MACON COUNTY, GEORGIA

FINANCIAL REPORT

FOR THE YEAR ENDED
JUNE 30, 2020

MACON COUNTY, GEORGIA

FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2020

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FINANCIAL SECTION

MAULDIN & JENKINS
CPAs & ADVISORS

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
of Macon County, Georgia
Oglethorpe, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of **Macon County, Georgia** (the "County"), as of and for the year ended June 30, 2020, 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 Macon County Department of Public Health (the "Health Department"), whose statements reflect total assets and deferred outflows of resources of $398,951 as of June 30, 2020, and total revenues of $449,252 for the year ended June 30, 2020. 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 Health Department, is based solely on the report of the other auditor. 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 the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund, 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 Management's Discussion and Analysis (on pages 4 through 9) 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual nonmajor fund financial statements and schedules, the Community Development Block Grant project cost schedule, and the schedule of expenditures of special purpose local option sales tax proceeds, as required by the Official Code of Georgia Annotated ("O.C.G.A.") § 48-8-121, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules, the Community Development Block Grant project cost schedule, and the schedule of expenditures of special purpose local option sales tax proceeds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules, the Community Development Block Grant project cost schedule, and the schedule of expenditures of special purpose local option sales tax proceeds 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 March 29, 2021, on our consideration of the 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 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 Macon County, Georgia's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Macon, Georgia
March 29, 2021

MACON COUNTY, GEORGIA

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Our Management's Discussion and Analysis ("MD&A") of Macon County, Georgia's (the "County") financial performance provides an overview of the County's financial activities for the fiscal year ended June 30, 2020. Please read it in conjunction with the County's financial statements.

Using This Annual Report

This report consists of a series of financial statements. The County's basic financial statements are comprised of three components: 1) *Government-wide financial statements*, 2) *Fund financial statements*, and 3) *Notes to the financial statements. Government-wide statements* provide information about the County as a whole and present a broad overview of County finances presented through a Statement of Net Position and a Statement of Activities. *Fund financial statements* provide information that is more detailed than that reported in the government-wide financial statements. The remaining *Notes to the financial statements* provide additional information concerning the County's finances that are not disclosed in the Government-wide or the Fund financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

One of the most important questions asked about the County's finances is "Is the County, as a whole, better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the County as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities and use accounting methods similar to those used by private-sector companies.

These two statements report the County's net position and changes in net position. One can think of the County's net position – the difference between assets and liabilities – as one way to measure the County's financial health, or financial position. Over time, increases or decreases in the County's net position is an indicator of whether the County's financial health is improving or deteriorating. Net position is reported in three categories: 1) net investment in capital assets (net of related debt), 2) restricted, and 3) unrestricted. In the Statement of Activities, financial information on all revenues and expenses is reported, as is the change in net position.

In the Statement of Net Position and the Statement of Activities, we divide the County into the following three kinds of activities:

Governmental activities – Most of the County's basic services are reported here, including public works, public safety, judicial, health, welfare, and general administration. Property taxes, fees, and court fines finance most of these activities.

Business-type activities – The County's solid waste operations are reported here. These business-type activities were financed in whole, or in part, by user charges including landfill tipping fees. The only activity taking place in the business-type activities of the County is post-closure care since the County's landfill closed in 1997.

Component units – The County includes two separate legal entities – the Development Authority of Macon County and the Macon County Department of Public Health – in its financial statements. Although legally separate, these "component units" are important because the County is financially accountable for them. Complete financial statements of the individual component units can be obtained from their respective administrative offices. Additional information about the County's component units is presented in the notes to the financial statements.

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds – not the County as a whole. Some funds are required to be established by State law. Other funds are established by the Board of Commissioners to help it control and manage money for particular purposes or to show that the County is meeting legal responsibilities for using certain taxes, grants, and other money. All the County's funds are divided into three categories – governmental, proprietary, and fiduciary.

Governmental funds – Most of the County's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds provide information on the current assets and liabilities of the funds, changes in current financial resources (revenues and expenditures), and current available resources. The governmental funds' statements provide a detailed short-term view of the County's general governmental operations and the basic services it provides. Governmental fund information helps one determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the County's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for three major governmental funds namely, the General Fund, 2016 Capital Special Purpose Local Option Sales Tax ("SPLOST") Projects Funds and the Transportation Special Purpose Local Option Sales Tax ("T-SPLOST") Fund. Data from the other non-major governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Proprietary funds – The County maintains one type of proprietary fund, an enterprise fund. An enterprise fund is used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses an enterprise fund to account for its closed solid waste operations. The proprietary fund's financial statements provide information on all assets and liabilities of the fund, changes in the economic resources (revenues and expenses), and total economic resources. For the proprietary fund, a statement of net position; a statement of revenues, expenses, and changes in fund net position; and a statement of cash flows are presented. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. Specifically, the County's proprietary fund financial statements provide information for the solid waste operations, which is considered a major fund.

Fiduciary funds – The County is the trustee, or fiduciary, for numerous resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because these resources are not available to support the County's own programs. It is the County's responsibility to ensure that the resources reported in these funds are used for their intended purposes. The accounting used for fiduciary funds is similar to that used for proprietary funds. A statement of fiduciary assets and liabilities is presented for the County's agency funds.

Notes to the Financial Statements – In addition to the government-wide and fund financial statements, this report also provides various types of supplementary information in the notes to the financial statements. These notes provide additional information essential to a full understanding of the basic financial statements. Other required supplementary information, including information about the accounting practices of the County, investments of the County, and the pension plan are some of the items included in the notes to the financial statements.

Financial Highlights – For fiscal year 2020, the County's governmental funds reported combined fund balances totaling $10,828,975; an increase of $1,176,578. Approximately 36.06% ($3.9 million) of the combined fund balances for governmental funds is available for spending. The remaining 63.94% ($6.9 million) is reserved in non-major special revenue funds or reserved for construction.

The following is condensed information from the government-wide perspective:

	Governmental Activities		Business-type Activities		Total	Total
	2020	2019	2020	2019	2020	2019
Current and other assets	**$ 11,415,263**	$ 10,353,869	**$ 538,358**	$ 570,206	**$ 11,953,621**	$ 10,924,075
Capital Assets	**12,132,642**	11,783,758	**-**	-	**12,132,642**	11,783,758
Total Assets	**23,547,905**	22,137,627	**538,358**	570,206	**24,086,263**	22,707,833
Long-term liabilities	**741,707**	629,215	**523,064**	491,636	**1,264,771**	1,120,851
Other liabilities	**586,288**	877,123	**-**	22,180	**586,288**	899,303
Total liabilities	**1,327,995**	1,506,338	**523,064**	513,816	**1,851,059**	2,020,154
Net Position:						
Net investment in capital assets	**11,994,691**	11,580,151	**-**	-	**11,994,691**	11,580,151
Restricted	**6,923,755**	5,887,916	**-**	-	**6,923,755**	5,887,916
Unrestricted	**3,301,464**	3,163,222	**15,294**	56,390	**3,316,758**	3,219,612
Total Net Position	**$ 22,219,910**	$ 20,631,289	**$ 15,294**	$ 56,390	**$ 22,235,204**	$ 20,687,679

	Governmental Activities		Business-type Activities		Total	Total
	2020	2019	2020	2019	2020	2019
Revenues						
Program revenues:						
Charges for services	$ 1,340,755	$ 1,686,949	$ -	$ -	$ 1,340,755	$ 1,686,949
Operating grants and contributions	9,203	9,151	-	-	9,203	9,151
Capital grants and contributions	790,020	616,613	-	-	790,020	616,613
General revenues:						
Property Taxes	4,301,284	4,180,922	-	-	4,301,284	4,180,922
Sales taxes	3,236,650	2,782,317	-	-	3,236,650	2,782,317
Other taxes	624,158	608,124	-	-	624,158	608,124
Unrestricted investment earnings	52,026	8,342	3,518	3,855	55,544	12,197
Gain on sale of capital assets	53,436	56,758	-	-	53,436	56,758
Total Revenues	10,407,532	9,949,176	3,518	3,855	10,411,050	9,953,031
Expenses:						
General Government	1,557,012	1,644,379	-	-	1,557,012	1,468,031
Judicial	588,348	680,713	-	-	588,348	680,713
Public Safety	1,846,139	1,622,058	-	-	1,846,139	1,622,058
Public Works	2,613,032	3,024,429	-	-	2,613,032	3,200,777
Health and Welfare	1,207,907	1,386,510	-	-	1,207,907	1,386,510
Culture and recreation	505,610	566,484	-	-	505,610	566,484
Conservation and Development	374,986	249,967	-	-	374,986	249,967
Economic Development	124,228	93,059	-	-	124,228	93,059
Solid Waste Disposal	-	-	44,614	36,686	44,614	36,686
Interest in long term debt	1,649	2,408	-	-	1,649	2,408
Total expenditures	8,818,911	9,270,007	44,614	36,686	8,863,525	9,306,693
Increase(decrease) in net assets	1,588,621	679,169	(41,096)	(32,831)	1,547,525	646,338
Net position -beginning	20,631,289	19,952,120	56,390	89,221	20,687,679	20,041,341
Net position-ending	$ 22,219,910	$ 20,631,289	$ 15,294	$ 56,390	$ 22,235,204	$ 20,687,679

Financial Information

Major Governmental Funds

General Fund – The central operating fund for the County, the General Fund, is used to account for all governmental financial resources not restricted by state or federal laws, local ordinances or other externally imposed requirements. At the end of fiscal year 2020, total assets were $4,491,151 and total liabilities were $585,931. The ending fund balance of $3,905,220 represents 57.48% of expenditures and transfers for the year. The ending fund balance is unassigned. In assessing the County's financial health, unassigned fund balance may serve as a useful measure of net resources available for spending at the end of the fiscal year. Total governmental funds revenues for fiscal year 2020, $10,354,096, exceeded the total government funds expenditures of $9,230,954 by $1,123,142. During fiscal year 2020, General Fund revenues for the year, $6,891,594, were greater than the original budget projected by 4%. Taxes comprised 80.25% of the General Fund's revenue stream in fiscal year 2020. Total General Fund expenditures for fiscal year 2020 were $6,793,335, 95.47% of the final amended budget.

