Madison County, Georgia

Financial Statements

For the Year Ended December 31, 2015

Madison County, Georgia
Financial Report
For the Year Ended December 31, 2015

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Commissioners of
Madison County, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activity, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Madison County, Georgia as of and for the year ended December 31, 2015, 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 Madison County Health Department, which represent 3% and 26%, respectively, of the assets and revenues of the component unit columns. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion on the financial statements, insofar as it relates to the amounts included in the Madison County Health Department, is based on the report of other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain 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 report and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activity, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Madison County, Georgia as of December 31, 2015, and the respective changes in financial position and where applicable, cash flows thereof for the year 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 Schedule of Changes in Net Pension Liability and Related Ratios, Schedule of County Pension Contributions, and Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund on pages 35, 36 and 37-38 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.

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Madison County, Georgia's financial statements as a whole. The combining and individual fund schedules, the Schedule of Projects Constructed with Special Sales Tax Proceeds, and the Certification of 9-1-1 Expenditures, as listed in the table of contents, are presented for purposes of additional analysis and are not required parts of the basic financial statements.

The supplementary information, the Schedule of Projects Constructed with Special Sales Tax Proceeds, and the Certification of 9-1-1 Expenditures, are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund schedules, the Schedule of Projects Constructed with Special Sales Tax Proceeds, and the Certification of 9-1-1 Expenditures is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated July 7, 2016 on our consideration of Madison County, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and 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 Madison County, Georgia's internal control over financial reporting and compliance.

Treadwell, Tamplin & Co.

Madison, Georgia
July 7, 2016

Basic Financial Statements

Madison County, Georgia
Statement of Net Position
December 31, 2015

	Governmental Activities	Business-type Activities	Total	Industrial Development Authority	June 30 Health Department
ASSETS					
Cash and cash equivalents	$ 9,051,582	$ 450	$ 9,052,032	$ 149,300	$ 474,623
Receivables, net	1,720,508	275	1,720,783	200,706	14,168
Due from other governments	321,316	-	321,316	219,630	27,718
Inventories	115,725	-	115,725	-	-
Restricted cash	370,932	-	370,932	135,046	-
Capital lease receivables	585,033	-	585,033	-	-
Other assets	317,641	-	317,641	16,559	-
Capital assets					
Capital assets not being depreciated	2,286,724	-	2,286,724	2,529,168	-
Capital assets, net of depreciation	221,872,542	165,355	222,037,897	15,812,848	11,068
Total assets	236,642,003	166,080	236,808,083	19,063,257	527,577
DEFERRED OUTFLOWS OF RESOURCES					
Deferred amount related to pensions	572,898	14,690	587,588	-	53,043
Total assets and deferred outflows	237,214,901	180,770	237,395,671	19,063,257	580,620
LIABILITIES					
Accounts payable and accrued expenses	1,429,699	30,669	1,460,368	223,140	18,406
Tax sale proceeds held for others	369,981	-	369,981	-	-
Accrued interest	-	408	408	-	-
Customer deposits	-	-	-	47,790	-
Long-term liabilities:					
Due within one year					
Note payable	-	29,129	29,129	553,420	-
Capital lease obligations	133,274	-	133,274	-	-
Compensated absences	-	-	-	-	6,397
Landfill postclosure costs	-	8,335	8,335	-	-
Due in more than one year					
Note payable, net	-	-	-	8,339,455	-
Capital lease obligations	383,497	-	383,497	-	-
Compensated absences	279,754	15,153	294,907	10,901	16,931
Net pension liability	1,756,574	45,040	1,801,614	-	475,466
Landfill postclosure costs	-	91,685	91,685	-	-
Total liabilities	4,352,779	220,419	4,573,198	9,174,706	517,200
DEFERRED INFLOWS OF RESOURCES					
Deferred amount related to pensions	-	-	-	-	183,208
Unearned revenue - grant proceeds	56,881	-	56,881	-	5,012
Unearned lease income	68,262	-	68,262	-	-
	125,143	-	125,143	-	188,220
NET POSITION					
Net investment in capital assets	224,159,266	165,355	224,324,621	9,449,141	11,068
Restricted for:					
Capital projects	1,612,073	-	1,612,073	58,803	-
Judicial	61,854	-	61,854	-	-
Health and welfare	18,729	-	18,729	-	-
Public safety	74,220	-	74,220	-	-
Debt service	-	-	-	135,046	-
Unrestricted	6,810,837	(205,004)	6,605,833	245,561	(135,868)
Total net position	$ 232,736,979	$ (39,649)	$ 232,697,330	$ 9,888,551	$ (124,800)

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

Madison County, Georgia
Statement of Activities
For the Year Ended December 31, 2015

