, and Fund Balances						
Liabilities						
Accounts payable	$ 31,476	$ -	$ 11,664	$ -	$ 9,357	$ 52,497
Other liabilities	30,160	-	-	-	-	30,160
Interfund payable	-	54,198	-	-	650	54,848
Other current liabilities	13,716	-	-	-	-	13,716
Total Liabilities	75,352	54,198	11,664	-	10,007	151,221
Deferred Inflows of Resources						
Unavailable revenue - property taxes	118,458	-	-	-	-	118,458
Total Deferred Inflows of Resources	118,458	-	-	-	-	118,458
Fund Balances						
Nonspendable:						
Prepaid items	50,749	-	-	-	-	50,749
Unassigned	1,096,925	123,082	-	-	-	1,220,007
Assigned - Fiscal Year Budget 2020	150,226	-	-	-	-	150,226
Restricted for:						
Public works	-	-	688,001	-	-	688,001
Public safety	-	-	-	-	45,586	45,586
Court system	-	-	-	-	22,029	22,029
Total Fund Balances	1,297,900	123,082	688,001	-	67,615	2,176,598
Total Liabilities , Deferred Inflows of Resources, and Fund Balances	$ 1,491,710	$ 177,280	$ 699,665	$ -	$ 77,622	$ 2,446,277

See accompanying notes to the basic financial statements.

Glascock County, Georgia
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
December 31, 2019

Total Governmental Fund Balances		$ 2,176,598
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore not reported in the funds. However, in the statement of net position the cost of these assets are capitalized and expensed over their estimated lives through annual depreciation expense.		
Cost of capital assets	$ 8,671,913	
Less accumulated depreciation	(3,398,871)	5,273,042
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:		
Property taxes		118,458
Interfund receivables and payables between governmental funds are reported on the fund balance sheet but eliminated on the government-wide statement of net position:		
Interfund receivables	54,848	
Interfund payables	(54,848)	-
Liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Capital leases payable	(34,673)	
Landfill postclosure care costs	(146,854)	
Compensated absences payable	(8,481)	(190,008)
Net Position Of Governmental Activities		$ 7,378,090

See accompanying notes to the basic financial statements.

Glascock County, Georgia
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2019

	General	SPLOST 2015 Capital Projects	TSPLOST Discretionary Fund	TSPLOST Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
Revenues						
Taxes	$ 1,530,441	$ 168,547	$ 404,812	$ -	$ -	$ 2,103,800
Intergovernmental	186,359	-	-	224,383	-	410,742
Charges for services	158,814	-	-	-	47,270	206,084
Fines and forfeitures	61,977	-	-	-	9,334	71,311
Investment earnings	637	233	580	-	44	1,494
Miscellaneous	61,470	-	-	-	-	61,470
Total Revenues	1,999,698	168,780	405,392	224,383	56,648	2,854,901
Expenditures						
Current:						
General government	231,902	-	-	-	-	231,902
Tax administration	159,254	-	-	-	-	159,254
Court system	234,534	-	-	-	625	235,159
Public works	418,437	-	106,174	-	-	524,611
Public safety	606,322	-	-	-	49,664	655,986
Culture and recreation	98,705	-	-	-	-	98,705
Conservation of natural resources	36,900	-	-	-	-	36,900
Health and welfare	208,282	-	-	-	-	208,282
Capital Outlay	-	7,659	-	229,665	-	237,324
Debt Service						
Landfill postclosure care costs	13,063	-	-	-	-	13,063
Principal retirement	-	33,315	-	-	-	33,315
Interest and fiscal charges	-	2,060	-	-	-	2,060
Total Expenditures	2,007,399	43,034	106,174	229,665	50,289	2,436,561
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,701)	125,746	299,218	(5,282)	6,359	418,340
Other Financing Sources (Uses)						
Transfers In (Out)	-	-	(5,282)	5,282	-	-
Net Change in Fund Balances	(7,701)	125,746	293,936	-	6,359	418,340
Fund Balances, Beginning	1,305,601	(2,664)	394,065	-	61,256	1,758,258
Fund Balances, End of Year	$ 1,297,900	$ 123,082	$ 688,001	$ -	$ 67,615	$ 2,176,598

See accompanying notes to the basic financial statements.

Glascock County, Georgia
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities
For the Year Ended December 31, 2019

Net Change In Fund Balances - Total Governmental Funds		$ 418,340
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 as depreciation expense. This is the amount by which depreciation expense exceeded capital outlay expense in the current period.		
Capital outlay	$ 266,283	
Depreciation expense	(447,448)	(181,165)
The book value of disposed capital assets is reported on the government-wide statement of activities but not reported at the fund financial reporting level.		(5,900)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property taxes:		
Deferred @ 12/31/19	118,458	
Deferred @ 12/31/18	(133,467)	(15,009)
Repayment of general obligation debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		33,315
Certain liabilities are reported in the statement of activities, but do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Compensated absences		
Balance @ 12/31/19	(8,481)	
Balance @ 12/31/18	3,835	(4,646)
Landfill postclosure care costs		
Balance @ 12/31/19	(146,854)	
Balance @ 12/31/18	146,279	(575)
Change In Net Position of Governmental Activities		$ 244,360

See accompanying notes to the basic financial statements.

Glascock County, Georgia
Statement of Fiduciary Assets and Liabilities
Agency Funds
December 31, 2019

Assets		
Cash and cash equivalents	$	472,924
Liabilities		
Interfund payable	$	-
Due to others		472,924
Total Liabilities	$	472,924

See accompanying notes to the basic financial statements.

Glascock County, Georgia
Combining Statement of Net Position
Component Units
December 31, 2019

	Department of Public Health (June 30, 2019)	Development Authority	Total Component Units
Assets			
Current:			
Cash and cash equivalents	$ 59,393	$ 48,067	$ 107,460
Receivables:			
Other	26,067	-	26,067
Capital Assets:			
Nondepreciable capital assets	-	559,878	559,878
Total Assets	85,460	607,945	693,405
Deferred Outflows of Resources	60,747	-	60,747
Liabilities			
Current Liabilities:			
Accounts payable	612	-	612
Accounts payable - DCH	9,408	-	9,408
Long-term Liabilities:			
Net pension liability	118,110	-	118,110
Net OPEB liability	54,785	-	54,785
Compensated absences	10,997	-	10,997
Total Liabilities	193,912	-	193,912
Deferred Inflows of Resources	34,912	-	34,912
Net Position			
Investment in capital assets	-	559,878	559,878
Unrestricted	(82,617)	48,067	(34,550)
Total Net Position	$ (82,617)	$ 607,945	$ 525,328

See accompanying notes to the basic financial statements.

Glascock County, Georgia
Combining Statement of Activities
Component Units
For the Year Ended December 31, 2019

	Department of Public Health (June 30, 2019)	Development Authority	Total Component Units
Expenses			
General government	$ -	$ -	$ -
Health and welfare	156,954	-	156,954
Total Expenses	156,954	-	156,954
Revenues			
Program revenues:			
Charges for services	34,442	-	34,442
Operating grants and contributions	159,378	-	159,378
Total Program Revenues	193,820	-	193,820
Net Program Revenues (Expenses)	36,866	-	36,866
General revenues			
Investment earnings	14	-	14
Total General Revenues	14	-	14
Change in Net Position	36,880	-	36,880
Net Position, Beginning of Year	(119,497)	607,945	488,448
Net Position, End of Year	$ (82,617)	$ 607,945	$ 525,328

See accompanying notes to the basic financial statements.

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Glascock County, Georgia (the County) is a political subdivision of the State of Georgia. The County is governed by a three member elected board of county commissioners which is governed by state statutes and regulations. There are certain elected officials whose operations are wholly included within the financial records and financial statements of the County. These elected officials include the Sheriff, Tax Commissioner, Probate Court Judge, Magistrate Court Judge and Clerk of Superior Court.

Note 1 - Summary of Significant Accounting Policies

The financial statements of the County have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting.

The most significant of the County's accounting policies are described below.