During fiscal year 2020, there were no funds transferred in or out of the General Fund. Funds budgeted to be transferred in were not needed. Other financing sources included $53,436 which was generated from the sale of capital assets.

Transportation Special Purpose Local Option Sales Tax Fund ("T-SPLOST") is a major capital projects fund used to account for the use of SPLOST levied in 2013 for the specific purpose of maintaining and improving the state and county road network. 75% of the funds generated go directly to the state for two major projects for the County. The remaining 25% is accounted for in this fund by the County and is designated for transportation related expenditures including improvements to roads, bridges, road department operating cost and the purchase of equipment. Revenues for fiscal year 2020 were $1,377,723; expenditures were $719,994, resulting in an end of year fund balance of $3,379,697.

2016 Capital Projects Fund is a major capital project fund used to account for the use of SPLOST levied in 2016 for the purpose of maintaining and improving the County's road network, technology upgrades in various County offices, to make facility and building improvements to the Jail, Courthouse, Whitewater Creek Park and Recreation, capital equipment and vehicle purchases for Public Works Department, Sheriff's Department, Emergency Medical Service, Fire Department, Recreation Department, Whitewater Creek Park and Maintenance Shop office and to construct a recreation facility. Revenues for fiscal year 2020 were $1,254,003 and expenditures including intergovernmental transfers were $832,616, resulting in an end of year fund balance of $1,762,735.

Non-Major Governmental Funds is a summary of non-major special revenue funds and non-major capital project funds. Special revenues are derived from the Law Library, Law Enforcement fines and activities, Jail fines, CDBG grants, and County managed loan funds. The non-major capital funds include funds from SPLOST proceeds levied prior to 2016, LMIG, and building and infrastructure for Whitewater Creek Park. Non-major governmental fund revenues for the fiscal year 2020 were $830,776 and expenditures were $885,009 resulting in an end of year fund balance of $1,781,323. The increase in this balance is attributable to the inclusion of the 2010 SPLOST and the LMIG fund, which were major funds in the prior year.

Major Proprietary Funds

Landfill Enterprise Fund – This fund is the County's only Proprietary Fund and is used to account for the sanitary landfill in compliance with state and federal requirements. The landfill has been closed since June 1997. Total assets were $636,093 and total liabilities were $620,799 at the end of fiscal year 2020. Expenses from post-closure cost resulted in a $41,096 decrease to the net position of the fund.

Capital Assets and Debt Administration

Capital Assets – In fiscal year 2020, investments in capital assets for governmental activities increased $348,884 (net of accumulated depreciation). At year-end, the closed landfill had no capital assets. Governmental activities capital investment amounts to $12,132,642. During the year, the County made expenditures of $1,045,862 primarily from funds collected from prior year (2010) SPLOST, the new SPLOST levy in 2016, T-SPLOST and funds from the Georgia Department of Transportation LMIG for equipment purchases and road and building improvements.

Debt Management – In 2016, the County entered into an agreement with the USDA for a note of $110,000 which changed its status from being totally debt free. The ending balance on the note as of June 30, 2020 is $24,623. The note is payable through 2021 but can be paid off early without penalty. The other long-term debts consist of compensated absences, post-closure care costs for the closed landfill and financed purchases of $113,327 that the County entered into for the purchase of equipment. The combined long-term debt of the governmental activities is $741,706. For more information on the capital assets and long-term debt, please refer to the notes to the financial statements.

Requests for Information

This report is designed to provide a general overview of Macon County, Georgia's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Roselyn Starling, Deputy County Manager/Chief Financial Officer.

MACON COUNTY, GEORGIA

STATEMENT OF NET POSITION
JUNE 30, 2020

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Development Authority	Health Department
ASSETS					
Cash and cash equivalents	$ 10,121,589	$ -	$ 10,121,589	$ 193,498	$ 306,487
Investments	375,000	636,093	1,011,093	-	-
Taxes receivable	44,368	-	44,368	-	-
Accounts receivable, net of allowances	25,809	-	25,809	-	-
Notes receivable	437,042	-	437,042	34,557	-
Internal balances	97,735	(97,735)	-	-	-
Due from other governments	313,720	-	313,720	750	6,384
Net OPEB asset	-	-	-	-	24,770
Capital assets, non-depreciable	1,845,339	-	1,845,339	50,524	-
Capital assets, depreciable, net of accumulated depreciation	10,287,303	-	10,287,303	82,125	-
Total assets	23,547,905	538,358	24,086,263	361,454	337,641
DEFERRED OUTFLOWS OF RESOURCES					
Pension and OPEB items	-	-	-	-	61,310
LIABILITIES					
Accounts payable	370,486	-	370,486	598	-
Accrued salaries	115,802	-	115,802	1,020	-
Due to other governments	100,000	-	100,000	-	-
Compensated absences due within one year	65,329	-	65,329	-	-
Compensated absences due in more than one year	83,937	-	83,937	-	20,773
Financed purchase due within one year	43,199		43,199		
Financed purchase due in more than one year	70,128		70,128		
Net pension liability	-	-	-	-	182,888
Net OPEB liability	-	-	-	-	47,034
Note payable due within one year	24,624	-	24,624	-	-
Accrued closure/post-closure care costs due within one year	-	22,180	22,180	-	-
Accrued closure/post-closure care costs due in more than one year	454,490	500,884	955,374	-	-
Total liabilities	1,327,995	523,064	1,851,059	1,618	250,695
DEFERRED INFLOWS OF RESOURCES					
Pension and OPEB items	-	-	-	-	83,280
NET POSITION					
Net investment in capital assets	11,994,691	-	11,994,691	132,649	-
Restricted for:					
Capital improvements	5,976,192	-	5,976,192	-	-
Judicial programs	12,895	-	12,895	-	-
Public safety	175,968	-	175,968	-	-
Health and welfare	103,404	-	103,404	-	-
Conservation and development	655,296	-	655,296	-	-
Programs	-	-	-	-	198,544
Unrestricted	3,301,464	15,294	3,316,758	227,187	(133,568)
Total net position	$ 22,219,910	$ 15,294	$ 22,235,204	$ 359,836	$ 64,976

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

MACON COUNTY, GEORGIA

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	$ 1,557,012	$ 313,147	$ 1,233	$ 2,590
Judicial	588,348	180,636	-	-
Public safety	1,846,139	491,837	7,970	-
Public works	2,613,032	227,912	-	1,212,731
Health and welfare	1,207,907	-	-	-
Culture and recreation	505,610	-	-	257,983
Conservation and development	374,986	127,223	-	-
Economic development	124,228	-	-	-
Interest on long-term debt	1,649	-	-	-
Total governmental activities	8,818,911	1,340,755	9,203	1,473,304
Business-type activities:				
Solid waste disposal	44,614	-	-	-
Total business-type activities	44,614	-	-	-
Total primary government	$ 8,863,525	$ 1,340,755	$ 9,203	$ 1,473,304
Component units:				
Development Authority	$ 227,093	$ 26,400	$ 161,606	$ -
Health Department	455,391	113,934	335,318	-
Total component units	$ 682,484	$ 140,334	$ 496,924	$ -
General revenues:				
Property taxes				
Sales taxes				
Alcoholic beverage taxes				
Insurance premium taxes				
Franchise taxes				
Other taxes				
Unrestricted investment earnings				
Gain on sale of capital assets				
Total general revenues				
Change in net position				
Net position, beginning of year				
Net position, end of year				

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

Net (Expense) Revenue and Changes in Net Position					
				Component Units	
Governmental Activities	Business-type Activities	Total	Development Authority	Health Department
$ (1,240,042)	$ -	$ (1,240,042)	$ -	$ -
(407,712)	-	(407,712)	-	-
(1,346,332)	-	(1,346,332)	-	-
(1,172,389)	-	(1,172,389)	-	-
(1,207,907)	-	(1,207,907)	-	-
(247,627)	-	(247,627)	-	-
(247,763)	-	(247,763)	-	-
(124,228)	-	(124,228)	-	-
(1,649)	-	(1,649)	-	-
(5,995,649)	-	(5,995,649)	-	-
-	(44,614)	(44,614)	-	-
-	(44,614)	(44,614)	-	-
(5,995,649)	(44,614)	(6,040,263)	-	-
-	-	-	(39,087)	-
-	-	-	-	(6,139)
-	-	-	(39,087)	(6,139)
4,301,284	-	4,301,284	-	-
2,553,366	-	2,553,366	-	-
30,916	-	30,916	-	-
553,043	-	553,043	-	-
96	-	96	-	-
40,103	-	40,103	-	-
52,026	3,518	55,544	3,372	-
53,436	-	53,436	-	-
7,584,270	3,518	7,587,788	3,372	-
1,588,621	(41,096)	1,547,525	(35,715)	(6,139)
20,631,289	56,390	20,687,679	395,551	71,115
$ 22,219,910	$ 15,294	$ 22,235,204	$ 359,836	$ 64,976