Functions/Programs	Expenses	Program Revenue: Charges for Services	Program Revenue: Operating Grants and Contributions	Program Revenue: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net position: Primary Government: Governmental Activities	Primary Government: Business-type Activities	Primary Government: Total	Industrial Development Authority	June 30: Health Department
Primary government									
Governmental Activities									
General Government	$ 2,536,468	$ 427,712	$ 106,845	$ -	$ (2,001,911)	$ -	$ (2,001,911)		
Judicial	1,261,431	538,908	92,532	-	(629,991)	-	(629,991)		
Public Safety	7,821,259	1,718,226	12,459	12,023	(6,078,551)	-	(6,078,551)		
Public Works	13,603,473	525	-	557,940	(13,045,008)	-	(13,045,008)		
Health and Welfare	664,994	-	180,514	14,770	(469,710)	-	(469,710)		
Culture and Recreation	896,516	112,676	-	1,000	(782,840)	-	(782,840)		
Housing & Development	279,473	96,941	-	-	(182,532)	-	(182,532)		
Interest on Long-term debt	30,949	-	-	-	(30,949)	-	(30,949)		
Total governmental activities	27,094,563	2,894,988	392,350	585,733	(23,221,492)	-	(23,221,492)		
Business-type activities:									
Solid Waste Fund	462,822	176,281	-	-		(286,541)	(286,541)		
Total business-type activities	462,822	176,281	-	-		(286,541)	(286,541)		
Total primary government	27,557,385	3,071,269	392,350	585,733	(23,221,492)	(286,541)	(23,508,033)		
Component Units									
Industrial Development Authority	1,659,753	726,328	-	643,828				(289,597)	-
Health Department	608,054	211,408	478,417	-				-	81,771
Total component units	$ 2,267,807	$ 937,736	$ 478,417	$ 643,828				$ (289,597)	$ 81,771
General revenues:									
Taxes:									
Property taxes, levied for general purposes					$ 7,492,994	$ -	$ 7,492,994	$ 597,027	$ -
Sales taxes					3,037,446	-	3,037,446	-	-
Franchise and other business taxes					1,645,848	-	1,645,848	8,899	-
Grants and contributions not restricted to specific programs					-	-	-	-	-
Interest revenue					1,701	-	1,701	1,018	36
Miscellaneous					67,778	-	67,778	-	-
Transfers					(329,705)	329,705	-	-	-
Total general revenues and transfers					11,916,062	329,705	12,245,767	606,944	36
Change in net position					(11,305,430)	43,164	(11,262,266)	317,347	81,807
Net position - beginning, as previously reported					245,551,052	(48,534)	245,502,518	9,571,204	465,007
Change in accounting principle - implementation of GASB 68					(1,508,643)	(34,279)	(1,542,922)	-	(671,614)
Net position - beginning, as restated					244,042,409	(82,813)	243,959,596	9,571,204	(206,607)
Net position - ending					$ 232,736,979	$ (39,649)	$232,697,330	$ 9,888,551	$ (124,800)

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

Madison County, Georgia
Balance Sheet
Governmental Funds
December 31, 2015

	General Fund	SPLOST 2008 Fund	SPLOST 2014 Fund	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	$ 6,591,898	$ 2,215,674	152,064	$ 91,946	$ 9,051,582
Accounts receivable, net	-	-	-	81,872	81,872
Taxes receivable, net	1,492,161	-	-	-	1,492,161
Due from other funds	1,133,947	-	-	-	1,133,947
Receivable from other governments	162,443	-	158,873	-	321,316
Other receivables	146,475	-	-	-	146,475
Restricted cash	370,932	-	-	-	370,932
Capital lease receivable	585,033	-	-	-	585,033
Prepaid items	301,542	-	-	-	301,542
Inventories	115,725	-	-	16,099	131,824
Total assets	10,900,156	2,215,674	310,937	189,917	13,616,684
LIABILITIES					
Accounts payable	156,441	603,601	49,611	8,556	818,209
Accrued salaries and benefits	563,275	-	-	48,217	611,492
Due to other funds	-	-	1,133,947	-	1,133,947
Tax sale proceeds held for others	369,981	-	-	-	369,981
Total liabilities	1,089,697	603,601	1,183,558	56,773	2,933,629
DEFERRED INFLOWS OF RESOURCES					
Unavailable property taxes	1,074,722	-	-	-	1,074,722
Unavailable grant proceeds	56,881	-	-	-	56,881
Unavailable lease reimbursements	585,033	-	-	-	585,033
Total deferred inflows	1,716,636	-	-	-	1,716,636
FUND BALANCES					
Nonspendable	417,267	-	-	-	417,267
Restricted					
Capital projects	-	1,612,073	-	-	1,612,073
Judicial	-	-	-	61,854	61,854
Health and welfare	18,729	-	-	-	18,729
Public safety	-	-	-	74,220	74,220
Assigned					
Subsequent years' budget	1,287,082	-	-	-	1,287,082
Unassigned	6,370,745	-	(872,621)	(2,930)	5,495,194
Total fund balances	8,093,823	1,612,073	(872,621)	133,144	8,966,419
Total liabilities, deferred inflows of resources, and fund balances	$ 10,900,156	$ 2,215,674	$ 310,937	$ 189,917	$ 13,616,684

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

Madison County, Georgia
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
December 31, 2015