1-A Reporting Entity

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the County consists of all funds, departments, boards and agencies that are not legally separate from the County. For the County, this entity includes the various constitutional officers including the Clerk of Court, the Sheriff, the Probate Court, the Tax Commissioner and the Magistrate Court.

Component units are legally separate organizations for which the County is financially accountable. The County is financially accountable for an organization if the County appoints a voting majority of the organization's governing board and (1) the County is able to significantly influence the programs or services performed or provided by the organizations; or (2) the County is legally entitled to or can otherwise access the organization's resources; the County is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the County is obligated for the debt of the organization. Component units also may include organizations that are fiscally dependent on the County in that the County approves the budget, levies their taxes or issues their debt.

The component unit columns included on the government-wide financial statements identify the financial data of the County's discretely presented component units. They are reported separately to emphasize that they are legally separate from the County.

A brief description of the discretely presented component unit follows:

Glascock County Board of Health (the Health Department) – The Board of Health works to promote and preserve the health of the citizens of the County. The Board consists of seven members, four of these members are appointed by the County Commission. Although the County does not have the authority to approve or modify the Board of Health's budgets, it does have the ability to control the amount of funding it provides to the Board of Health and such funding is significant to the overall operations of the Board of Health. Complete financial statements for the Health Department may be obtained from its administrative office.

Glascock County Development Authority (the Authority) – The Authority is responsible for encouraging economic development within the County. The County Commission appoints the members of the Authority Board. The Authority is fiscally dependent upon the County for operating subsidies. No separate financial statements are issued for the Authority.

1-B Basis of Presentation

The County's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities and fund financial statements, which provide a more detailed level of financial information.

Government-wide Financial Statements - The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the County as a whole. All funds other than fiduciary activities are included at the government-wide reporting level. The primary government and the component units are presented separately within these financial statements with the focus on the primary government.

Note 1 - Summary of Significant Accounting Policies (Continued)

The statement of net position presents the financial position of the governmental activities of the County and its discretely presented component units at year-end.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a function and therefore clearly identifiable to that particular function. The County does not allocate indirect expenses to functions in the statement of activities.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees and other charges to users of the County's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. For identifying to which function program revenue pertains, the determining factor for *charges for services* is which function *generates* the revenue. For *grants and contributions*, the determining factor is to which function the revenues are *restricted.*

Other revenue sources not properly included with program revenues are reported as general revenues of the County. The comparison of direct expenses with program revenues identifies the extent to which each governmental function and each identifiable business activity is self-financing or draws from the general revenues of the County.

Fund Financial Statements - During the year, the County segregates transactions related to certain County functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the County at this more detailed level. Fund financial statements are provided for governmental funds. Major individual governmental funds are reported in separate columns.

Fund Accounting - The County uses funds to maintain its financial records during the year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The County uses two categories of funds: governmental and fiduciary.

Governmental Funds - Government funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Fund liabilities are assigned to the fund from which they will be liquidated. The County reports the difference between governmental fund assets and liabilities as fund balance. The following are the County's major governmental funds:

General Fund – The general fund accounts for all financial resources except those required to be accounted for in another fund. The general fund's fund balance is available to the County for any purpose provided it is expended or transferred according to the general laws of Georgia.

SPLOST 2015 Capital Projects Fund – This fund accounts for the special purpose local option sales taxes approved in November 2014. The County is using these taxes for the following approved projects:

- Capital improvements for the public safety building and improvements to other county buildings
- Capital improvements for roads and bridges; capital equipment for public works, public safety and sanitation
- Capital projects for economic development
- Capital improvements to the City of Gibson, Town of Mitchell and City of Edgehill water and sewer systems, waste disposal, roads and streets, and public safety.

TSPLOST Discretionary Fund – This fund accounts for the discretionary portion of the Transportation Improvement Act of 2010. This accounts for TSPLOST proceeds and expenditures for transportation projects that are not capital projects.

Note 1 - Summary of Significant Accounting Policies (Continued)

TSPLOST Capital Projects Fund – This fund accounts for the capital portion of the Transportation Improvement Act of 2010. This accounts for TSPLOST proceeds and expenditures for transportation projects that are capital projects.

Fiduciary Funds – Fiduciary fund reporting focuses on net position. The County's fiduciary funds are its agency funds.

1-C Measurement Focus

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the County are included on the statement of net position. The statement of activities reports revenues and expenses.

Fund Financial Statements - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

1-D Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. At the fund reporting level, the governmental funds use the modified accrual basis of accounting and fiduciary funds use the accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Revenues – Exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the County, the phrase "available for exchange transactions" means expected to be received within 60 days of year-end.

Revenues - Non-exchange Transactions - Non-exchange transactions in which the County receives value without directly giving equal value in return, include sales taxes, property taxes, grants and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale takes place. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. (Note 3-C) Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the County must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the County on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions also must be available (i.e., collected within 60 days with the exception of sales taxes which is 30 days) before it can be recognized. Under the modified accrual basis, the following revenue sources are considered to be susceptible to accrual: property taxes, sales taxes, interest and federal and state grants.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable.

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E Assets, Liabilities and Equity

1-E-1 Cash, Cash Equivalents, and Investments

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the County.

Investments are stated at fair value based on quoted market prices.

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

- Obligations of the State of Georgia or of any other states
- Obligations of the United States Government
- Obligations fully insured or guaranteed by the United States Government or Government agency
- Obligations of any corporation of the United States Government
- Prime bankers' acceptances
- The State of Georgia local government investment pool (i.e., Georgia Fund I)
- Repurchase agreements
- Obligations of the other political subdivisions of the State of Georgia

1-E-2 Receivables

All trade and property tax receivables are reported net of an allowance for uncollectibles, where applicable.

1-E-3 Interfund Balances

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/interfund payables." These amounts are eliminated in the governmental activities column of the statement of net position.

1-E-4 Prepaid Items

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

1-E-5 Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in governmental funds. The County reports these assets in the governmental activities column of the government-wide statement of net position but does not report these assets in the government fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The County maintains a capitalization threshold of five thousand dollars. The County began reporting its infrastructure prospectively beginning January 1, 2004. Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed. Interest incurred during the construction of capital assets utilized by the enterprise fund is capitalized. All reported capital assets are depreciated except for land and construction in progress.

Note 1 - Summary of Significant Accounting Policies (Continued)

Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

	Estimated Lives
Asset Class	Governmental Activities
Buildings	20 - 99 Years
Vehicles	7 - 20 Years
Machinery and equipment	5 - 20 Years
Roads and infrastructure	40-50 Years

1-E-6 Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means.

All compensated absence liabilities include salary-related payments, where applicable.

The total compensated absence liability is reported on the government-wide financial statements. Governmental funds report the compensated absence liability at the fund reporting level only "*when due.*"

1-E-7 Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of these funds. However, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are "due for payment" during the current year. Capital leases and installment obligations are recognized as a liability in the governmental fund financial statements when due.

For the fiscal year ended December 31, 2019, the County implemented the provisions of GASB Statement No. 83, *Certain Asset Retirement Obligations*, and GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placement*. GASB Statement No. 83 establishes standards for governments and requires disclosure of information related to legal obligation by a government to perform future asset retirement activities related to its tangible capital assets. GASB Statement No. 88 established standards for government disclosure of debt information, including direct borrowings and direct placements. For the fiscal year ended December 31, 2019, the County did not have any items that were required to be disclosed to be in compliance with GASB Statement No. 83 or GASB Statement No. 88.

1-E-8 Deferred Outflows/Inflows Resources

The County implemented GASB Statements No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position and No. 65, Items Previously Reported as Assets and Liabilities. These standards establish accounting and financial reporting for deferred outflows/ inflows of resources and the concept of net position as the residual of all other elements presented in a statement of net position.

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenses/expenditure) until then. The County does not have any items that qualify for reporting in this category.

Note 1 - Summary of Significant Accounting Policies (Continued)

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of fund balance that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has one item that qualifies for reporting in this category, unavailable revenue which arises only under a modified accrual basis of accounting. The governmental funds report unavailable revenues from property taxes and other receivables, which are deferred and will be recognized as an inflow of resources in the period in which the amounts become available.