MACON COUNTY, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2020

	General	T-SPLOST	2016 SPLOST	Nonmajor Governmental Funds	Total
ASSETS					
Cash and cash equivalents	$ 3,566,088	$ 3,497,751	$ 1,713,012	$ 1,344,738	$ 10,121,589
Investments	375,000	-	-	-	375,000
Taxes receivable	44,368	-	-	-	44,368
Accounts receivable	25,809	-	-	-	25,809
Notes receivable	-	-	-	437,042	437,042
Due from other governments	190,219	62,944	60,557	-	313,720
Due from other funds	289,667	-	-	358	290,025
Total assets	$ 4,491,151	$ 3,560,695	$ 1,773,569	$ 1,782,138	$ 11,607,553
LIABILITIES					
Accounts and contracts payable	$ 370,129	$ -	$ -	$ 357	$ 370,486
Accrued liabilities	115,802	-	-	-	115,802
Due to other governments	100,000	-	-	-	100,000
Due to other funds	-	180,998	10,834	458	192,290
Total liabilities	585,931	180,998	10,834	815	778,578
FUND BALANCES					
Nonspendable - long-term notes receivable	-	-	-	17,865	17,865
Restricted for:					
Capital improvements	-	3,379,697	1,762,735	833,760	5,976,192
Judicial programs	-	-	-	12,895	12,895
Public safety	-	-	-	175,968	175,968
Health and welfare	-	-	-	103,404	103,404
Conservation and development	-	-	-	637,431	637,431
Unassigned	3,905,220	-	-	-	3,905,220
Total fund balances	3,905,220	3,379,697	1,762,735	1,781,323	10,828,975
Total liabilities and fund balances	$ 4,491,151	$ 3,560,695	$ 1,773,569	$ 1,782,138	
Amounts reported for governmental activities in the statement of net position are different because:					
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.					12,132,642
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.					
Notes payable from direct borrowings					(24,624)
Finance purchases from direct borrowings					(113,327)
Compensated absences					(149,266)
Closure/post-closure care costs					(454,490)
Net position of governmental activities					$ 22,219,910

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

MACON COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	General	T-SPLOST	2016 SPLOST	Nonmajor Governmental Funds	Total
Revenues					
Property taxes	$ 4,301,284	$ -	$ -	$ -	$ 4,301,284
Sales taxes	605,046	694,439	-	-	1,299,485
Other taxes	624,158	-	-	-	624,158
Licenses and permits	52,231	-	-	-	52,231
Intergovernmental	11,793	433,284	1,253,881	787,280	2,486,238
Charges for services	1,088,099	-	-	-	1,088,099
Fines and forfeitures	74,939	-	-	30,610	105,549
Investment income	39,168	-	122	12,886	52,176
Other revenues	94,876	250,000	-	-	344,876
Total revenues	6,891,594	1,377,723	1,254,003	830,776	10,354,096
Expenditures					
Current:					
General government	1,473,287	-	8,859	-	1,482,146
Judicial	584,220	-	-	1,093	585,313
Public safety	1,549,149	-	10,626	-	1,559,775
Public works	1,273,871	-	-	-	1,273,871
Health and welfare	1,185,987	-	-	-	1,185,987
Culture and recreation	404,385	-	25,965	-	430,350
Conservation and development	130,903	-	-	240,714	371,617
Economic development	124,228	-	-	-	124,228
Intergovernmental	-	-	569,725	-	569,725
Debt service					
Principal	65,656	-	-	-	65,656
Interest	1,649	-	-	-	1,649
Capital outlay	-	719,994	217,441	643,202	1,580,637
Total expenditures	6,793,335	719,994	832,616	885,009	9,230,954
Excess (deficiency) of revenues over (under) expenditures	98,259	657,729	421,387	(54,233)	1,123,142
Other financing sources					
Proceeds from sale of capital assets	53,436	-	-	-	53,436
Total other financing sources	53,436	-	-	-	53,436
Net change in fund balances	151,695	657,729	421,387	(54,233)	1,176,578
Fund balance, beginning of year	3,753,525	2,721,968	1,341,348	1,835,556	9,652,397
Fund balance, end of year	$ 3,905,220	$ 3,379,697	$ 1,762,735	$ 1,781,323	$ 10,828,975

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

MACON COUNTY, GEORGIA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds		$ 1,176,578
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.		
Capital outlay		1,045,862
Depreciation		(696,978)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Notes payable - principal payments	$ 22,457	
Financed purchases - principal payments	43,199	65,656
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Change in:		
Closure/post-closure care costs		(8,037)
Compensated absences		5,540
Change in net position		$ 1,588,621

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

MACON COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
Revenues				
Property taxes	$ 4,046,100	$ 4,196,100	$ 4,301,284	$ 105,184
Sales taxes	484,996	484,996	605,046	120,050
Other taxes	691,400	691,400	624,158	(67,242)
Licenses and permits	57,450	57,450	52,231	(5,219)
Intergovernmental	9,170	9,170	11,793	2,623
Charges for services	1,179,700	1,179,700	1,088,099	(91,601)
Fines and forfeitures	60,500	60,500	74,939	14,439
Investment income	500	500	39,168	38,668
Other revenues	90,764	90,764	94,876	4,112
Total revenues	6,620,580	6,770,580	6,891,594	121,014
Expenditures				
Current:				
General government:				
County commissioners	785,764	744,364	732,948	11,416
Board of elections	93,812	102,962	98,436	4,526
Tax commissioner	198,219	203,669	203,310	359
Tax assessor	239,890	209,890	195,391	14,499
Public buildings	191,247	215,247	208,180	7,067
Board of equalization	2,200	2,200	1,896	304
County attorney	19,542	28,042	27,912	130
Governmental offices	7,500	7,500	5,214	2,286
Total general government	1,538,174	1,513,874	1,473,287	40,587
Judicial:				
Superior court	42,983	49,183	46,713	2,470
Clerk of superior court	200,293	185,293	168,674	16,619
Magistrate court	78,382	73,182	70,413	2,769
Probate court	152,322	152,322	150,973	1,349
Juvenile court	28,018	28,018	26,179	1,839
Public defender	97,592	97,592	90,268	7,324
District attorney	31,000	31,000	31,000	-
Total judicial	630,590	616,590	584,220	32,370
Public safety:				
Sheriff	834,319	834,319	732,229	102,090
Fire	96,250	115,450	115,101	349
Jail	648,267	648,267	588,163	60,104
E911	62,320	62,320	62,318	2
Civil defense	22,245	29,245	29,079	166
Coroner	19,830	22,630	22,259	371
Total public safety	1,683,231	1,712,231	1,549,149	163,082

(Continued)

MACON COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL GENERAL FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
Expenditures (Continued)				
Current (Continued):				
Public works:				
Highways and streets	$ 920,192	$ 940,092	$ 931,122	$ 8,970
Waste collection	228,000	239,250	239,221	29
Motor vehicle maintenance	144,601	108,101	103,528	4,573
Total public works	1,292,793	1,287,443	1,273,871	13,572
Health and welfare:				
Physical health	90,928	90,928	90,928	-
Ambulance services	934,925	1,073,925	1,051,094	22,831
DFACS	4,500	4,875	4,875	-
Literacy Council	36,690	36,690	36,690	-
Middle Flint Council on Aging	14,400	2,400	2,400	-
Total health and welfare	1,081,443	1,208,818	1,185,987	22,831
Culture and recreation:				
Recreation	244,236	229,586	213,470	16,116
Whitewater Creek Park	180,397	191,247	190,615	632
Library	300	300	300	-
Total culture and recreation	424,933	421,133	404,385	16,748
Conservation and development:				
County agent	64,456	64,456	49,951	14,505
Georgia Forestry Commission	14,457	14,457	14,232	225
Planning and zoning	3,650	3,650	1,345	2,305
Building inspection	65,220	65,595	65,375	220
Total conservation and development	147,783	148,158	130,903	17,255
Economic development:				
River Valley RC	7,328	7,328	7,328	-
Development Authority	92,000	132,700	116,900	15,800
Total economic development	99,328	140,028	124,228	15,800
Debt service:				
Principal	65,656	65,656	65,656	-
Interest	1,649	1,649	1,649	-
Total debt service	67,305	67,305	67,305	-
Total expenditures	6,965,580	7,115,580	6,793,335	322,245
Deficiency of revenues over expenditures	(345,000)	(345,000)	98,259	443,259
Other financing sources:				
Transfers in	150,000	150,000	-	(150,000)
Proceeds from sale of assets	45,000	45,000	53,436	8,436
Total other financing sources	195,000	195,000	53,436	(141,564)
Net change in fund balance	(150,000)	(150,000)	151,695	301,695
Fund balance, beginning of year	3,753,525	3,753,525	3,753,525	-
Fund balance, end of year	$ 3,603,525	$ 3,603,525	$ 3,905,220	$ 301,695

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

MACON COUNTY, GEORGIA

STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2020

	Solid Waste Disposal Fund
ASSETS	
Noncurrent assets:	
Investments	$ 636,093
Total assets	636,093
LIABILITIES	
Current liabilities:	
Due to other funds	97,735
Closure/post-closure care costs due within one year	22,180
Total current liabilities	119,915
Long-term liabilities:	
Closure/post-closure care costs due in more than one year	500,884
Total long-term liabilities	500,884
Total liabilities	620,799
NET POSITION	
Unrestricted	15,294
Total net position	$ 15,294

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

MACON COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Solid Waste Disposal Fund
OPERATING EXPENSES	
Post-closure care costs	$ 44,614
Total operating expenses	44,614
Operating loss	(44,614)
NON-OPERATING REVENUE	
Interest income	3,518
Total non-operating revenue	3,518
Change in net position	(41,096)
NET POSITION, beginning of year	56,390
NET POSITION, end of year	$ 15,294

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

MACON COUNTY, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Solid Waste Disposal Fund
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of investment	$ (636,093)
Maturity of investment	632,575
Interest on investments	3,518
Net cash provided by investing activities	-
Net change in cash and cash equivalents	-
Cash and cash equivalents:	
Beginning of year	-
End of year	$ -
Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	$ (44,614)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Increase in closure/post-closure payable	9,248
Increase in due to other funds	35,366
Net cash used in operating activities	$ -

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

MACON COUNTY, GEORGIA

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
JUNE 30, 2020

	Agency Funds
ASSETS	
Cash and cash equivalents	$ 453,750
Total assets	$ 453,750
LIABILITIES	
Due to other taxing units	$ 115,776
Due to state	44,774
Retirement payable	602
Funds held in escrow	211,216
Due to others	81,382
Total liabilities	$ 453,750

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The County is a political subdivision of the State of Georgia. The County is governed by an elected board of five County Commissioners, which is governed by State statutes and regulations, providing the following services as authorized by its charter: public safety, highways and streets, solid waste collections, health and social services, culture and recreation, court system, public improvements, and general administrative services.