Total fund balance, governmental funds (Exhibit 3)	$	8,966,419
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.		224,159,266
Current obligations to pay pension contributions are reported as a liability in the funds. Pension contributions made between the County's measurement date and year-end are reported as deferred outflows on the Statement of Net Position		522,916
Deferred outflows of resources related to pensions represent differences between actual and projected results that accounts standards require be amortized into income over future periods. These deferrals do not constitute curent financial resources and are not reported in the funds.		49,982
Some liabilities, (such as Notes Payable, Capital Lease Obligations, and Compensated Absences), are not due and payable in the current period and are not included in the fund financial statements, but are included in the governmental activities of the Statement of Net Position.		(796,525)
The County's net pension liability represents a liability under the full accrual basis of accounting. Because current financial resources will not be used to satisfy the liability it is not reported in the funds.		(1,756,574)
Unavailable revenue is recorded in the funds to offset the principal and interest payments due under the capital lease receivable until the payments are available. However, in the Statement of Net Position unavailable revenue is only necessary for the portion of the receivable that represents implied interest payments to be received.		516,773
Some of the County's taxes will be collected after year-end, but are not available soon enough to be used to pay for the current period's expenditures, and therefore are reported as unavailable revenue in the funds.		1,074,722
Net Position of Governmental Activities in the Statement of Net Position (Exhibit 1)	$	232,736,979

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

Madison County, Georgia
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2015

	General Fund	SPLOST 2008 Fund	SPLOST 2014 Fund	Other Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	$ 10,575,370	$ -	1,745,659	$ -	$ 12,321,029
Licenses and permits	115,291	-	-	-	115,291
Intergovernmental	894,109	-	-	-	894,109
Charges for services	1,527,043	-	-	527,792	2,054,835
Fines and forfeitures	606,615	-	-	85,893	692,508
Investment earnings	1,419	14,467	1,710	282	17,878
Contributions and donations	53,539	-	-	-	53,539
Miscellaneous	269,101	-	-	2,845	271,946
Total revenues	14,042,487	14,467	1,747,369	616,812	16,421,135
EXPENDITURES					
Current:					
General government	2,548,812	-	-	-	2,548,812
Judicial	1,256,823	-	-	28,797	1,285,620
Public safety	6,401,246	-	-	983,098	7,384,344
Public works	2,136,297	-	-	-	2,136,297
Health and welfare	622,583	-	-	-	622,583
Culture and recreation	736,365	-	-	-	736,365
Housing and development	286,996	-	-	-	286,996
Debt Service:					
Principal	157,657	-	-	-	157,657
Interest and other charges	32,378	-	-	-	32,378
Intergovernmental	-	-	411,841	-	411,841
Capital Outlay:					
Public safety	-	1,329,605	321,711	-	1,651,316
Public works	-	-	1,294,116	-	1,294,116
Culture and recreation	-	33,986	41,015	-	75,001
Total expenditures	14,179,157	1,363,591	2,068,683	1,011,895	18,623,326
Deficiency of revenues under expenditures	(136,670)	(1,349,124)	(321,314)	(395,083)	(2,202,191)
OTHER FINANCING SOURCES (USES)					
Proceeds from governmental asset dispositions	10,414	-	-	-	10,414
Transfers in	39,938	-	-	444,025	483,963
Transfers (out)	(746,525)	(10,370)	(16,835)	(39,938)	(813,668)
Total other financing sources and (uses)	(696,173)	(10,370)	(16,835)	404,087	(319,291)
Net change in fund balances	(832,843)	(1,359,494)	(338,149)	9,004	(2,521,482)
Fund balances - beginning	8,926,666	2,971,567	(534,472)	124,140	11,487,901
Fund balances - ending	$ 8,093,823	$ 1,612,073	$ (872,621)	$ 133,144	$ 8,966,419

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

Madison County, Georgia
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2015

Net change in fund balances - total governmental funds (Exhibit 4)	$	(2,521,482)
Amounts reported for Governmental Activities in the Statement of Activities are different because:		
Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period. This is the amount by which depreciation, $11,555,664, exceeded capital outlays, $2,752,138, in the current period.		(8,803,526)
The Statement of Activities reports pension expense using the full accrual basis of accounting. The funds report pension expenditures based on the amount of current financial resources that are used to finance the County's pension obligations.		153,207
Governmental funds defer all tax revenues that are not collected soon enough to be used to pay for the current period's expenditures (within 60 days of year-end). However, the Statement of Activities reports results under the full accrual method which requires that all taxes that have been levied be reported as revenue irrespective of the collection date.		(144,741)
The change in the value of compensated absences that are not due and payable as of year-end is not reported as an increase or decrease in expenditures in the fund-level financial statements. The Statement of Activities recognizes this change in the compensated absence liability as an increase or decrease in expense.		11,112
Governmental funds reported the receipt of amounts due under a capital lease receivable as a revenue because the amount became available. The Statement of Activities reports the revenue from a sales lease in the period that the entity agrees to sell an item under a capital lease. This adjustment represents the principal received under the lease.		(157,657)
Governmental funds report repayment of capital lease obligations as an expenditure. In contrast, the Statement of Activities treats such repayments as a reduction in long-term liabilities.		157,657
Change in net position of governmental activities (Exhibit 2)	$	(11,305,430)