1-E-9 Pensions

The County implemented the provisions of GASB Statement No. 68, Accounting and Financial Reporting for Pensions. GASB Statement No. 68 established standards for measuring and recognizing net pension liabilities, deferred outflows of resources, deferred inflows of resources, and expenses related to pension benefits provided through defined benefit pension plans. In addition, Statement No. 68 requires disclosures of information related to pension benefits. For the fiscal year ended December 31, 2019, the County did not have any pension items that were required to be disclosed to be in compliance with GASB Statement No. 68.

1-E-10 Postemployment Benefits Other Than Pensions (OPEB)

For the year ended December 31, 2019, the County implemented the provisions of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. GASB Statement No. 75 established standards for measuring and recognizing net OPEB liabilities, deferred outflows of resources, deferred inflows of resources, and expenses related to OPEB provided through defined benefit OPEB plans. In addition, Statement No. 75 requires disclosure of information related to OPEB. For the fiscal year ended December 31, 2019, the County did not have any OPEB items that were required to be recognized or disclosed to be in compliance with GASB Statement No. 75.

1-E-11 Equity

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

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

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

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

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

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

Committed
Assigned
Unassigned

Net Position - Net position represent the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. This net position amount also is adjusted by any bond issuance deferral amounts. Net position are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net position are reported as unrestricted.

The County applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

1-E-12 Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and the after non-operating revenues/expenses section in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements (i.e., they are netted). Transfers between funds reported in the governmental activities column are eliminated.

1-E-13 Estimates

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

1-E-14 Comparative Data

Comparative total data for the prior year have been presented only for individual funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds. Also, certain amounts presented in the prior year data may have been reclassified to be consistent with the current year's presentation.

1-E-15 Tax Abatements

The County implemented the provisions of GASB Statement No. 77, *Tax Abatement Disclosures.* GASB Statement No. 77 establishes financial reporting standards for tax abatement agreements entered into by state and local governments. There is no impact on net position as a result of implementation. The disclosure will include descriptive information about the tax being abated, the gross dollar amount of taxes abated during the period ad any additional comments made by the County. The aggregate amount of tax abatements disclosed as of December 31, 2019, is $ 26,100.

Note 2 – Stewardship, Compliance and Accountability

2-A Budgetary Information – The County adopts an annual operating budget for the general fund and the other non-major governmental funds. A project budget is adopted for each capital projects fund. The budget resolution reflects the total of each department's appropriation in each fund. The budgets are adopted on a basis consistent with GAAP.

Total appropriations for any fund may be increased if, during the year, sources of revenue become available to the County in excess of original anticipations, and these amounts are anticipated by the Finance Committee and subsequently appropriated by the Board of Commissioners. The legal level of control (the level at which expenditures may not legally exceed appropriations) for each adopted annual operating budget generally is the department level within each individual fund. Any change in total to a fund or departmental appropriation within a fund requires approval of the County Commissioners.

Note 3 - Detailed Notes on All Funds

3-A Deposits and Investments

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be recovered. State statutes require all deposits and investments to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties or municipalities. The County's custodial credit risk policy requires all deposits in excess of Federal Deposit Insurance be collateralized by securities equal to at least 110% of the excess deposits.

At December 31, 2019, the County's deposits and investments were exposed to custodial credit risk. At December 31, 2019, the County's deposits and investments were as follows:

Carrying amount of the County's deposits	$ 2,347,166
Bank balances of the County's deposits	2,413,107
Deposits covered by depository insurance	506,215
Deposits collateralized by securities	1,861,460
Deposits uninsured and collateralized	45,432

State statutes authorize the County to invest in obligations of, or obligations guaranteed by the U.S. government; obligations of any state; obligations of any political subdivision of any state; certificates of deposit of any national state bank or savings and loan which have deposits insured by the FDIC or FSLIC; prime bankers acceptances; and the Office of State Treasurer. The County had no other investments that require disclosure as to the basis of valuation other than capital assets, the basis of which are properly disclosed.

3-B Receivables

Receivables at December 31, 2019, consisted of various types of taxes. Receivables and payables are recorded on the County's financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation, and in the case of receivables, collectibility.

3-C Property Taxes

Property taxes are based on assessments of property values as of January 1. The Board of Commissioners approved the millage rate on August 12, 2019. Property taxes are billed on or around September 1 each year and are due by November 15. Property taxes attach as an enforceable lien on property as of January 1.

The County bills and collects its own property taxes and also collects property taxes for the County Board of Education and the State of Georgia. Collection of the County's taxes and collection for the other governmental agencies is the responsibility of the Tax Commissioner's Office, which is accounted for in an agency fund.

Note 3 - Detailed Notes on All Funds (Continued)

3-D Capital Assets

Capital asset activity for the year ended December 31, 2019, was as follows:

	Balance 12/31/2018	Additions	Deductions	Balance 12/31/2019
Governmental activities:				
Non-depreciable capital assets:				
Land	$ 20,939	$ -	$ 3,000	$ 17,939
Construction in progress	2,224	-	2,224	-
Total non-depreciable capital assets	23,163	-	5,224	17,939
Non-depreciable capital assets:				
Buildings	3,630,229	16,324	-	3,646,553
Vehicles	363,058	16,800	43,482	336,376
Machinery and equipment	1,813,217	3,495	130,241	1,686,471
Roads and infrastructure	2,752,686	231,888	-	2,984,574
Total other capital assets	8,559,190	268,507	173,723	8,653,974
Total capital assets	8,582,353	268,507	178,947	8,671,913
Accumulated depreciation:				
Buildings	1,298,766	88,997	-	1,387,763
Vehicles	238,420	25,413	(40,582)	223,251
Machinery and equipment	1,066,702	157,864	(130,241)	1,094,325
Roads and infrastructure	518,358	175,174	-	693,532
Total accumulated depreciation	3,122,246	447,448	(170,823)	3,398,871
Governmental activities capital assets, net	$ 5,460,107	$ (178,941)	$ 8,124	$ 5,273,042

Governmental activities depreciation expense

General government	$ 45,467
Public works	261,147
Public safety	73,758
Culture and recreation	31,625
Conservation of natural resources	3,343
Health and welfare	32,108
Total governmental activities depreciation expense	$ 447,448

Note 3 - Detailed Notes on All Funds (Continued)

3-E Interfund Balances and Transfers

Interfund balances and transfers for the year ended December 31, 2019, consisted of the following amounts and represent charges for services or reimbursable expenses. These remaining balances resulted from the time lag between the dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting period, and (3) payments between funds are made. The County expects to repay all interfund balances within one year. The following are the interfund balances and transfers between funds:

Interfund Transfers

Transfers To:	Transfers from: TSPLOST Discretionary Fund	Total
TSPLOST Capital Projects Fund	$ 5,282	$ 5,282
	$ 5,282	$ 5,282

The transfer from the TSPLOST Discretionary Fund to the TSPLOST Capital Projects Fund is related to the County purchasing capital items and infrastructure with LMIG and TSPLOST funds.

Interfund Balances

Due To:	Due from: SPLOST 2015 Capital Projects Fund	Total
General Fund	$ 54,848	$ 54,848
	$ 54,848	$ 54,848

This interfund balance is due to the General Fund, which paid for expenditures designated for the SPLOST 2015 Capital Projects Fund in order to expedite these SPLOST projects approved by resolution. This interfund balance will be repaid subsequent to the fiscal year end.

3-F Fund Balances

The County's fund balances reported as restricted, assigned and unassigned are summarized as follows:

Nonspendable:	
Prepaid items	$ 50,749
Restricted:	
Public works	688,001
Public safety	45,586
Court system	22,029
Assigned – Fiscal Year Budget 2020	150,226
Unassigned	1,220,007
Total Fund Balance	$ 2,176,598

Note 3 - Detailed Notes on All Funds (Continued)

The County has assigned fund balance to account for the amount appropriated in the subsequent year's budget. The County reported negative unassigned fund balance in the SPLOST 2015 Capital Projects Fund. This negative fund balance was the result of the General Fund paying for expenditures designated for the SPLOST 2015 Capital Project Fund in order to expedite the SPLOST projects. These funds will be repaid to the General Fund subsequent to year end. The negative fund balance will be alleviated as fund revenues are received and expenditures are reduced.