As required by accounting principles generally accepted in the United States of America, the financial statements of the reporting entity include those of Macon County, Georgia (the "primary government") and its component units. The component units discussed below are included in the County's reporting entity because of the significance of their operational or financial relationship with the County. In conformity with accounting principles generally accepted in the United States of America, as set forth in GASB Statement No. 61, *The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 34*, the financial statements of the component units are discretely presented in the government-wide financial statements.

Discretely Presented Component Units

The Macon County Department of Public Health (the "Health Department") is governed by a seven-member board consisting of six members of the County's Board of Commissioners or members appointed by the County, and one member as appointed by the City of Montezuma. Although the County does not have the authority to modify or approve the Health Department's budget, the County provides financial support to the Health Department. The Health Department has a June 30th year-end and is presented as a governmental fund type component unit. The Health Department's financial statements can be obtained at the Health Department's administrative office in Oglethorpe, Georgia.

The Development Authority of Macon County (the "Authority") is governed by a nine-member board appointed by the Board of Commissioners of Macon County. Although the County does not have the authority to approve or modify the budget of the Authority, the County provides financial support to the Authority. The Authority has a June 30th year-end and is presented as a business-type component unit. Separate financial statements are not prepared for the Authority.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-wide and Fund Financial Statements

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

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

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

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and the fiduciary fund financial statements, except that agency funds have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, with the exception of grants which are recognized when all eligibility requirements are met. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes, franchise taxes, licenses, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the County.

The County reports the following major governmental funds:

The ***General Fund*** is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The ***T-SPLOST Fund*** is used to account for the costs associated with transportation projects such as highway rehabilitation. These improvements are financed by a special 1% sales tax.

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The ***2016 SPLOST Fund*** is used to account for costs associated with Capital Building and Technology improvements to the County's courthouse, Health Department, Government offices, recreation buildings, and county jail. Also for the equipment purchase for the public works department, sheriff's department and emergency management services. These improvements are financed by a special 1% sales tax.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

The County reports the following major proprietary fund:

The ***Solid Waste Disposal Enterprise Fund*** is used to account for the costs associated with the now closed Macon County Landfill.

Additionally, the County reports the following fund types:

The ***Special Revenue Funds*** account for revenue sources that are legally restricted to expenditures for specific purposes.

The ***Capital Project Funds*** account for the acquisition of capital assets and construction or improvement of major capital projects such as construction of new roads.

The ***Agency Funds*** account for the collection and disbursement of monies by the County on behalf of other governments and individuals, such as cash bonds, traffic fines, support payments, and ad valorem and property taxes.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the County's solid waste function and various other functions of the County. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *program revenues* include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the enterprise fund is charges to customers for sales and services provided. Operating expenses for the enterprise fund include the cost of post-closure care. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Budgets and Budgetary Accounting

An operating budget is legally adopted each fiscal year for all governmental funds except capital project funds. Capital project funds use project-length budgets. The level of control (the level at which expenditures may not legally exceed appropriations) for each legally adopted annual budget is the department level. Supplemental appropriations out of the County's General Fund contingency account may be made by the Board of Commissioners to fund unforeseen expenditures within the County's governmental funds at any time during the year. Budgets are adopted on a basis consistent with GAAP.

All final budget amounts presented in the accompanying financial statements and supplementary data have been adjusted for legally authorized revisions of the annual budget during the year. Individual amendments were not material in relation to the original appropriations. The Board of Commissioners must approve any department level changes to a previously adopted budget. Management may amend the budget without seeking the approval of the Board of Commissioners at any level below the department level. All unexpended appropriations provided in the annual budget lapse at year-end. The annual budget cycle begins in March of the preceding year when budget workbooks are distributed to each department. The Board advertises and conducts public hearings on the proposed budget in adherence to local ordinance and state law and adopts a final budget by June 30th.

E. Cash and Investments

The County's cash is considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the County to invest in obligations of the United States and of its agencies, instrumentalities and political subdivisions, certificates of deposit of national or state banks that are fully insured or collateralized by United States obligations, repurchase agreements and the local government investment pool, Georgia Fund 1. Investments are stated at fair value based on quoted market prices.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Interfund Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year as well as all other outstanding balances between funds are reported as “due to/from other funds”. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.

G. Prepaid Items

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

H. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of $5,000. Such assets are recorded at their acquisition value or estimated historical cost if purchased or constructed. In the case of the initial capitalization of general infrastructure assets, the County was not required to report major general infrastructure assets prior to fiscal year 2004, but began reporting general infrastructure as of June 30, 2003. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend useful lives are expensed as incurred. Major outlays for capital improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets is included as part of the capitalized value of assets constructed.

Capital assets of the primary government are depreciated using the straight-line method over the following useful lives:

Asset Category	Years
Plant and buildings	25 – 50
Land improvements	15 – 30
Infrastructure	15 – 30
Vehicles and equipment	3 – 20

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the County does not have a policy to pay any amount when employees separate from service with the County. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations or retirements.

J. Deferred Inflows/Outflows of Resources

Deferred outflows of resources represent a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has no items that qualify for reporting in this category at June 30, 2020.

Deferred inflows of resources represent an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has no items that qualify for reporting in this category at June 30, 2020.

K. Fund Equity

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

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

- ***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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Fund Equity (Continued)

Fund Balance (Continued)

- ***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 Board of Commissioners, the County's highest level of decision making authority, through the adoption of a resolution. Only the Board of Commissioners 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. Under the County's policy, amounts may be assigned by the Board of Commissioners or the County Manager.

- ***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 balance may be reported in all funds.

The County's policy establishes minimum levels of fund balance to be committed to a Rainy Day Stabilization category. The General Fund is to have a target level based on the County's general operating expenditures. The fund balance target for the General Fund shall not be less than 25% of regular General Fund operating revenues or regular General Fund operating expenditures. These amounts will be classified as committed. At June 30, 2020, the Board of Commissioners had not taken any action to commit any amounts to a Rainy Day Stabilization category.

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: 1) committed, 2) assigned, and 3) unassigned.

Net Position – Net position represents the difference between assets and liabilities in reporting which utilizes the economic resources measurement focus. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e., the amount that the County has spent) for the acquisition, construction or improvement of those assets. Net position is reported as restricted using the same definition as used for restricted fund balance as described in the section above. All other net position is 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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from these estimates.

NOTE 2. DEPOSITS AND INVESTMENTS

Custodial Credit Risk – Deposits and Investments. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of June 30, 2020, the County's deposits and investments, and the Development Authority's deposits were properly insured and collateralized as defined by GASB pronouncements and the official code of the State of Georgia.

As of June 30, 2020, the County held the following investments:

Investment	Fair Value	Maturity
Certificate of deposit	$ 375,000	November 17, 2020
Certificate of deposit	636,093	November 9, 2020
	$ 1,011,093	

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

NOTE 3. RECEIVABLES

Receivables at June 30, 2020, consist of the following:

	General Fund	T-SPLOST Fund	2016 SPLOST Fund	Nonmajor Governmental Funds	Total
Receivables:					
Taxes	$ 399,222	$ -	$ -	$ -	$ 399,222
Accounts	25,809	-	-	-	25,809
Notes	-	-	-	437,042	437,042
Other governments	190,219	62,944	60,557	-	313,720
Gross receivables	615,250	62,944	60,557	437,042	1,175,793
Less allowance for uncollectibles	(354,854)	-	-	-	(354,854)
Net receivables	$ 260,396	$ 62,944	$ 60,557	$ 437,042	$ 820,939

Property taxes levied are recorded as receivables, net of estimated uncollectible amounts. Taxes were levied on October 18, 2019, based on property values as of January 1st. Tax bills are mailed at least 60 days prior to the due date and were due and payable on December 20, 2019, after which the applicable property is subject to lien. The County bills and collects its own property taxes. The receivables collected during the year ended June 30, 2020, and collected by August 31, 2020, are recognized as revenues in the year ended June 30, 2020.

The Development Authority has the ability to make loans to eligible small businesses through the Authority's Revolving Loan Program. In August 2014, the Authority made an $85,000 loan to a local business with a maturity date of August 4, 2021 and an interest rate of 5.25%. The outstanding balance as of June 30, 2020 is $27,921. In January 2018, the Authority made a $5,000 loan to a local business with a maturity date of January 1, 2020 and an interest rate of 4.00%. The outstanding balance as of June 30, 2020, is $1,895. In July 2019, the Authority made a $5,500 loan to a local business with a maturity date of July 11, 2024 and an interest rate of 4.00%. The outstanding balance as of June 30, 2020, is $4,741.