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

Madison County, Georgia
Statement of Net Position
Proprietary Fund
December 31, 2015

	Solid Waste Fund
ASSETS	
Current assets:	
Cash	$ 450
Accounts receivable	275
Total current assets	725
Non-current assets:	
Capital assets, net of depreciation	165,355
Total assets	166,080
DEFERRED OUTFLOWS OF RESOURCES	
Deferred amount related to pensions	14,690
Total assets and deferred outflows	180,770
LIABILITIES	
Current liabilities:	
Accounts payable	14,961
Salaries and benefits payable	15,708
Accrued interest payable	408
Current portion of postclosure liability	8,335
Current portion of note payable	29,129
Total current liabilities	68,541
Non-current liabilities:	
Compensated absences	15,153
Postclosure liability	91,685
Net pension liability	45,040
Total non-current liabilities	151,878
Total liabilities	220,419
NET POSITION	
Investment in capital assets	165,355
Unrestricted	(205,004)
Total net position	$ (39,649)

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

Madison County, Georgia
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Fund
For the Year Ended December 31, 2015

	Solid Waste Fund
REVENUES	
Charges for services	$ 175,772
Miscellaneous	509
Total operating revenues	176,281
OPERATING EXPENSES	
Cost of sales - waste disposal fees	123,075
Personal services	226,519
Contractual services	65,128
Other supplies and expenses	21,932
Depreciation	23,725
Total operating expenses	460,405
Operating loss	(284,124)
NON-OPERATING REVENUES (EXPENSES)	
Interest expense	(2,417)
Total non-operating expense	(2,417)
Loss before transfers	(286,541)
Transfers in	329,705
Change in net position	43,164
Net position - beginning, as originally reported	(48,534)
Change in accounting principle - implementation of GASB 68	(34,279)
Net positions - beginning, as restated	(82,813)
Net position - ending	$ (39,649)

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

Madison County, Georgia
Statement of Cash Flows
Proprietary Fund
For the Year Ended December 31, 2015

	Solid Waste Fund
Cash flows from operating activities:	
Cash sales to customers	$ 177,254
Cash payments to employees for services	(213,831)
Cash payments to suppliers	(225,941)
Net cash used by operating activities	(262,518)
Cash flows from noncapital financing activities:	
Transfers in	329,705
Net cash provided by noncapital financing activities	329,705
Cash flows from capital and related financing activities:	
Acquisition of capital assets	(27,205)
Principal paid on note payable	(36,997)
Interest paid on notes payable	(2,935)
Net cash used by capital and related financing activities	(67,137)
Net change in cash and cash equivalents	50
Cash - beginning	400
Cash - ending	$ 450
Reconciliation of operating loss to net cash used by operating activities:	
Operating loss	$ (284,124)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation	23,725
Change in landfill postclosure liability	(8,335)
Changes in assets and liabilities:	
Accounts receivable	972
Accounts payable	4,665
Salaries and benefits payable	(2,884)
Compensated absences	3,463
Net cash used by operating activities	$ (262,518)

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

Madison County, Georgia
Statement of Fiduciary Assets and Liabilities
Agency Funds
December 31, 2015

ASSETS		
Cash	$	180,493
Total assets		180,493
LIABILITIES		
Due to others		180,493
Total liabilities	$	180,493

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

Notes to the Financial Statements

Note 1: Summary of Significant Accounting Policies

A. Reporting Entity

Madison County was incorporated under the laws of the State of Georgia in 1811. The County is governed by a five-member Board of Commissioners. Each commissioner is elected to a four-year term. The Chairman serves as the full-time Chief Executive Officer. The other five commissioners serve on a part-time basis. The Chairman is responsible for the daily operations of the County.

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

In conformity with generally accepted accounting principles, as set forth in GASB Statement No. 14, as amended by GASB Statement No. 61, *The Financial Reporting Entity*, the financial statements of the reporting entity include those of Madison County (the primary government) and its component units. The criteria for including organizations as component units within the County's reporting entity, as set forth in Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards, include whether:

- the organization is legally separate (can sue and be sued in its own name)
- the County holds the corporate powers of the organization
- the County appoints a voting majority of the organization's board
- the County is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the County
- there is fiscal dependency by the organization on the County

Discretely Presented Component Units – The component unit columns in the government-wide financial statements include the financial data of the County's component units. They are included because, if excluded, the County's financial statements would be misleading. They are reported in separate columns in the government-wide financial statements to emphasize their legal separation from the County. The following component units are included in the statements:

Madison County Industrial Development and Building Authority (MCIDBA) – The County appoints all members of the Development Authority's Board of Directors. The Authority has a December 31 fiscal year end.