3-G Landfill Postclosure Care Liability

State and Federal laws and regulations require the County to place a final cover on its landfill when it stops accepting waste, and to perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. Recognition of a liability for landfill closure and postclosure care costs is based upon the capacity used to date of the County's landfill. The landfill has been closed and, accordingly, 100% of the estimated postclosure care costs are recognized. The estimated costs are the engineers' best estimate of future costs and could increase or decrease due to changes in inflation or deflation, technology or applicable laws and regulations. Expenditures of postclosure care costs reduce the liability.

Costs incurred and expended for the year ended December 31, 2019 totaled $ 13,063. The revised remaining estimated liability for landfill postclosure care is $ 146,854.

Postclosure care activities will be revised on an annual basis, with the total estimated liability reduced as these costs are incurred. The County is exempt from the state requirement to establish a trust fund with an independent third party to accumulate assets needed for the actual payout of postclosure care costs.

3-H Long-term Debt

At December 31, 2019, the County's general long-term debt consisted of estimated post-closure care costs of the County's landfill, capital leases and compensated absences.

Capital Leases

The County is obligated under a lease agreement for public safety equipment. The original amount of $ 100,000 was financed under this lease agreement with an interest rate of 3.90%. The equipment was acquired on lease and is included in governmental activities general capital assets, with an acquisition cost of $ 160,020, less accumulated depreciation of $ 21,336. The lease is due in monthly payments of $ 2,948 for 36 months with the final payment due December, 2020. Depreciation of capital assets recorded under capital leases is included in depreciation in the accompanying statement of revenues, expenses, and changes in net position. The outstanding balance of the corresponding liabilities is included in governmental activities general long-term debt.

A summary of payments for the capital leases are as follows:

Year	Amount
2020	$ 35,412
Sub-total	35,412
Less amount representing interest	(739)
Principal balance	$ 34,673

Note 3 - Detailed Notes on All Funds (Continued)

Changes in Long-term Debt - Changes in the County's long-term obligations consisted of the following for the year ended December 31, 2019:

Governmental Activities	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due in One Year
Capital leases:					
BB&T Governmental Finance	$ 67,988	$ -	$ 33,315	$ 34,673	$ 34,673
Landfill post-closure costs	146,279	13,638	13,063	146,854	13,063
Compensated absences	3,835	8,136	3,490	8,481	8,481
Total Governmental Activities	$ 218,102	$ 21,774	$ 49,868	$ 190,008	$ 56,217
Component Units:					
Net pension liability	$ 109,981	$ 8,129	$ -	$ 118,110	$ -
Net OPEB liability	89,442	-	34,657	54,785	-
Compensated absences	9,288	6,653	4,944	10,997	-
Total Component Units	$ 208,711	$ 14,782	$ 39,601	$ 183,892	$ -

The landfill post-closure care costs will be financed through future General Fund financial resources. The compensated absences liability will be paid from the fund which the employee's salaries are paid, the General Fund.

3-I Pensions

The County has a defined contribution retirement plan whereby all full-time county employees meeting eligibility requirements are eligible to participate in the plan. The plan, administered by the GEB Corp., is open to all full-time employees, exclusive of elected officials who are eligible for state provided retirement benefits. The County contributes two percent of covered employees' salaries to a 401A Plan annually. Employees are 100% vested in the County contribution after five years of service. Employees do not contribute to the 401A Plan. The current year covered payroll was approximately $ 615,883 and the total current payroll was $ 797,205. The County's required and actual contribution for the fiscal year ended December 31, 2019, for the 401A Plan was $ 15,397, which was 2.5% of the covered payroll. There was $ 6,589 in forfeited funds in the Plan for the fiscal year ended and there was no outstanding liability as of December 31, 2019. In conjunction with resolution establishing the 401A Plan, the County also adopted a 457 Deferred Compensation Plan. Under the 457 Deferred Compensation Plan, employees are eligible to receive up to an additional one percent contribution to the 401A Plan if they participate in the 457 Deferred Compensation Plan.

Other State of Georgia Pension Plans – The Sheriff, Clerk of Superor Court, Probate Judge, Magistrate Judge, Tax Commissioner, and various other employees of the County are covered by the State of Georgia retirement plans and are not included as part of the County's plan described above. These state plans are funded, in part, through County fines and forfeitures collections.

Information on the Sheriff Retirement plan may be found at the following:

Georgia Sheriffs Association Retirement Fund
P. O. Box 1000
Stockbridge, Georgia 30281

Information on the Clerk of Superior Court Retirement plan may be found at the following:

Superior Court of Clerk's Retirement Fund of Georgia
124 N. McDonough St # 3
Jonesboro, Georgia 30236

Note 3 - Detailed Notes on All Funds (Continued)

Information on the Probate Judge Retirement plan may be found at the following:

Probate Retirement Fund of Georgia
P. O. Box 56
Griffin, Georgia 30224

Information on the Magistrate Court Retirement plan may be found at the following:

Magistrate Retirement Fund
P. O. Box 56
Griffin, Georgia 30224

Information on the Tax Commissioners Retirement plan may be found at the following:

Employee Retirement System
Two Northside 75, Suite 300
Atlanta, Georgia 30318

Information on the Peace Officers' Annuity and Benefit Fund plan may be found at the following:

Peace Officers' Annuity and Benefit Fund
P. O. Box 56
Griffin, Georgia 30224

3-J Net Position

Net investment in capital assets on the government-wide statement of net position as of December 31, 2019, are as follows:

Net investment in capital assets:	Governmental Activities	Component Unit
Cost of capital assets	$ 8,671,913	$ 559,878
Less accumulated depreciation	(3,398,871)	-
Book value	5,273,042	559,878
Less capital related debt	(34,673)	-
Net investment in capital assets	$ 5,238,369	$ 559,878

Note 4 - Other Notes

4-A Risk Management

The County maintains third party coverage for claims arising from property and casualty claims, theft, errors and omissions and general liability claims.

The County is a member of the Association of County Commissioners of Georgia Group Self-Insurance Workers' Compensation Fund, a risk sharing public entity risk pool. This fund was created to provide its members with an alternative method in which to finance their workers' compensation coverage. The authority to participate in this fund rests with the County Commissioners. The County's responsibility relates to paying an annual premium to the fund for its workers' compensation coverage. The fund purchases excess insurance to protect the fund from catastrophic losses and for any unexpected increase in frequency of smaller claims. 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

Note 4 - Other Notes (Continued)

to allow the pool's agents and attorneys to represent the County in investigation, settlement discussions and all levels of litigation arising out of any claim made against the County within the scope of loss protection furnished by the funds.

The funds are to defend and protect the members of the funds against liability or loss as prescribed in the member government contract and in accordance with the worker's compensation law of Georgia. The funds are to pay all cost taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense. There were no significant reductions in insurance coverage from the prior year, and there have been no settlements that exceed the County's insurance coverage during the past three years.

4-B Contingent Liabilities

The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. These audits could result in a request for reimbursement to the grantor agency for costs disallowed under terms of the grant. Based on prior experience, the County believes such disallowances, if any, will be immaterial. The County was a defendant in lawsuits at December 31, 2019. In the opinion of the County management, the outcome of this contingency will not have a material effect on the financial position of the County.

4-C Joint Ventures

Under Georgia law, the County, in conjunction with other cities and counties in the fourteen county east central Georgia area, is a member of the Central Savannah River Area Regional Commission (RC) and is required to pay annual dues thereto. 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 of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for debts or obligations of an RC. Separate financial statements may be obtained from:

Central Savannah River Area Regional Commission
P. O. Box 2800
Augusta, Georgia 30914

4-D Tax Abatements

Glascock County grants various tax incentives that are negotiated on an individual basis. Additionally, the County is subject to tax abatements granted by other authorities in addition to state and federal tax abatement programs.