NOTE 4. CAPITAL ASSETS

A. Primary Government

Capital asset activity for the year ended June 30, 2020, was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities:					
Capital assets, not being depreciated:					
Land	$ 634,342	$ -	$ -	$ -	$ 634,342
Construction in progress	491,070	719,927	-	-	1,210,997
Total capital assets, not being depreciated	1,125,412	719,927	-	-	1,845,339
Capital assets, being depreciated:					
Buildings	8,048,510	69,118	-	-	8,117,628
Infrastructure	6,736,349	-	-	-	6,736,349
Improvements	858,742	55,590	-	-	914,332
Machinery and equipment	5,010,467	201,227	(287,106)	-	4,924,588
Total capital assets, being depreciated	20,654,068	325,935	(287,106)	-	20,692,897
Less accumulated depreciation for:					
Buildings	3,773,075	186,569	-	-	3,959,644
Infrastructure	2,261,446	220,665	-	-	2,482,111
Improvements	362,760	32,063	-	-	394,823
Machinery and equipment	3,598,441	257,681	(287,106)	-	3,569,016
Total accumulated depreciation	9,995,722	696,978	(287,106)	-	10,405,594
Total capital assets, being depreciated, net	10,658,346	(371,043)	-	-	10,287,303
Governmental activities capital assets, net	$ 11,783,758	$ 348,884	$ -	$ -	$ 12,132,642

NOTE 4. CAPITAL ASSETS (CONTINUED)

A. Primary Government (Continued)

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

Governmental activities:	
General government	$ 57,400
Judicial	3,256
Public safety	145,207
Public works	394,935
Health and welfare	22,881
Culture and recreation	69,857
Conservation and development	3,442
Total depreciation expense - governmental activities	$ 696,978

B. Discretely Presented Component Unit – Development Authority

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	$ 50,524	$ -	$ -	$ 50,524
Total capital assets, not being depreciated	50,524	-	-	50,524
Capital assets, being depreciated:				
Buildings	88,662	-	-	88,662
Improvements other than buildings	194,256	-	-	194,256
Total capital assets, being depreciated	282,918	-	-	282,918
Less accumulated depreciation for:				
Buildings	88,662	-	-	88,662
Improvements other than buildings	109,881	2,250	-	112,131
Total accumulated depreciation	198,543	2,250	-	200,793
Total capital assets, being depreciated, net	84,375	(2,250)	-	82,125
Total capital assets, net	$ 134,899	$ (2,250)	$ -	$ 132,649

NOTE 5. LONG-TERM DEBT

The following is a summary of long-term debt activity for the year ended June 30, 2020:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Note payable from direct borrowings	$ 47,081	$ -	$ (22,457)	$ 24,624	$ 24,624
Landfill closure/post-closure	446,453	8,037	-	454,490	-
Compensated absences	154,806	62,214	(67,754)	149,266	65,329
Financed purchases from direct borrowings	156,526	-	(43,199)	113,327	43,199
Governmental activities long-term liabilities	$ 804,866	$ 70,251	$ (133,410)	$ 741,707	$ 133,152
Business-type Activities:					
Landfill post-closure care	$ 513,816	$ 9,248	$ -	$ 523,064	$ 22,180
Business-type activities long-term liabilities	$ 513,816	$ 9,248	$ -	$ 523,064	$ 22,180

For governmental funds, compensated absences and the County's portion of the Middle Georgia Regional Solid Waste Management Authority landfill closure/post-closure care costs are liquidated by the General Fund. For business-type activities, the Macon County landfill post-closure care costs are liquidated by the Solid Waste Disposal Fund.

Note Payable from Direct Borrowing. In 2016, the County entered into a note payable agreement in the amount of $110,000 for the purchase of an ambulance and equipment. Payments, including interest at a rate of 3.50%, are due annually with a final maturity date of January 25, 2021.

The County's debt service requirements to maturity on the note payable are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2021	$ 24,623	$ 862	$ 25,485
	$ 24,623	$ 862	$ 25,485

NOTE 5. LONG-TERM DEBT (CONTINUED)

Middle Georgia Regional Solid Waste Management Authority Landfill Post-closure Care: Federal laws and regulations require the Middle Georgia Regional Solid Waste Management Authority to place a final cover on its landfill site when closed and perform certain maintenance and monitoring functions at the landfill site for 30 years after closure. The total estimated liability for landfill closure and post-closure care costs is $1,589,126 as of June 30, 2020, and is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor and maintain the landfill were acquired as of June 30, 2020.

In 2013, the Georgia Environmental Protection Division allowed for the three member county governments to account for their portion of the total closure/post-closure care costs of the landfill based on the percentage of ownership of each county in the Authority. The County's ownership percentage is 28.6% resulting in a closure/post-closure care liability of $454,490 at June 30, 2020. However, the actual cost of closure and post-closure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations. Financial assurance requirements are to be monitored through financial ratio testing on an annual basis. No commercial insurance has been purchased to satisfy financial assurance requirements.

Macon County Landfill Post-closure Care: State and federal laws and regulations require that the County place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for 30 years after closure. An expense provision and related liability has been recognized based on the future post-closure care cost that will be incurred after the date the landfill no longer accepted waste, which was June 30, 1997. The estimated liability for landfill post-closure care cost is $523,064 at June 30, 2020. The estimated total current cost of the landfill post-closure care is based on the amount that would be paid if all equipment, facilities and services required to close monitor and maintain the landfill were acquired as of June 30, 2020. However, the actual cost of post-closure care may be higher due to inflation, changes in technology or changes in landfill laws and regulations.

Financed Purchases from Direct Borrowings

On June 24, 2019, the County entered into a financed purchase agreement in the amount of $116,882 at zero percent interest to finance the purchase of equipment. Monthly principal payments are required until maturity on June 30, 2024.

On September 1, 2018, the County entered into a financed purchase agreement in the amount of $56,466 at zero percent interest to finance the purchase of equipment. Monthly principal payments are required until maturity on September 20, 2020.

NOTE 5. LONG-TERM DEBT (CONTINUED)

Financed Purchases from Direct Borrowings (Continued)

The original cost of the County's assets under the purchase arrangements at June 30, 2020 is $176,348, with $22,590 of accumulated depreciation and $17,635 depreciation expense at year-end.

Future payments as of June 30, 2020 for the financed purchases are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2021	$ 43,199	$ -	$ 43,199
2022	23,376	-	23,376
2023	23,376	-	23,376
2024	23,376	-	23,376
	$ 113,327	$ -	$ 113,327

NOTE 6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of June 30, 2020, is as follows:

Due to/from other funds:

Due To	Due From	Amount
General Fund	Solid Waste Disposal Fund	$ 97,735
General Fund	2016 SPLOST Fund	10,834
General Fund	TSPLOST Fund	180,998
General Fund	Nonmajor Governmental Funds	100
Nonmajor Governmental Funds	Nonmajor Governmental Funds	358
		$ 290,025

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

NOTE 7. RETIREMENT PLAN

The County contributes to a deposit administration group annuity contract with Southern Farm Bureau, which is a defined contribution single-employer plan. The defined contribution pension plan provides pension benefits in return for services rendered and specifies how contributions to the individual's account are to be determined instead of specifying the amount of benefits the individual receives. Under a defined contribution pension plan, the benefits a participant will receive depend solely on the amount contributed to the participant's account and the returns earned on investments on those contributions. In order to be eligible for the Plan, the employee must be employed with the County for two years and attain the age of 21. The employee's contributions vest 100% upon entering the plan. All contributions are paid entirely by the County.

The Georgia Constitution enables the governing authority of the County, the Board of Commissioners, to establish and amend, from time to time, the contribution rates for the employer and its plan members. The plan was modified in fiscal year 2006 to allow for directed investments and to allow for the purchase of life insurance at the option of the employee. The authority for the plan, benefits, vesting, and contributions is established by the Board of Commissioners. During the plan year, the County's required and actual contributions amounted to $157,706, which was 8.67% of the covered payroll of $1,819,550. The County's total payroll was $2,839,673. The contributions are invested in annuity and life insurance products. Employees are given the option of contributing to the funds, 51% to annuities and 49% to life insurance, or 100% to annuities.

The annuities are purchased in the employee's name and, therefore, do not represent an asset or liability of the County. No pension provision changes occurred during the year that affected the required contributions to be made by the County or its employees. The Plan held no securities of the County or other related parties at any time during the fiscal year.

NOTE 8. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the County carries commercial insurance in amounts deemed prudent by County management. Commercial insurance is carried for coverage of property, errors and omissions and professional liability.

The County participates in the Association of County Commissioners of Georgia Group Self-Insurance Workers' Compensation Fund, a public entity risk pool currently operating as a common risk management and insurance program for member local governments.

NOTE 8. RISK MANAGEMENT (CONTINUED)

As part of this risk pool, the County is obligated to pay all contributions and assessments as prescribed by the pool, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the fund, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the fund being required to pay any claim of loss. The County is also 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 fund.

The fund is to defend and protect the members of the fund against liability or loss as prescribed in the member government contract and in accordance with the workers' compensation law of Georgia. The fund is to pay all costs taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense.

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

NOTE 9. JOINT VENTURES

Under Georgia law, the County, in conjunction with other cities and counties, is a member of the River Valley Regional Commission and is required to pay annual dues thereto. During the year ended June 30, 2020, the County paid $7,328 in such dues. Membership in the Regional Commission is required by the Official Code of Georgia Annotated ("O.C.G.A.") § 50-8-34 which provides for the organizational structure of regional commissions in Georgia. The Regional Commission Board membership includes the chief elected official of each county and municipality of the area. O.C.G.A. § 50-8-39.1 provides that the member governments are liable for any debts or obligations of a regional commission. Separate financial statements may be obtained from the River Valley Regional Commission, 1428 2nd Avenue, Columbus, Georgia 31901.