Madison County Health Department – The County appoints all members of the Health Department's Board of Directors. The Health Department has a June 30 fiscal year end.

Each discretely presented component unit issues separate financial statements. Complete financial statements of the individual component units can be obtained from their respective administrative offices:

Madison County Industrial Development and Building Authority
Post Office Box 381
Danielsville, GA 30633

Madison County Health Department
Post Office Box 26
Danielsville, GA 30633

Blended Component Units - Based on the GASB criteria, the County has no entities that qualify as blended component units.

Note 1: Summary of Significant Accounting Policies, continued

B. Basis of Presentation, Basis of Accounting

Basis of Presentation

Government-wide Statements: The statement of net position and the statement of activities display information about the primary government (the County) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities of the primary government or its component units. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the *governmental* and *business-type* activities of the County. Governmental activities generally are financed through taxes, intergovernmental revenues and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the County and for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees, fines and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the County's funds, including its fiduciary funds. Separate statements for each fund category – *governmental, proprietary and fiduciary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities. Nonoperating expenses are the result of expenses that are ancillary to the primary purpose of the fund. Interest costs are currently the only nonoperating expenses incurred in the proprietary fund.

Proprietary fund operating expenses are the necessary costs incurred to provide the good or service that are the primary activity of the fund. Expenses which do not meet these criteria, such as interest expense, are considered non-operating and are reported as such.

When both restricted and unrestricted resources are available to pay a cost, the County's policy is to use restricted assets first, and then use unrestricted assets.

The County reports the following major governmental funds:

General Fund – This 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.

SPLOST 2008 Fund – This is a capital projects fund established to account for all special local options sales tax revenues from the 2008 referendum as well as the specifically identified projects for which the SPLOST tax was established.

Note 1: Summary of Significant Accounting Policies, continued

SPLOST 2014 Fund – This is a capital projects fund established to account for all special local options sales tax revenues from the 2014 referendum as well as the specifically identified projects for which the SPLOST tax was established.

The County reports the following major enterprise fund:

Solid Waste Fund – This fund accounts for the postclosure care of the County's landfill and the operation and maintenance of the County's solid waste transfer station.

The County reports the following fiduciary fund type:

Agency Funds – These funds account for monies held by the County in a trustee capacity or as an agent on behalf of individuals, private organizations, other governments and/or other funds. All of the County's fiduciary funds are agency funds, which are custodial in nature. Accordingly, the County presents a statement of fiduciary assets and liabilities rather than a statement of fiduciary net position. Agency funds do not include a measurement of the results of operations, so a statement of changes in fiduciary net position is not presented by the County. Following are the agency funds of the County at December 31, 2015: Tax Commissioner, Sheriff, Clerk of Superior Court, Probate Court, and Magistrate Court.

Measurement Focus, Basis of Accounting

Government-wide, Proprietary and Fiduciary Fund Financial Statements – The government-wide, proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus. The governmental activities in the government-wide financial statements, the proprietary fund financial statements, and the fiduciary fund statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements – Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The County considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Property taxes, sales taxes, franchise taxes, licenses and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

C. Budgets and Budgetary Accounting

The County follows these procedures in establishing budgetary data reflected in the financial statements:

1. Normally, prior to August 31, the Chairman submits to the Commission a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.

2. A public hearing is conducted at the county courthouse to obtain taxpayer comments.

Note 1: Summary of Significant Accounting Policies, continued

3. The budget is legally enacted through passage of an ordinance. For 2015, the budget was legally adopted in December 2014.

4. The Finance Director is authorized to transfer budgeted amounts within a division, with the exception of personnel amendments. The Finance Director is also authorized to transfer amounts between divisions to cover insurance reimbursements and to implement actions of the governing authority. Any other amendments between divisions or amendment to personnel budgets are approved by the Commission.

5. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Capital Projects Funds and Enterprise Funds.

6. The budget is prepared and adopted on a basis consistent with generally accepted accounting principles (GAAP).

D. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of moneys are recorded in order to reserve that portion of the applicable appropriation, is not used by the County.

E. Deposits and Investments

Cash consists of demand and interest-bearing deposits held in banks. All bank deposits must be collateralized by an amount equal to 110% of uninsured deposits of the State of Georgia or U.S. obligations or direct loans to the County.

For purposes of the statement of cash flows, cash and cash equivalents include all highly liquid investments with original maturities of three months or less.

Investments are recorded at cost plus accrued interest, which approximates market value.

F. Receivables and Payables

All trade and property tax receivables are shown net of an allowance for uncollectible receivables, when material.

G. Property Tax Calendar

Property taxes attach as an enforceable lien on property as of January 1. The County bills and collects its own property taxes and also collects taxes for the County School District as well as the Industrial Development and Building Authority. County property tax revenues are recognized when levied to the extent that they result in current receivables.

Property taxes, for property owned at January 1, 2015, were levied on August 31, 2015 with a payment period from October 20, 2015 to December 20, 2015. A local option sales tax is in force. Proceeds for this tax are remitted to the County monthly and are used to give property tax owners tax relief. Taxes receivable at December 31, 2015 amounted to $1,492,161 and deferred property tax revenue totaled $1,074,722.