Tax incentives provided by the County include a reduction of property taxes based on the percentage negotiated and have the stated purpose of increasing employment and business investment in the County. Each of the incentive agreements contain a recapture provision that requires repayment of a portion of the abatement if the business fails to meet its job and/or investment thresholds.

Under the Georgia Forest Land Protection Act, property owners can enroll tracts of timber land 200 acres or greater in a fifteen year covenant period and receive a lower property tax rate on their forest property. Property tax abatement for properties entered into this covenant program in Glascock County totaled approximately $ 26,100. No individual tax abatement exceeded ten percent of the total amount abated.

4-E Subsequent Events

In preparing the financial statements, the County has evaluated events and transactions for potential recognition or disclosure through April 30, 2020. Management has identified the following item as an item requiring recognition or disclosure.

Note 4 - Other Notes (Continued)

Events Occurring Subsequent to the Balance Sheet Date

In March 2020, the President of the United States declared that spread of the coronavirus (COVID-19) had created a national emergency. The President and the Governor of Georgia advised citizens to limit in-person meetings and other social interactions where COVID-19 could be transmitted. The outbreak and spread of this virus strain coupled with the shelter in place orders caused operational and economic disruptions to local, state and national communities. The extent and impact of COVID-19 on the County's operational and financial performance is uncertain and cannot be predicted. At this time, county management does not feel as though this pandemic will have a material financial impact on the County.

4-F Compliance with the Uniform Guidance

The County is not subject to the requirements of the Uniform Guidance related to the expenditure of federal funds for the year ended December 31, 2019.

Glascock County, Georgia
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2019

	Original Budget	Final Budget	Actual	Variance
Revenues				
Taxes	$ 1,549,882	$ 1,549,882	$ 1,530,441	$ (19,441)
Intergovernmental	96,421	96,421	186,359	89,938
Charges for services	185,382	185,382	158,814	(26,568)
Fines and forfeitures	77,500	77,500	61,977	(15,523)
Investment earnings	1,000	1,000	637	(363)
Miscellaneous	26,500	26,500	61,470	34,970
Total Revenues	1,936,685	1,936,685	1,999,698	63,013
Expenditures				
Current:				
General government	399,056	271,606	231,902	39,704
Tax administration	191,318	191,318	159,254	32,064
Court system	246,849	246,849	234,534	12,315
Public safety	609,353	609,353	606,322	3,031
Public works	341,937	419,887	418,437	1,450
Culture and recreation	85,092	99,092	98,705	387
Conservation of natural resources	33,735	37,235	36,900	335
Health and welfare	192,670	224,670	208,282	16,388
Housing and development	6,500	6,500	-	6,500
Debt Service:				
Landfill postclosure costs	13,063	13,063	13,063	-
Total Expenditures	2,119,573	2,119,573	2,007,399	112,174
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ (182,888)	$ (182,888)	(7,701)	$ 175,187
Fund Balance, Beginning of Year			1,305,601	
Fund Balance, End of Year			$ 1,297,900	

Glascock County, Georgia
Notes to the Required Supplementary Information
For the Year Ended December 31, 2019

Note 1 - Budgetary Information

The budget for the general fund is adopted on a basis that is consistent with accounting principles generally accepted in the United States as applied to governments.

The County's financial statements did not have any departments that reflected expenditures in excess of budgeted amounts.

Glascock County, Georgia
General Fund
Comparative Balance Sheet
December 31, 2019 and 2018

	2019	2018
Assets		
Cash and cash equivalents	$ 977,659	$ 906,809
Receivables:		
Property taxes	146,179	339,283
Sales taxes	9,584	8,451
Interfund	54,848	132,146
Other	252,691	58,921
Prepaid items	50,749	54,202
Total Assets	$ 1,491,710	$ 1,499,812
Liabilities, Deferred Inflows of Resources, and Fund Balances		
Liabilities		
Accounts payable	$ 31,476	$ 26,109
Other liabilities	30,160	20,919
Other current liabilities	13,716	13,716
Total Liabilities	75,352	60,744
Deferred Inflows of Resources		
Unavailable revenue - property taxes	118,458	133,467
Total Deferred Inflows of Resources	118,458	133,467
Fund Balances		
Nonspendable:		
Prepaid items	50,749	54,202
Unassigned	1,096,925	1,068,511
Assigned - Subsequent Fiscal Year Budget	150,226	182,888
Total Fund Balances	1,297,900	1,305,601
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 1,491,710	$ 1,499,812

Glascock County, Georgia
General Fund
Schedule of Revenues - Budget and Actual
For the Year Ended December 31, 2019
(With Comparative Actual Amounts for the Year Ended December 31, 2018)

	2019				
	Original Budget	Final Budget	Actual	Variance	2018 Actual
Revenues					
Taxes					
Property:					
General property tax	$ 1,174,882	$ 1,174,882	$ 1,107,853	$ (67,029)	$ 1,065,825
Motor vehicle tax	23,000	23,000	26,174	3,174	26,602
Mobile home tax	16,000	16,000	15,256	(744)	16,368
Real estate transfer tax	3,500	3,500	626	(2,874)	4,302
Railroad equipment tax	4,000	4,000	6,056	2,056	5,537
Vehicle title advalorem tax	100,000	100,000	123,255	23,255	110,752
Sales taxes	85,000	85,000	97,754	12,754	88,047
Insurance premium taxes	142,000	142,000	151,791	9,791	141,633
Bank taxes	1,500	1,500	1,676	176	1,695
Total Taxes	1,549,882	1,549,882	1,530,441	(19,441)	1,460,761
Fines, Forfeitures and Fees					
Clerk of state/superior court	24,000	24,000	15,384	(8,616)	13,545
Sheriff department	6,500	6,500	4,490	(2,010)	7,460
Probate court	42,000	42,000	40,165	(1,835)	48,216
Magistrate court	5,000	5,000	1,938	(3,062)	3,968
Total Fines and Forfeitures	77,500	77,500	61,977	(15,523)	73,189
Intergovernmental					
Section 5311 transportation program	48,335	48,335	42,475	(5,860)	42,989
Forest land protection grant	-	-	74,763	74,763	79,528
GEMA Grant	7,086	7,086	9,085	1,999	7,100
State of Georgia homeland security	-	-	576	576	10,015
FEMA-Disaster assistance	-	-	25,820	25,820	19,712
School Board officer contract	20,000	20,000	15,000	(5,000)	20,000
Nutrition program	21,000	21,000	18,640	(2,360)	18,879
Total Intergovernmental	96,421	96,421	186,359	89,938	198,223
carried forward	1,723,803	1,723,803	1,778,777	54,974	1,732,173

(continued)

Glascock County, Georgia
General Fund
Schedule of Revenues - Budget and Actual
For the Year Ended December 31, 2019
(With Comparative Actual Amounts for the Year Ended December 31, 2018)

(continued)

	2019				
	Original Budget	Final Budget	Actual	Variance	2018 Actual
Revenues					
brought forward	$ 1,723,803	$ 1,723,803	$ 1,778,777	$ 54,974	$ 1,732,173
Charges for Services					
Ambulance fees	120,000	120,000	84,967	(35,033)	112,707
Rental income	32,382	32,382	40,817	8,435	35,324
Recreation fees	25,000	25,000	28,853	3,853	32,377
Landfill usage fees	8,000	8,000	4,177	(3,823)	4,305
Total Charges for Services	185,382	185,382	158,814	(26,568)	184,713
Investment Earnings	1,000	1,000	637	(363)	582
Miscellaneous					
Jefferson Energy cooperative grant	-	-	-	-	10,000
Sale of equipment	11,500	11,500	44,709	33,209	17,873
Other	15,000	15,000	16,761	1,761	8,548
Total Miscellaneous	26,500	26,500	61,470	34,970	36,421
Total Revenues	$ 1,936,685	$ 1,936,685	$ 1,999,698	$ 63,013	$ 1,953,889

Glascock County, Georgia
General Fund
Schedule of Expenditures - Budget and Actual
For the Year Ended December 31, 2019
(With Comparative Actual Amounts for the Year Ended December 31, 2018)