The Middle Georgia Regional Solid Waste Management Authority was activated by the Board of Commissioners of Peach County, Macon County, and Dooly County on August 30, 1993, under the provisions of the Regional Solid Waste Management Authority Act (GA laws 1990, page 412). The Middle Georgia Regional Solid Waste Management Authority operates under a Board of Directors. There are seven directors, with two directors representing each county and one director appointed by the directors themselves. The Authority is designed to research, study and plan for the solid waste management needs of the participating counties and to gather data and research for all phases of the solid waste management needs of the counties. The Authority does not have the power to borrow money, issue bonds, or enter into any financial obligations without the authorization of the participating counties who will be involved in the repayment of such obligations.

NOTE 9. JOINT VENTURES (CONTINUED)

The total cost of the operation of the C&D cell and transfer station is funded from revenue received from tipping fees. Separate financial statements for the Middle Georgia Regional Solid Waste Management Authority can be obtained from the Middle Georgia Regional Solid Waste Management Authority's office in Oglethorpe, Georgia.

NOTE 10. COMMITMENTS AND CONTINGENCIES

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

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

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

The **Law Library Fund** is used to account for revenues generated through special filing charges in the County court system which are used to acquire and maintain library materials. A separate Board of Trustees has control of the Law Library funds and has authority to expend funds in accordance with provisions of the Act establishing the County Law Library. All books, reports, texts, and periodicals purchased from these funds become the property of the County.

The **Drug Education Fund** is used to account for collection of additional penalties for certain drug related crimes and for expenditures of those funds for drug abuse treatment and education programs.

The **Jail Fines Fund** is used to account for the revenues received from add-on fines to be used for the operation of the County's jail.

The **Federal Forfeited Property Fund** is used to account for revenues received from the federal government for the property forfeited in federal cases to be used for law enforcement activities.

The **Flood Disaster Loan Fund** was established to account for a Community Development Block Grant from the Georgia Department of Community Affairs to be used for the Flood Disaster Business Loan Recovery Program.

The **EIP Revolving Loan Fund** is used to account for revenues received for the employment incentive program and related loans to qualifying employers in Macon County for capital expenditures.

The **Community Development Block Grant 16h-y-096-1-5684 Fund** accounts for the revenues received under a grant from the Georgia Department of Community Affairs to be used for a Housing Improvement Project.

MACON COUNTY, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2020

	Nonmajor Special Revenue Funds	Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
ASSETS			
Cash and cash equivalents	$ 510,978	$ 833,760	$ 1,344,738
Notes receivable	437,042	-	437,042
Due from other funds	358	-	358
Total assets	$ 948,378	$ 833,760	$ 1,782,138
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable and accrued liabilities	$ 357	$ -	$ 357
Due to other funds	458	-	458
Total liabilities	815	-	815
FUND BALANCES			
Nonspendable - long-term notes receivable	17,865	-	17,865
Restricted for:			
Capital improvements	-	833,760	833,760
Judicial programs	12,895	-	12,895
Public safety	175,968	-	175,968
Conservation and development	637,431	-	637,431
Health and welfare	103,404	-	103,404
Total fund balances	947,563	833,760	1,781,323
Total liabilities and fund balances	$ 948,378	$ 833,760	$ 1,782,138

MACON COUNTY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Nonmajor Special Revenue Funds	Nonmajor Capital Project Funds	Total Other Governmental Funds
Revenues			
Intergovernmental	$ 257,983	$ 529,297	$ 787,280
Fines and forfeitures	30,610	-	30,610
Investment income	12,858	28	12,886
Total revenues	301,451	529,325	830,776
Expenditures			
Current:			
Judicial	1,093	-	1,093
Conservation and development	240,714	-	240,714
Capital outlay	-	643,202	643,202
Total expenditures	241,807	643,202	885,009
Excess (deficiency) of revenues over (under) expenditures	59,644	(113,877)	(54,233)
Net change in fund balances	59,644	(113,877)	(54,233)
Fund balances, beginning of year	887,919	947,637	1,835,556
Fund balances, end of year	$ 947,563	$ 833,760	$ 1,781,323

MACON COUNTY, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2020

	Law Library	Drug Education	Jail Fines	Federal Forfeited Property
ASSETS				
Cash and cash equivalents	$ 12,895	$ 103,404	$ 174,100	$ 1,868
Notes receivable	-	-	-	-
Due from other funds	-	-	-	-
Total assets	$ 12,895	$ 103,404	$ 174,100	$ 1,868
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable and accrued liabilities	$ -	$ -	$ -	$ -
Due to other funds	-	-	-	-
Total liabilities	-	-	-	-
FUND BALANCES				
Nonspendable - long-term notes receivable	-	-	-	-
Restricted for:				
Judicial programs	12,895	-	-	-
Public safety	-	-	174,100	1,868
Conservation and development	-	-	-	-
Health and welfare	-	103,404	-	-
Total fund balances	12,895	103,404	174,100	1,868
Total liabilities and fund balances	$ 12,895	$ 103,404	$ 174,100	$ 1,868

Flood Disaster Loan	EIP Revolving Loan	CDBG 16h-y-096-1-5684	Total Nonmajor Special Revenue Funds
$ 49,289	$ 113,175	$ 56,247	$ 510,978
17,865	419,177	-	437,042
358	-	-	358
$ 67,512	$ 532,352	$ 56,247	$ 948,378
$ 357	$ -	$ -	$ 357
-	358	100	458
357	358	100	815
17,865	-	-	17,865
-	-	-	12,895
-	-	-	175,968
49,290	531,994	56,147	637,431
-	-	-	103,404
67,155	531,994	56,147	947,563
$ 67,512	$ 532,352	$ 56,247	$ 948,378

MACON COUNTY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR SPECIAL REVENUE FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Law Library	Drug Education	Jail Fines	Federal Forfeited Property
Revenues				
Intergovernmental	$ -	$ -	$ -	$ -
Fines and forfeitures	3,564	3,323	23,723	-
Investment income	-	-	-	-
Total revenues	3,564	3,323	23,723	-
Expenditures				
Current:				
Judicial	1,093	-	-	-
Conservation and development	-	-	-	-
Total expenditures	1,093	-	-	-
Net change in fund balances	2,471	3,323	23,723	-
Fund balances, beginning of year	10,424	100,081	150,377	1,868
Fund balances, end of year	$ 12,895	$ 103,404	$ 174,100	$ 1,868

Flood Disaster Loan	EIP Revolving Loan	CDBG 16h-y-096-1-5684	Total Nonmajor Special Revenue Funds
$ -	$ -	$ 257,983	$ 257,983
-	-	-	30,610
176	12,682	-	12,858
176	12,682	257,983	301,451
-	-	-	1,093
34,790	-	205,924	240,714
34,790	-	205,924	241,807
(34,614)	12,682	52,059	59,644
101,769	519,312	4,088	887,919
$ 67,155	$ 531,994	$ 56,147	$ 947,563

MACON COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL NONMAJOR SPECIAL REVENUE FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Law Library			
	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
Revenues				
Fines and forfeitures	$ 4,000	$ 4,000	$ 3,564	$ (436)
Total revenues	4,000	4,000	3,564	(436)
Expenditures				
Current:				
Judicial	4,000	4,000	1,093	2,907
Total expenditures	4,000	4,000	1,093	2,907
Net change in fund balance	-	-	2,471	2,471
Fund balance, beginning of year	10,424	10,424	10,424	-
Fund balance, end of year	$ 10,424	$ 10,424	$ 12,895	$ 2,471

MACON COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL NONMAJOR SPECIAL REVENUE FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Drug Education			
	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
Revenues				
Fines and forfeitures	$ 5,000	$ 5,000	$ 3,323	$ (1,677)
Total revenues	5,000	5,000	3,323	(1,677)
Expenditures				
Current:				
Health and welfare	5,000	5,000	-	5,000
Total expenditures	5,000	5,000	-	5,000
Net change in fund balance	-	-	3,323	3,323
Fund balance, beginning of year	100,081	100,081	100,081	-
Fund balance, end of year	$ 100,081	$ 100,081	$ 103,404	$ 3,323

MACON COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL NONMAJOR SPECIAL REVENUE FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Jail Fines			
	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
Revenues				
Fines and forfeitures	$ 50,000	$ 50,000	$ 23,723	$ (26,277)
Total revenues	50,000	50,000	23,723	(26,277)
Expenditures				
Current:				
Public safety	50,000	50,000	-	50,000
Total expenditures	50,000	50,000	-	50,000
Net change in fund balance	-	-	23,723	23,723
Fund balance, beginning of year	150,377	150,377	150,377	-
Fund balance, end of year	$ 150,377	$ 150,377	$ 174,100	$ 23,723

MACON COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL NONMAJOR SPECIAL REVENUE FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Federal Forfeited Property			
	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues				
Fines and forfeitures	$ -	$ -	$ -	$ -
Investment income	-	-	-	-
Total revenues	-	-	-	-
Expenditures				
Current:				
Public safety	-	-	-	-
Total expenditures	-	-	-	-
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	1,868	1,868	1,868	-
Fund balance, end of year	$ 1,868	$ 1,868	$ 1,868	$ -

MACON COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL NONMAJOR SPECIAL REVENUE FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Flood Disaster Loan			
	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues				
Intergovernmental	$ -	$ -	$ -	$ -
Investment income	-	-	176	176
Total revenues	-	-	176	176
Expenditures				
Current:				
Conservation and development	-	-	34,790	(34,790)
Total expenditures	-	-	34,790	(34,790)
Net change in fund balance	-	-	(34,614)	(34,614)
Fund balance, beginning of year	101,769	101,769	101,769	-
Fund balance, end of year	$ 101,769	$ 101,769	$ 67,155	$ (34,614)