H. Prepaid Expenses

The County uses the purchase method to account for certain costs, such as insurance premiums, which might benefit more than one period. Under the purchase method, such costs are recorded as expenditures in the period that the costs are paid.

Note 1: Summary of Significant Accounting Policies, continued

I. Inventory

Inventory is valued at actual cost on a first-in, first-out basis. The cost of all inventory items on hand is considered to be the cost at which the County last purchased an item. Inventory consists principally of expendable supplies (such as road signs, parts, and fuel) held for consumption by the County's public works department. The County uses a periodic inventory system, where inventory totals are determined by periodically performing complete inventory counts. The cost of the supplies is originally recorded as an expenditure at the time individual inventory items are purchased. The County then increases or decreases expenditures based on whether inventory levels have risen or fallen from the previous inventory total. Reported inventories are reported as a portion of the nonspendable fund balance in the fund level financial statements, which indicates that the inventories do not constitute available spendable resources.

J. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Property, plant and equipment with initial, individual costs that equal or exceed $5,000 are recorded as capital assets. Capital assets are recorded at cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at their estimated fair value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. For infrastructure assets, the County has adopted the policy of capitalizing costs which add additional service utility to the asset. Maintenance of infrastructure assets is expensed in the government-wide financial statements.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities, net of related interest earned, is included as part of the capitalized value of the assets constructed.

Property, plant and equipment of the primary government, as well as the component units, is depreciated using the straight-line method over the following estimated useful lives:

Asset Class	Estimated Useful Lives
Infrastructure	15-99
Building and improvements	20-50
Water & sewer distribution	20-50
Heavy machinery & vehicles	3-15
Equip, furniture & fixtures	5-10
Computer equipment	5-7

The County was required to implement the retroactive infrastructure reporting requirements of GASB No. 34 beginning with the year ended December 31, 2007. Accordingly, all of the infrastructure assets reported in these financial statements are assets that the County obtained after 1980. The infrastructure the County has retroactively reported was principally highways and roads.

K. Accumulated Unpaid Vacation, Sick Pay, and Other Employee Benefit Amounts

The liability for compensated absences reported in the government-wide and proprietary fund statements consists of unpaid, accumulated annual vacation and comp time balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included. In accordance with the provisions of GASB Statement 11, concerning Accounting for Compensated Absences, no liability is recorded for nonvesting accumulating rights to receive sick pay benefits. Governmental activities compensated absences balances are liquidated through the General Fund.

Note 1: Summary of Significant Accounting Policies, continued

L. Restricted Revenues

The County receives certain taxes, grants and contributions that must be used for a specific purpose outlined in either taxing legislation or grantor contracts. These amounts are reported as restricted net position in the government wide financial statements until the restriction has been met either through the expenditure of the money or the passage of time. Expenses incurred by the County for which both unrestricted and restricted monies are available are applied to restricted resources first.

M. Fund Equity

The County's governmental funds report the following five categories of fund balance: Nonspendable, Restricted, Committed, Assigned, and Unassigned.

Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed – amounts that can be used only for specific purposes determined by a formal action of Board of Commissioners. Madison County Board of Commissioners is the highest level of decision-making authority for the County. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by Madison County Board of Commissioners.

Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. The Board of Commissioners has not delegated the authority to assign fund balance. Consequently, an assignment of fund balance requires board action.

Unassigned – all other spendable amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted net position (in the case of the government-wide or proprietary fund statements) or fund balance (in the case of governmental fund statements) is available, the County considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the County considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the County has provided otherwise in its commitment or assignment actions.

Note 2: Stewardship, Compliance and Accountability

A. Deficit Fund Balance:

The following lists the County's funds which reported a deficit as well as the magnitude of that deficit:

SPLOST 2014 Fund	$ 872,621
Drug Abuse Treatment Fund	2,930
Solid Waste Fund	39,649

Note 2: Stewardship, Compliance and Accountability, continued

The deficit in the SPLOST 2014 Fund was a result of the expenditures exceeding SPLOST collections in the current year. The deficit is funded by advances from the General fund and will be repaid as the SPLOST revenue is collected. The deficit in the solid waste fund is funded by a note payable. The deficit in the solid waste fund is the result of an accrued liability for postclosure monitoring costs for the County's landfill. The deficit in the Drug Abuse Treatment Fund is a result of the year end accruals and will be funded by a transfer from the General Fund.

B. Expenditures in Excess of Appropriations:

There were departments that had expenditures in excess of appropriations that the County considers to be a significant violation of the adopted budget. These are as follows:

General Fund:	
Law enforcement	$ 208,347
Emergency medical service	52,574
Industrial Building and Development Authority	28,634
Special Revenue Funds:	
Clerk's Deed Special Revenue Fund	15,142

The County has met with all of its department heads and constitutional officers and reviewed Georgia law regarding how a budget is a legal control of the spending in each department.