	2019				
	Original Budget	Final Budget	Actual	Variance	2018 Actual
General Government					
Personal services	$ 80,000	$ 80,000	$ 59,495	$ 20,505	$ 70,313
Operating	319,056	191,606	172,407	19,199	159,270
Total General Government	399,056	271,606	231,902	39,704	229,583
Tax Administration					
Personal services	99,000	99,000	91,026	7,974	98,609
Operating	92,318	92,318	61,228	31,090	84,190
Capital	-	-	7,000	(7,000)	-
Total Tax Administration	191,318	191,318	159,254	32,064	182,799
Court System					
Personal services	158,000	158,000	159,995	(1,995)	157,932
Operating	88,849	88,849	74,539	14,310	99,810
Total Court System	246,849	246,849	234,534	12,315	257,742
Public Safety					
Sheriff's Dept.:					
Personal services	234,500	234,500	219,340	15,160	234,354
Operating	174,998	174,998	171,901	3,097	176,021
Capital	-	-	9,800	(9,800)	-
Total Sheriff's Dept.	409,498	409,498	401,041	8,457	410,375
EMA:					
Personal services	17,500	17,500	17,382	118	17,382
Operating	12,136	12,136	13,967	(1,831)	8,506
Total EMA	29,636	29,636	31,349	(1,713)	25,888
EMS:					
Operating	120,000	120,000	101,287	18,713	119,411
Fire Department:					
Personal services	1,722	1,722	1,722	-	1,722
Operating	44,497	44,497	63,103	(18,606)	74,374
Total Fire Department	46,219	46,219	64,825	(18,606)	76,096
Coroner:					
Operating	4,000	4,000	7,820	(3,820)	4,647
Total Public Safety	609,353	609,353	606,322	3,031	636,417
carried forward	1,446,576	1,319,126	1,232,012	87,114	1,306,541

Glascock County, Georgia
General Fund
Schedule of Expenditures - Budget and Actual
For the Year Ended December 31, 2019
(With Comparative Actual Amounts for the Year Ended December 31, 2018)

(continued)

	2019				
	Original Budget	Final Budget	Actual	Variance	2018 Actual
brought forward	$ 1,446,576	$ 1,319,126	$ 1,232,012	$ 87,114	$ 1,306,541
Public Works					
Personal services	186,800	230,800	230,297	503	186,715
Operating	155,137	188,137	187,218	919	184,904
Capital	-	950	922	28	345
Total Public Works	341,937	419,887	418,437	1,450	371,964
Culture and Recreation					
Recreation	59,850	73,850	73,463	387	76,215
Library	25,242	25,242	25,242	-	7,262
Total Culture and Recreation	85,092	99,092	98,705	387	83,477
Conservation of Natural Resources					
Agriculture:					
Personal services	27,300	27,300	26,982	318	27,204
Operating	6,435	9,935	9,918	17	7,397
Total Conservation of Natural Resources	33,735	37,235	36,900	335	34,601
Health and Welfare					
Nutrition	62,000	89,000	88,952	48	87,591
Transit Program	88,670	93,670	93,396	274	78,079
Health Department	42,000	42,000	25,934	16,066	24,268
Total Health and Welfare	192,670	224,670	208,282	16,388	189,938
Housing and Development					
Development Authority	6,500	6,500	-	6,500	6,500
Total Housing and Development	6,500	6,500	-	6,500	6,500
Debt Service					
Landfill postclosure care costs	13,063	13,063	13,063	-	13,063
Total Debt Service	13,063	13,063	13,063	-	13,063
Total Expenditures	$ 2,119,573	$ 2,119,573	$ 2,007,399	$ 112,174	$ 2,006,084

Glascock County, Georgia
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2019

	E-911 Fund	Drug Abuse T & E Fund	Jail Fund	Condemned Funds	Law Library Fund	Total Nonmajor Governmental Funds
Assets						
Cash and cash equivalents	$ 18,604	$ 12,612	$ 18,320	$ 1,674	$ 22,029	$ 73,239
Other receivables	3,908	-	475	-	-	4,383
Total Assets	$ 22,512	$ 12,612	$ 18,795	$ 1,674	$ 22,029	$ 77,622
Liabilities and Fund Balances						
Liabilities						
Accounts payable	$ 9,357	$ -	$ -	$ -	$ -	$ 9,357
Interfund payable	-	-	650	-	-	650
Total Liabilities	9,357	-	650	-	-	10,007
Fund Balances						
Restricted for program purposes	13,155	12,612	18,145	1,674	22,029	67,615
Total Liabilities and Fund Balances	$ 22,512	$ 12,612	$ 18,795	$ 1,674	$ 22,029	$ 77,622

Glascock County, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2019

	E -911 Fund	Drug Abuse T & E Fund	Jail Fund	Condemned Funds	Law Library Fund	Total Nonmajor Governmental Funds
Revenues						
Charges for services	$ 47,270	$ -	$ -	$ -	$ -	$ 47,270
Fines and forfeitures	-	1,617	4,978	1,159	1,580	9,334
Investment earnings	-	20	24	-	-	44
Total Revenues	47,270	1,637	5,002	1,159	1,580	56,648
Expenditures						
Current:						
Public safety	47,350	2,121	-	193	-	49,664
Court system	-	-	-	-	625	625
Total Expenditures	47,350	2,121	-	193	625	50,289
Excess (Deficiency) of Revenues Over (Under) Expenditures	(80)	(484)	5,002	966	955	6,359
Fund Balances Beginning of Year	13,235	13,096	13,143	708	21,074	61,256
Fund Balances End of Year	$ 13,155	$ 12,612	$ 18,145	$ 1,674	$ 22,029	$ 67,615

Glascock County, Georgia
E-911 Fund
Comparative Balance Sheet
December 31, 2019 and 2018

	2019	2018
Assets		
Cash and cash equivalents	$ 18,604	$ 15,425
Receivables:		
Others	3,908	2,218
Total Assets	$ 22,512	$ 17,643
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 9,357	$ 4,408
Total Liabilities	9,357	4,408
Fund Balances		
Restricted for public safety	13,155	13,235
Total Liabilities and Fund Balances	$ 22,512	$ 17,643

Glascock County, Georgia
E-911 Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances
For the Year Ended December 31, 2019
(With Comparative Actual Amounts for the Year Ended December 31, 2018)

	2019				2018
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues					
Charges for services	$ 3,088	$ 47,350	$ 47,270	$ (80)	$ 33,439
Expenditures					
Current:					
Public safety	3,088	47,350	47,350	-	26,782
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ -	$ -	(80)	$ (80)	6,657
Fund Balance, Beginning of Year			13,235		6,578
Fund Balance, End of Year			$ 13,155		$ 13,235

Glascock County, Georgia
Drug Abuse T & E Fund
Comparative Balance Sheet
December 31, 2019 and 2018

	2019	2018
Assets		
Cash and cash equivalents	$ 12,612	$ 12,968
Receivables:		
Others	-	128
Total Assets	$ 12,612	$ 13,096
Fund Balances		
Restricted for public safety	$ 12,612	$ 13,096

Glascock County, Georgia
Drug Abuse T & E Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances
For the Year Ended December 31, 2019
(With Comparative Actual Amounts for the Year Ended December 31, 2018)

	2019				2018
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues					
Fines and forfeitures	$ 12,500	$ 12,500	$ 1,617	$ (10,883)	$ 1,034
Investment earnings	-	-	20	20	22
Total Revenues	12,500	12,500	1,637	(10,863)	1,056
Expenditures					
Current:					
Public safety	12,500	12,500	2,121	10,379	4,315
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ -	$ -	(484)	$ (484)	(3,259)
Fund Balance, Beginning of Year			13,096		16,355
Fund Balance, End of Year			$ 12,612		$ 13,096

Glascock County, Georgia
Jail Fund
Comparative Balance Sheet
December 31, 2019 and 2018

	2019	2018
Assets		
Cash and cash equivalents	$ 18,320	$ 12,636
Receivables:		
Other	475	507
Total Assets	$ 18,795	$ 13,143
Liabilities and Fund Balances		
Liabilities		
Interfund payable	$ 650	$ -
Total Liabilities	650	-
Fund Balances		
Restricted for public safety	18,145	13,143
Total Liabilities and Fund Balances	$ 18,795	$ 13,143