MACON COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL NONMAJOR SPECIAL REVENUE FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	EIP Revolving Loan			
	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
Revenues				
Intergovernmental	$ -	$ -	$ -	$ -
Investment income	-	-	12,682	12,682
Total revenues	-	-	12,682	12,682
Expenditures				
Current:				
Conservation and development	-	-	-	-
Total expenditures	-	-	-	-
Net change in fund balance	-	-	12,682	12,682
Fund balance, beginning of year	519,312	519,312	519,312	-
Fund balance, end of year	$ 519,312	$ 519,312	$ 531,994	$ 12,682

MACON COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL NONMAJOR SPECIAL REVENUE FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	CDBG 16h-y-096-1-5684			
	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues				
Intergovernmental	$ 210,000	$ 210,000	$ 257,983	$ 47,983
Total revenues	210,000	210,000	257,983	47,983
Expenditures				
Current:				
Conservation and development	210,000	210,000	205,924	4,076
Total expenditures	210,000	210,000	205,924	4,076
Net change in fund balance	-	-	52,059	52,059
Fund balance, beginning of year	4,088	4,088	4,088	-
Fund balance, end of year	$ 4,088	$ 4,088	$ 56,147	$ 52,059

NONMAJOR GOVERNMENTAL FUNDS

Capital Project Funds

The **Whitewater Park, Administration Building and Infrastructure Fund** is used to account for costs associated with improvements to the Whitewater Creek Park, improvements to the County's administration building and improvements to the County's roads, streets, drainage and bridges. These improvements are financed by a special 1% sales tax.

The **2006 SPLOST Fund** is used to account for costs associated with improvements to the County's jails, roads, streets, drainage and bridges, Whitewater Creek Park and Recreation Complex and the construction and equipping of two fire stations within the County. These improvements are financed by a special 1% sales tax.

The **2010 SPLOST Fund** is used to account for the costs associated with improvements to the County's roads, improvements to the County's Annex, Health Department, Courthouse, EMA, Literacy Center and Government Office buildings, construction of an Aquatic Recreation facility and capital equipment purchases for public works, sheriff, emergency medical services, fire, recreation, tax assessor's office and Whitewater Creek park. These improvements are financed by a special 1% sales tax.

The **Local Maintenance and Improvement Grant ("LMIG") Fund** is used to account for costs associated with transportation improvement projects including patching, widening turn lanes, rehabilitation, intersections, traffic signals, safety upgrades, culvert/bridge repair, and sidewalk/bike lane improvements that are within the roadway right of way.

MACON COUNTY, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT FUNDS
JUNE 30, 2020

	Whitewater Administration Building and Infrastructure	2006 SPLOST	2010 SPLOST	LMIG	Total Nonmajor Capital Project Funds
ASSETS					
Cash and cash equivalents	$ 67,694	$ 48,203	$ 188,568	$ 529,295	$ 833,760
Total assets	$ 67,694	$ 48,203	$ 188,568	$ 529,295	$ 833,760
FUND BALANCES					
Restricted for capital improvements	$ 67,694	$ 48,203	$ 188,568	$ 529,295	$ 833,760
Total fund balances	$ 67,694	$ 48,203	$ 188,568	$ 529,295	$ 833,760

MACON COUNTY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR CAPITAL PROJECT FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Whitewater Administration Building and Infrastructure	2006 SPLOST	2010 SPLOST	LMIG	Total Nonmajor Capital Project Funds
Revenues					
Intergovernmental	$ -	$ -	$	$ 529,297	$ 529,297
Investment income	-	-	28	-	28
Total revenues	-	-	28	529,297	529,325
Expenditures					
Capital outlay		59,343	526,621	57,238	643,202
Total expenditures	-	59,343	526,621	57,238	643,202
Net change in fund balances	-	(59,343)	(526,593)	472,059	(113,877)
Fund balances, beginning of year	67,694	107,546	715,161	57,236	947,637
Fund balances, end of year	$ 67,694	$ 48,203	$ 188,568	$ 529,295	$ 833,760

MACON COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Project	Estimated Cost Original and Current	Expenditures Prior Years	Current Year	Total
2003 Referendum				
Road improvements	$ 3,349,498	$ 3,349,498	$ -	$ 3,349,498
Whitewater Creek Park	360,000	360,000	-	360,000
Administrative building	250,000	250,000	-	250,000
Road, street, drainage and bridge improvements	3,100,000	3,059,090	-	3,059,090
Intergovernmental				
City of Ideal	175,000	175,000	-	175,000
City of Marshallville	460,000	460,000	-	460,000
City of Montezuma	1,500,000	1,500,000	-	1,500,000
City of Oglethorpe	410,000	410,000	-	410,000
	$ 9,604,498	$ 9,563,588	$ -	$ 9,563,588
2006 Referendum				
Jail renovations and improvements	$ 500,000	$ 1,002,604	$ -	$ 1,002,604
Road, street, drainage and bridge improvements	1,383,000	791,760	-	791,760
Public works building and recreation projects	275,000	647,567	-	647,567
Fire stations	842,000	753,799	59,343	813,142
Intergovernmental				
City of Ideal	185,000	200,649	-	200,649
City of Marshallville	476,398	517,436	-	517,436
City of Montezuma	1,426,000	1,564,789	-	1,564,789
City of Oglethorpe	428,300	469,822	-	469,822
	$ 5,515,698	$ 5,948,426	$ 59,343	$ 6,007,769
2010 Referendum				
Public safety, public works, recreation, and Tax Assessor capital equipment purchases	$ 1,447,000	$ 1,379,143	$ 70,955	$ 1,450,098
Annex building, health dept., courthouse, EMA, literacy center, and Government office building capital improvements	474,152	321,593	15,820	337,413
Road improvements	1,421,152	275,770	439,846	715,616
Aquatic recreation facility	500,000	445,653	-	445,653
Intergovernmental				
City of Ideal	283,416	247,047	-	247,047
City of Marshallville	730,876	637,086	-	637,086
City of Montezuma	2,400,010	1,907,232	-	1,907,232
City of Oglethorpe	656,942	572,639	-	572,639
	$ 7,913,548	$ 5,786,163	$ 526,621	$ 6,312,784

(Continued)

MACON COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Project	Estimated Cost Original and Current	Expenditures Prior Years	Current Year	Total
2016 Referendum				
Public works dept., sheriff's dept., Emergency Medical Service, fire dept., recreation dept., public safety, Whitewater Creek Park, Commissioner's office, and Board of Elections capital equipment purchases	$ 1,230,000	$ 204,575	$ 235,747	$ 440,322
Courthouse annex building, health department EMA building, Government offices, recreation building, Whitewater Creek Park, county jail, public works, E911	706,600	152,442	27,144	179,586
Road improvements	1,355,000	900	-	900
Recreational Facility	600,000	-	-	-
Intergovernmental				
City of Ideal	227,000	102,049	42,271	144,320
City of Marshallville	657,000	284,989	122,449	407,438
City of Montezuma	1,571,551	706,520	292,656	999,176
City of Oglethorpe	318,285	271,229	112,349	383,578
	$ 6,665,436	$ 1,722,704	$ 832,616	$ 2,555,320

AGENCY FUNDS

Sheriff – This fund is used to account for collection of fees, proceeds from judicial sales, and cash bonds, which are disbursed to other agencies, the County, and individuals.

Tax Commissioner – This fund is used to account for all real, personal and intangible taxes collected and forwarded to the County and other government units.

Clerk of Superior Court – This fund is used to account for fines, fees and other moneys collected by the Clerk of Superior Court and remitted to other parties in accordance with court orders and state law.

Probate Court – This fund is used to account for fines, fees and other moneys collected by the Probate Court and remitted to other parties in accordance with court orders and state law.

Magistrate Court – This fund is used to account for fines, fees and other moneys collected by the Magistrate Court and remitted to other parties in accordance with court orders and state law.

MACON COUNTY, GEORGIA

COMBINING STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2020

	Sheriff	Tax Commissioner	Clerk of Superior Court	Probate Court
ASSETS				
Cash and cash equivalents	$ 21,690	$ 199,026	$ 208,956	$ 20,576
Total assets	$ 21,690	$ 199,026	$ 208,956	$ 20,576
LIABILITIES				
Due to other taxing units	$ -	$ 115,776	$ -	$ -
Due to state	492	43,697	-	-
Retirement payable	-	-	135	350
Funds held in escrow	-	-	208,821	-
Due to others	21,198	39,553	-	20,226
Total liabilities	$ 21,690	$ 199,026	$ 208,956	$ 20,576

Magistrate Court	Total
$ 3,502	$ 453,750
$ 3,502	$ 453,750

$ -	$ 115,776
585	44,774
117	602
2,395	211,216
405	81,382
$ 3,502	$ 453,750

MACON COUNTY, GEORGIA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Sheriff	Balance June 30, 2019	Additions	Deletions	Balance June 30, 2020
ASSETS				
Cash and cash equivalents	$ 17,640	$ 39,702	$ 35,652	$ 21,690
Total assets	$ 17,640	$ 39,702	$ 35,652	$ 21,690
LIABILITIES				
Due to state	$ 205	$ 4,059	$ 3,772	$ 492
Due to others	17,435	35,643	31,880	21,198
Total liabilities	$ 17,640	$ 39,702	$ 35,652	$ 21,690
Tax Commissioner				
ASSETS				
Cash and cash equivalents	$ 110,456	$ 7,247,471	$ 7,158,901	$ 199,026
Total assets	$ 110,456	$ 7,247,471	$ 7,158,901	$ 199,026
LIABILITIES				
Due to other taxing units				
Macon County School Board	$ 43,980	$ 6,592,082	$ 6,522,092	$ 113,970
City of Ideal	815	6,996	7,742	69
City of Oglethorpe	2,265	16,740	18,664	341
City of Montezuma	6,825	57,754	63,749	830
City of Marshallville	2,158	19,050	20,642	566
Due to state	41,824	525,930	524,057	43,697
Due to others	12,589	28,919	1,955	39,553
Total liabilities	$ 110,456	$ 7,247,471	$ 7,158,901	$ 199,026