Note 3: Cash

The carrying amount of the County's deposits with financial institutions was $9,603,457 and the bank balance was $13,407,862. The County deposits its funds with two local banks, and those deposits are insured up to limits set by the FDIC. The County was entirely insured or collateralized at year-end. Therefore, the County has no custodial credit risk for deposits.

The County has not adopted any formal policies related to custodial credit risk other than the requirements found in state law.

Georgia law authorizes local governments to invest in the following types of obligations:

- Obligations of the State of Georgia or any other states;
- Obligations issued by the United States;
- Obligations fully insured or guaranteed by the United States government or governmental agency;
- Obligations of any corporation of the United States Government;
- Prime bankers' acceptances;
- The State of Georgia Local Government Investment Pool;
- Repurchase agreements; and
- Obligations of other political subdivisions of the State of Georgia.

The County has not formally adopted any policies that restrict its investment option beyond the restrictions found in Georgia law.

The County had no investments at year-end. Accordingly, it has no significant exposure to credit risk, interest rate risk, or foreign currency risk.

Note 4: Other Receivables

Receivables as reported in the Governmental Activities on the Statement of Net Position consist of the following:

Taxes receivable	$ 1,492,161
Ambulance service receivable	773,589
E911 surcharge receivable	81,872
Other receivables	30,775
	2,378,397
Less: allowances for doubtful accounts related to ambulance service receivables	(657,889)
	$ 1,720,508

Other receivables as reported in the General Fund consist of the following:

Ambulance service receivable	$ 773,589
Other receivables	30,775
	804,364
Less: allowances for doubtful accounts related to ambulance service receivables	(657,889)
	$ 146,475

Note 5: Capital Assets

Capital asset activity for the year was as follows:

Primary Government: Governmental Activities:	**Beginning**	**Increases**	**Decreases**	**Ending**
Capital assets not being depreciated:				
Land	$ 661,538	$ -	$ -	$ 661,538
Construction in progress	963,031	1,838,730	1,176,575	1,625,186
Total capital assets not being depreciated	1,624,569	1,838,730	1,176,575	2,286,724
Capital assets being depreciated:				
Buildings and improvements	10,755,739	56,158	-	10,811,897
Equipment, furniture and vehicles	7,295,361	742,003	120,077	7,917,287
Land improvement	1,422,955	26,238	-	1,449,193
Infrastructure	6,546,719	1,265,584	-	7,812,303
Prior years' infrastructure	422,113,645	-	-	422,113,645
Total capital assets being depreciated	448,134,419	2,089,983	120,077	450,104,325
Less accumulated depreciation for:				
Buildings and improvements	3,802,694	283,992	-	4,086,686
Equipment, furniture and vehicles	5,847,209	481,887	120,077	6,209,019
Land improvement	439,884	69,666	-	509,550
Infrastructure	951,135	54,593	-	1,005,728
Prior years' infrastructure	205,755,274	10,665,526	-	216,420,800
Total accumulated depreciation	216,796,196	11,555,664	120,077	228,231,783
Total capital assets being depreciated, net	231,338,223	(9,465,681)	-	221,872,542
Governmental acitvities capital assets, net	$ 232,962,792	$ (7,626,951)	$ 1,176,575	$ 224,159,266

Business type Activities: **Solid Waste Fund:**	**Beginning**	**Increases**	**Decreases**	**Ending**
Capital assets being depreciated:				
Buildings and improvements	$ 83,260	$ -	$ -	$ 83,260
Equipment	209,566	27,205	-	236,771
Total capital assets being depreciated	292,826	27,205	-	320,031
Less accumulated depreciation for:				
Buildings and improvements	37,601	3,197	-	40,798
Equipment	93,350	20,528	-	113,878
Total accumulated depreciation	130,951	23,725	-	154,676
Total Solid Waste being depreciated, net	161,875	3,480	-	165,355
Total Business type activities capital assets, net	$ 161,875	$ 3,480	$ -	$ 165,355

Interest costs of $32,378 and $2,417 were incurred and expensed during the year in the general fund and the solid waste fund, respectively. No interest costs were capitalized during the year.

Note 5: Capital Assets, continued

Depreciation expense was charged to governmental activities as follows:

General Government	$ 86,530
Judicial	4,723
Public Safety	486,090
Public Works	10,816,995
Health & Welfare	45,090
Culture & Recreation	116,236
	$ 11,555,664

Discretely Presented Component Unit
Madison County Industrial Development and Building Authority
Governmental Activities:

	Beginning	Increases	Decreases	Ending
Capital assets not being depreciated:				
Land	$ 335,321	$ -	$ -	$ 335,321
Total capital assets not being depreciated	335,321	-	-	335,321