Glascock County, Georgia
Jail Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2019
(With Comparative Actual Amounts for the Year Ended December 31, 2018)

	2019				2018
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues					
Fines and forfeitures	$ 8,500	$ 8,500	$ 4,978	$ (3,522)	$ 4,853
Investment earnings	-	-	24	24	15
Total Revenues	8,500	8,500	5,002	(3,498)	4,868
Expenditures					
Current:					
Public safety	8,500	8,500	-	8,500	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ -	$ -	5,002	$ 5,002	4,868
Fund Balance, Beginning of Year			13,143		8,275
Fund Balance, End of Year			$ 18,145		$ 13,143

Glascock County, Georgia
Condemned Funds
Comparative Balance Sheet
December 31, 2019 and 2018

	2019	2018
Assets		
Cash and cash equivalents	$ 1,674	$ 708
Total Assets	$ 1,674	$ 708
Fund Balances		
Restricted for public safety	$ 1,674	$ 708

Glascock County, Georgia
Condemned Funds
Schedule of Revenues, Expenditures and
Changes in Fund Balances
For the Year Ended December 31, 2019
(With Comparative Actual Amounts for the Year Ended December 31, 2018)

	2019				2018
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues					
Fines and forfeitures	$ 1,762	$ 1,762	$ 1,159	$ (603)	$ 1,064
Investment earnings	-	-	-	-	-
Total Revenues	1,762	1,762	1,159	(603)	1,064
Expenditures					
Current:					
Public safety	1,762	1,762	193	1,569	1,410
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ -	$ -	966	$ 966	(346)
Fund Balance, Beginning of Year			708		1,054
Fund Balance, End of Year			$ 1,674		$ 708

Glascock County, Georgia
Law Library Fund
Comparative Balance Sheet
December 31, 2019 and 2018

	2019	2018
Assets		
Cash and cash equivalents	$ 22,029	$ 21,074
Total Assets	$ 22,029	$ 21,074
Fund Balances		
Restricted for court system	$ 22,029	$ 21,074

Glascock County, Georgia
Law Library Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances
For the Year Ended December 31, 2019
(With Comparative Actual Amounts for the Year Ended December 31, 2018)

	2019				2018
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues					
Fines and forfeitures	$ 17,000	$ 17,000	$ 1,580	$ (15,420)	$ 2,010
Total Revenues	17,000	17,000	1,580	(15,420)	2,010
Expenditures					
Current:					
Court system	17,000	17,000	625	16,375	591
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ -	$ -	955	$ 955	1,419
Fund Balance, Beginning of Year			21,074		19,655
Fund Balance, End of Year			$ 22,029		$ 21,074

Glascock County, Georgia
SPLOST 2015 Capital Projects Fund
Comparative Balance Sheet
December 31, 2019 and 2018

	2019	2018
Assets		
Cash and cash equivalents	$ 160,755	$ 114,917
Receivables:		
Sales taxes	16,525	14,565
Total Assets	$ 177,280	$ 129,482
Liabilities and Fund Balances		
Liabilities		
Intergovernmental payable	$ -	$ -
Interfund payable	54,198	132,146
Total Liabilities	54,198	132,146
Fund Balances		
Restricted for capital projects	-	-
Unassigned	123,082	(2,664)
Total Liabilities and Fund Balances	$ 177,280	$ 129,482

Glascock County, Georgia
SPLOST 2015 Capital Projects Fund
Statement of Revenues, Expenditures and
Changes in Fund Balances
For the Year Ended December 31, 2019
(With Comparative Actual Amounts for the Year Ended December 31, 2018)

	2019	2018
Revenues		
Sales taxes	$ 168,547	$ 151,792
Investment earnings	233	248
Total Revenues	168,780	152,040
Expenditures		
Capital:		
General government	4,164	46,918
Public safety	3,495	2,900
Public works	-	2,120
Culture and recreation	-	2,250
Debt Service		
Principal	33,315	32,011
Interest	2,060	3,365
Total Expenditures	43,034	89,564
Excess (Deficiency) of Revenues Over (Under) Expenditures	125,746	62,476
Other Financing Sources:		
Inception of capital lease	-	-
Net Change in Fund Balance	125,746	62,476
Fund Balance, Beginning of Year	(2,664)	(65,140)
Fund Balance, End of Year	$ 123,082	$ (2,664)

Glascock County, Georgia
TSPLOST Discretionary Fund
Comparative Balance Sheet
December 31, 2019 and 2018

	2019	2018
Assets		
Cash and cash equivalents	$ 662,589	$ 165,992
Other receivable	37,076	240,355
Total Assets	$ 699,665	$ 406,347
Liabilities		
Accounts payable	$ 11,664	$ 12,282
Total Liabilities	11,664	12,282
Fund Balances		
Restricted for public works	688,001	394,065
Total Liabilities and Fund Balances	$ 699,665	$ 406,347

Glascock County, Georgia
TSPLOST Discretionary Fund
Statement of Revenues, Expenditures and
Changes in Fund Balances
For the Year Ended December 31, 2019
(With Comparative Actual Amounts for the Year Ended December 31, 2018)

	2019	2018
Revenues		
Taxes - TSPLOST	$ 404,812	$ 374,235
Investment earnings	580	917
Total Revenues	405,392	375,152
Expenditures		
Current:		
Public works	106,174	90,635
Excess (Deficiency) of Revenues Over (Under) Expenditures	299,218	284,517
Other Financing Sources (Uses)		
Transfer out	(5,282)	(563,530)
Net Change in Fund Balance	293,936	(279,013)
Fund Balance, Beginning of Year	394,065	673,078
Fund Balance, End of Year	$ 688,001	$ 394,065

Glascock County, Georgia
TSPLOST Capital Projects Fund
Comparative Balance Sheet
December 31, 2019 and 2018

	2019	2018
Assets		
Cash and cash equivalents	$ -	$ -
Total Assets	$ -	$ -
Fund Balances		
Restricted for capital projects	$ -	$ -

Glascock County, Georgia
TSPLOST Capital Projects Fund
Statement of Revenues, Expenditures and
Changes in Fund Balances
For the Year Ended December 31, 2019
(With Comparative Actual Amounts for the Year Ended December 31, 2018)

	2019	2018
Revenues		
Intergovernmental-GDOT LMIG	$ 224,383	$ 324,590
Total Revenues	224,383	324,590
Expenditures		
Capital:		
Public works	229,665	859,622
Debt Service:		
Principal	-	27,929
Interest	-	569
Total Expenditures	229,665	888,120
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,282)	(563,530)
Other Financing Sources (Uses)		
Transfer in	5,282	563,530
Net Change in Fund Balance	-	-
Fund Balance, Beginning of Year	-	-
Fund Balance, End of Year	$ -	$ -

Glascock County, Georgia
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For The Year Ended December 31, 2019

Clerk of Court	Balance January 1, 2019	Additions	Deductions	Eliminations	Balance December 31, 2019
Assets					
Cash and cash equivalents	$ 15,811	$ 53,597	$ 48,636	$ 1,076	$ 19,696
Liabilities					
Interfund payable	$ -	$ 21,941	$ 20,865	$ 1,076	$ -
Due to others	15,811	31,656	27,771	-	19,696
Total Liabilities	$ 15,811	$ 53,597	$ 48,636	$ 1,076	$ 19,696

Probate Court	Balance January 1, 2019	Additions	Deductions	Eliminations	Balance December 31, 2019
Assets					
Cash and cash equivalents	$ 10,039	$ 74,121	$ 72,540	$ 4,595	$ 7,025
Liabilities					
Interfund payable	$ -	$ 55,589	$ 50,994	$ 4,595	$ -
Due to others	10,039	18,532	21,546	-	7,025
Total Liabilities	$ 10,039	$ 74,121	$ 72,540	$ 4,595	$ 7,025