(Continued)

MACON COUNTY, GEORGIA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Clerk of Superior Court	Balance June 30, 2019	Additions	Deletions	Balance June 30, 2020
ASSETS				
Cash and cash equivalents	$ 228,912	$ 290,852	$ 310,808	$ 208,956
Total assets	$ 228,912	$ 290,852	$ 310,808	$ 208,956
LIABILITIES				
Retirement payable Clerk's, Peace Officers' and Sheriff's	$ 135	$ 172	$ 172	$ 135
Funds held in escrow	228,777	290,680	310,636	208,821
Total liabilities	$ 228,912	$ 290,852	$ 310,808	$ 208,956
Probate Court				
ASSETS				
Cash and cash equivalents	$ 15,388	$ 81,144	$ 75,956	$ 20,576
Total assets	$ 15,388	$ 81,144	$ 75,956	$ 20,576
LIABILITIES				
Retirement payable	$ 350	$ 3,307	$ 3,307	$ 350
Due to others	15,038	77,837	72,649	20,226
Total liabilities	$ 15,388	$ 81,144	$ 75,956	$ 20,576

(Continued)

MACON COUNTY, GEORGIA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Magistrate Court	Balance June 30, 2019	Additions	Deletions	Balance June 30, 2020
ASSETS				
Cash and cash equivalents	$ 10,732	$ 86,987	$ 94,217	$ 3,502
Total assets	$ 10,732	$ 86,987	$ 94,217	$ 3,502
LIABILITIES				
Due to state	$ 795	$ 7,380	$ 7,590	$ 585
Retirement payable	212	1,476	1,571	117
Funds held in escrow	9,268	73,371	80,244	2,395
Due to others	457	4,760	4,812	405
Total liabilities	$ 10,732	$ 86,987	$ 94,217	$ 3,502

(Continued)

MACON COUNTY, GEORGIA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Total All Agency Funds	Balance June 30, 2019	Additions	Deletions	Balance June 30, 2020
ASSETS				
Cash and cash equivalents	$ 383,128	$ 7,746,156	$ 7,675,534	$ 453,750
Total assets	$ 383,128	$ 7,746,156	$ 7,675,534	$ 453,750
LIABILITIES				
Due to other taxing units	$ 56,043	$ 6,692,622	$ 6,632,889	$ 115,776
Due to state	42,824	537,369	535,419	44,774
Retirement payable	697	4,955	5,050	602
Funds held in escrow	238,045	364,051	390,880	211,216
Due to others	45,519	147,159	111,296	81,382
Total liabilities	$ 383,128	$ 7,746,156	$ 7,675,534	$ 453,750

COMPLIANCE SECTION

MAULDIN & JENKINS
CPAs & ADVISORS

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*

Board of County Commissioners
of Macon County, Georgia
Oglethorpe, Georgia

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Macon County, Georgia (the "County") as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated March 29, 2021. Our report includes a reference to other auditors who audited the financial statements of the Macon County Department of Public Health (the "Health Department"), as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying schedule of findings and responses as 2020 – 002 to be a material weakness.

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 2020 – 001 to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Macon County, Georgia's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Macon County, Georgia's Responses to Findings

The County's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. The County's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

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 result 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.

Mauldin & Jenkins, LLC

Macon, Georgia
March 29, 2021

MACON COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND RESPONSES
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

SECTION I
SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weaknesses identified?	X Yes ____ No
Significant deficiencies identified not considered to be material weaknesses?	X Yes ____ No
Noncompliance material to financial statements noted?	____ Yes X No

Federal Awards

There was not an audit of major federal award programs as of June 30, 2020 due to the total amount expended being less than $750,000.

MACON COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND RESPONSES
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES

2020 – 001 Segregation of Duties

Criteria: Internal controls should be in place, which provide reasonable assurance that an individual cannot misappropriate funds without such actions being detected during the normal course of business.

Condition: Appropriate segregation of duties does not exist among recording, distribution, reconciliation of cash accounts and other operational functions in various areas of County operations, including the offices of elected officials.

Context: Several instances of overlapping duties were noted during interviews regarding internal control procedures.

Effect: Failure to properly segregate duties among recording, distribution, and reconciliation of accounts can lead to misappropriation of funds that is not detected during the normal course of business.

Cause: The failure to properly segregate duties is due to the limited number of individuals available in each office to perform each of the duties.

Recommendation: The duties of recording, distribution, approving, writing and signing of checks, and reconciliation of accounts should be segregated among employees.

Views of Responsible Officials: We concur. The offices will continuously review and monitor their respective systems to evaluate and determine the most efficient and effective solution to properly segregate duties among recording, distribution, and reconciliation of accounts to provide reasonable assurance that an individual cannot misappropriate funds without being detected during the normal course of business.

2020 – 002 Accounting Process – Development Authority of Macon County (Component Unit)

Criteria: The Development Authority of Macon County (the “Authority”) is a proprietary type entity and, therefore, should be maintaining its general ledger on the accrual basis of accounting and recording all audit adjustments so that their general ledger is in agreement with the final audited financial statements.

Condition: The Authority essentially maintains its general ledger on the cash basis and had not yet adjusted its records to the accrual basis at year-end for financial reporting purposes. Accounts receivable, notes receivable, and capital assets were not properly recorded in the Authority’s general ledger at June 30, 2020.

Context: We addressed this matter with personnel of the Authority and the appropriate audit adjustments needed at June 30, 2020 were determined and recorded.

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES (CONTINUED)

2020 – 002 Accounting Process – Development Authority of Macon County (Component Unit) (Continued)

Effect: Adjustments were required to be recorded as follows:

- Net adjustments of $39,768 were necessary to accurately record note receivable activity.
- An adjustment of $2,250 was necessary to record current year depreciation on the Authority's capital assets.
- Reclassification adjustments of $28,237 were necessary to accurately record income.

Recommendation: We recommend management of the Authority ensure that all entries necessary to report the Authority's finances on the accrual basis of accounting are recorded prior to audit fieldwork, and all adjusting entries made during the audit are recorded each year at the close of the annual audit.

Views of Responsible Officials: We concur. Management will ensure the books and records of the Authority are adjusted to the accrual basis of accounting prior to audit fieldwork and all audit entries are recorded in a timely manner.

MACON COUNTY, GEORGIA

SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

STATUS OF PRIOR YEAR AUDIT FINDINGS

2019 – 001 Segregation of Duties

Criteria: Internal controls should be in place, which provide reasonable assurance that an individual cannot misappropriate funds without such actions being detected during the normal course of business.

Condition: Appropriate segregation of duties did not exist among recording, distribution, or reconciliation of cash accounts and other operational functions in various areas of County operations, including the offices of elected officials.

Auditee Response/Status: Recurring. See Finding 2020 – 001.

2019 – 002 Accounting Process – Development Authority of Macon County (Component Unit)

Criteria: The Development Authority of Macon County (the "Authority") is a proprietary type entity and, therefore, should be maintaining its general ledger on the accrual basis of accounting and recording all audit adjustments so that their general ledger is in agreement with the final audited financial statements.

Condition: The Authority essentially maintains its general ledger on the cash basis and had not yet adjusted its records to the accrual basis at year-end for financial reporting purposes. Accounts receivable, notes receivable, accounts payable, and capital assets were not properly recorded in the Authority's general ledger at June 30, 2019. Additionally, prior year audit entries were not posted to the Authority's general ledger.

Auditee Response/Status: Recurring. See Finding 2020 – 002.

MACON COUNTY, GEORGIA

MANAGEMENT'S CORRECTIVE ACTION PLAN
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

2019 – 001 Segregation of Duties

Name of the Contact Person Responsible for the Corrective Action Plan: Roselyn Starling, CFO

Corrective Action Plan: The offices will continuously monitor and review their respective systems to evaluate and determine the most efficient and effective solution to properly segregate duties among recording, distribution, and reconciliation of accounts to provide reasonable assurance that an individual cannot misappropriate funds without being detected during the normal course of business. We will incorporate periodic reviews by County Management officials to reinforce compliance. However, due to the limited number of County personnel available to perform these duties, complete segregation of duties will be difficult.

Anticipated Completion Date: In future years

2019 – 002 Accounting Process – Development Authority of Macon County

Name of the Contact Person Responsible for the Corrective Action Plan: Roselyn Starling, CFO

Corrective Action Plan: Prior to fieldwork for the FY2019 audit, Authority management will ensure the books and records are adjusted to the accrual basis of accounting and all audit entries from FY2018 have been recorded.

Anticipated Completion Date In future years

MACON COUNTY, GEORGIA

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
16h-y-096-1-5684
PROJECT COST SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Program Activity	Activity Number	Revised Budget	Expenditures		
			Prior Years	Current Year	Total
Acquisition	P-001-01	$ 1,000	$ -	$ -	$ -
Clearance	H-004-00	3,220	3,220	-	3,220
Rehabilitation	H-14A-01	270,121	134,222	61,777	195,999
Reconstruction	H-14A-02	161,774	201,781	144,147	345,928
Administration	A-21A-00	28,885	-	-	-
Contingencies	C-022-00	35,000	18,250	-	18,250
Totals		$ 500,000	$ 357,473	$ 205,924	$ 563,397