Sheriff	Balance January 1, 2019	Additions	Deductions	Eliminations	Balance December 31, 2019
Assets					
Cash and cash equivalents	$ 2,285	$ 12,145	$ 13,805	$ -	625
Liabilities					
Interfund payable	$ -	$ 4,490	$ 4,490	$ -	-
Due to others	2,285	7,655	9,315	-	625
Total Liabilities	$ 2,285	$ 12,145	$ 13,805	$ -	625

(continued)

Glascock County, Georgia
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For The Year Ended December 31, 2019

(continued)

Tax Commissioner	Balance January 1, 2019	Additions	Deductions	Eliminations	Balance December 31, 2019
Assets					
Cash and cash equivalents	$ 81,798	$ 4,245,491	$ 3,687,468	$ 196,252	$ 443,569
Liabilities					
Interfund payable	$ -	$ 1,556,669	$ 1,360,417	$ 196,252	$ -
Due to others	81,798	2,688,822	2,327,051	-	443,569
Total Liabilities	$ 81,798	$ 4,245,491	$ 3,687,468	$ 196,252	$ 443,569

Magistrate Court	Balance January 1, 2019	Additions	Deductions	Eliminations	Balance December 31, 2019
Assets					
Cash and cash equivalents	$ 2,371	$ 19,053	$ 19,255	$ 160	$ 2,009
Liabilities					
Interfund payable	$ -	$ 3,682	$ 3,522	$ 160	$ -
Due to others	2,371	15,371	15,733	-	2,009
Total Liabilities	$ 2,371	$ 19,053	$ 19,255	$ 160	$ 2,009

Total	Balance January 1, 2019	Additions	Deductions	Eliminations	Balance December 31, 2019
Assets					
Cash and cash equivalents	$ 112,304	$ 4,404,407	$ 3,841,704	$ 202,083	$ 472,924
Liabilities					
Interfund payable	$ -	$ 1,642,371	$ 1,440,288	$ 202,083	$ -
Due to others	112,304	2,762,036	2,401,416	-	472,924
Total Liabilities	$ 112,304	$ 4,404,407	$ 3,841,704	$ 202,083	$ 472,924

Glascock County, Georgia
Schedule of Projects Funded
For the Year Ended December 31, 2019

	Original Estimated Cost	Revised Estimated Cost	Expenditures			Estimated Percent Completed
			Prior Years	Current Year	Total	
Special Sales Tax Imposed						
2015 - 2020						
Capital improvements for County Sheriff department and other						
County offices, water and sewer projects in the Cities						
Construction costs -						
All projects (undesignated)	$ 1,850,000	$ 1,568,338	$ 289,644	$ 4,164	$ 293,808	19%
General:						
Vehicles and equipment	-	1,000	804	-	804	80%
Public safety:						
Vehicles and equipment **	-	170,000	68,435	3,495	71,930	42%
Debt service - principal	-	100,000	32,011	33,315	65,326	65%
Debt service - interest	-	6,162	3,365	2,060	5,425	88%
Public works:						
Vehicles and equipment	-	2,200	2,120	-	2,120	96%
Culture and recreation:						
Vehicles and equipment	-	2,300	2,250	-	2,250	98%
Intergovernmental						
City of Gibson	50,000	50,000	50,000	-	50,000	100%
City of Edgehill	50,000	50,000	50,000	-	50,000	100%
Town of Mitchell	50,000	50,000	50,000	-	50,000	100%
TOTALS	$ 2,000,000	$ 2,000,000	$ 548,629	$ 43,034	$ 591,663	

** - For assets acquired through capital leases, capital acquisition costs are netted with obligations incurred and expenditures are recognized as debt service payments are made.

Glascock County, Georgia
SECTION 5311 TRANSPORTATION PROGRAM
STATEMENT OF REVENUES AND EXPENDITURES
For the Year Ended December 31, 2019

	Program # MTG00-T006253 01/01/19 to 06/30/19	Program # MTG00-T006344 07/01/19 to 12/31/19	Totals
REVENUES			
Reimbursements received from Georgia Department of Transportation	$ 22,173	$ 20,302	$ 42,475
Other program income	2,417	2,802	5,219
Total	24,590	23,104	47,694
EXPENDITURES			
Salaries and fringe benefits	27,235	26,908	54,143
Fuel and operational supplies	6,108	7,135	13,243
Vehicle maintenance	6,668	6,175	12,843
General insurance	2,000	-	2,000
Utilities	3,922	2,128	6,050
Miscellaneous	831	1,044	1,875
Total	46,764	43,390	90,154
Revenues in Excess of (less than) Expenditures	$ (22,174)	$ (20,286)	$ (42,460)

* * The revenues and expenditures listed above are the amounts on the monthly reimbursement requests for the periods shown. In some instances, these amounts will exceed the amounts shown in the departmental accounts. This is due to the fact that all expenditures are not departmentalized according to their purpose.

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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 of Glascock County
Gibson, 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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Glascock County, Georgia, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Glascock County, Georgia's basic financial statements, and have issued our report thereon dated April 30, 2020. We did not audit the financial statements of the Glascock County Health Department, a discretely presented component unit, whose statements reflect 12.3 percent of total assets, (16.7) percent of total net position and 100 percent of total revenues of the aggregate discretely presented component units for the year ended June 30, 2019. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it related to the amounts included for the Glascock County Health Department, is based on the report of other auditors.

Internal Control Over Financial Reporting

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

schedule of findings and responses, we identified a certain deficiency in internal control that we consider to be a material weakness.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying schedule of findings and responses as item 2019-1 to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Glascock County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and responses as item 2019-2.

Glascock County, Georgia's Responses to Findings

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

Purpose of this Report

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

Jones, Jones, Davis & Associates

Louisville, Georgia
April 30, 2020

SCHEDULE OF FINDINGS AND RESPONSES
For the Year Ended December 31, 2019

Findings - Financial Statement Audit

2019-1 Absence of Optimum Level of Segregation of Duties

Condition: There is not adequate segregation of duties between the recording, processing, distribution and reconciliation of cash accounts and other operational functions in the various funds, departments, and offices maintained by the County.

Criteria: A properly designed and effective system of internal control requires that there are a sufficient number of properly trained, skilled personnel to be able to segregate duties and responsibilities among personnel so that individuals initiating, verifying, reviewing, approving, recording or processing financial transactions are not performed by the same individual.

Effect: Errors, intentional or otherwise, and fraud could occur in the processing of financial transactions and the preparation of financial statements.

Cause: The material weakness is the result of the County not having sufficient personnel to provide an optimum level of appropriate segregation of duties and responsibilities between recording, processing, distribution and reconciliation of cash accounts and other operational functions in the various funds, departments, and offices maintained by the County.

Recommendation: The County should require reconciliations of all bank accounts maintained by the County to be performed by someone independent of the cash receipting and check disbursement functions. All adjusting journal entries made to cash accounts should be made monthly and approved by management and indication of approval should be noted on the records. Additionally, the County should continue to monitor this situation and use alternative control measures where available to assist in safeguarding the County's assets.

Management's Response: Management concurs with the finding, but due to the limited number of personnel, we have determined that it is not cost effective to fully segregate duties. The County will continue to evaluate the costs and related benefits of adding additional personnel to alleviate this problem. Management has implemented compensating controls to the extent practical to include management supervision and review of employees' duties to assist in safeguarding the County's assets.

SCHEDULE OF FINDINGS AND RESPONSES
For the Year Ended December 31, 2019

Findings - Compliance

2019-2 Inadequate Pledging of Public Funds

Condition: Adequate funds were not pledged against the County's deposits by banking institutions holding County funds.

Criteria: State law requires that all public funds have adequate collateral pledged for all amounts on deposit in excess of FDIC insurance coverage.

Effect: Insufficient pledging of collateral could cause a loss of taxpayer funds in the event of a bank's failure.

Cause: The noncompliance is the result of the County not having adequate funds pledged against the County's deposits by banking institutions holding County funds.

Recommendation: We recommend all banking institutions used by the County be required to provide periodic reports of collateral pledged to cover deposits of the County's funds in excess of FDIC coverage.

Management's Response: Management concurs with the finding. Management will require adequate pledging by financial institutions holding County funds.