Business type Activities:	Beginning, as restated	Increases	Decreases	Ending
Water fund:				
Capital assets not being depreciated:				
Construction in progress	$ 402,503	$ 1,505,811	$ -	$ 1,908,314
Land	285,533	-	-	285,533
Total capital assets not being depreciated	688,036	1,505,811	-	2,193,847
Capital assets being depreciated:				
Water systems	17,338,842	-	-	17,338,842
Wastewater plant/system	2,495,327	-	-	2,495,327
Vehicles and equipment	126,861	-	-	126,861
Total capital assets being depreciated	19,961,030	-	-	19,961,030
Less accumulated depreciation for:				
Water systems	3,286,352	420,672	-	3,707,024
Wastewater plant/system	254,731	62,383	-	317,114
Vehicles and equipment	121,347	2,697	-	124,044
Total accumulated depreciation	3,662,430	485,752	-	4,148,182
Total capital assets being depreciated, net	16,298,600	(485,752)	-	15,812,848
Component unit capital assets, net	$ 16,986,636	$ 1,020,059	$ -	$ 18,006,695

Note 6: Interfund Balances and Transfers Activity

Interfund balances

Internal balances at year-end consist of the following:

Due to General Fund from SPLOST 2014 Fund	$ 1,133,947

The interfund receivable represents money advanced by the General Fund that will be reimbursed by the SPLOST 2014 Fund as the taxes are collected.

Interfund transfers for the year were as follows:

	Transfers In			
Transfers Out	**Nonmajor Gov't Funds**	**Solid Waste Fund**	**General Fund**	**Total**
Governmental Funds:				
General	$ 444,025	$ 302,500	$ -	$ 746,525
SPLOST 2008 Fund	-	10,370	-	10,370
SPLOST 2014 Fund	-	16,835	-	16,835
Nonmajor Gov't Funds	-	-	39,938	39,938
	$ 444,025	$ 329,705	$ 39,938	$ 813,668

The County routinely transfers unrestricted monies that are collected in its General Fund into funds that have either a statutory or budgetary requirement to expend funds used for certain purposes. The transfers to nonmajor governmental funds consist of transfers to the E-911 fund and to the D.A.T.E. fund. The E-911 fund expends all funds required to operate the County's E-911 system. The transfer from the general fund represents the amount of funding needed to operate the system beyond the amount collected from the E-911 surcharge. The transfer from the General fund to the D.A.T.E. fund was $47,561 and was required to supplement the activities of the D.A.T.E. fund. The transfer to the Solid Waste Fund from General Fund represents the amount of funding needed to operate the County's transfer station beyond the tipping fees collected at the transfer station. The transfers from the nonmajor governmental funds to the general fund were made to reimburse costs incurred in the general fund that met the legal restrictions of certain revenues collected by the County and accounted for in a special revenue fund. The SPLOST 2008 and SPLOST 2014 funds transferred funds to the Solid Waste fund for the purchase of capital assets in accordance with each SPLOST referendum.

Note 7: Long-term Obligations

Governmental activities

Categories of debt

Capital Leases

The County is obligated under capital leases that it executed to purchase fire trucks that were subsequently subleased to volunteer fire departments in the county. Because the lease between the County and the volunteer fire departments qualified as a capital lease, the County removed the fire trucks from its capital asset records. The County still has rights to payments totaling $585,033 under the lease. See Note 8 for a more complete description of this leasing activity.

Business-type activities

Categories of debt

Notes payable

Note payable to Georgia Environmental Facilities Authority with an original principal of $465,185 to fund landfill closure, which accrues interest at a fixed rate of 5.6% per annum. The note is payable in 76 quarterly installments of $9,983 and matures July 1, 2016.	$ 29,129

The annual debt service requirements to retire the above note payable are as follows:

	Business-type Activities		
Year Ending December 31,	**Principal**	**Interest**	**Total**
2016	$ 29,129	$ 820	$ 29,949

Changes in long-term obligations for the year are as follows:

	Beginning, as restated	Increases	Decreases	Ending	Due within one year
Governmental activities:					
Capital lease obligations	$ 674,428	$ -	$ 157,657	$ 516,771	$ 133,274
Compensated absences	290,866	324,292	335,404	279,754	-
Net pension liability	1,853,843	370,957	468,226	1,756,574	-
	$ 2,819,137	$ 695,249	$ 961,287	$ 2,553,099	$ 133,274

The General Fund has typically been used to liquidate long-term liabilities reported in governmental activities in the government-wide financial statements.

Note 7: Long-term Obligation, continued

	Beginning, as restated	Increases	Decreases	Ending	Due within one year
Business-type activities:					
GEFA note payable	$ 66,126	$ -	$ 36,997	$ 29,129	$ 29,129
Landfill postclosure costs	108,355	-	8,335	100,020	8,335
Compensated absences	11,690	11,272	7,809	15,153	-
Net pension liability	47,534	9,512	12,006	45,040	-
	$ 233,705	$ 20,784	$ 65,147	$ 189,342	$ 37,464

Discretely Presented Component Unit – Madison County Industrial Development and Building Authority

Long-term Obligations – Notes Payable

The Authority has various notes with the Georgia Environmental Finance Authority (GEFA). These notes bear interest rates ranging from non-interest bearing to 5.05%. Two of the notes require quarterly payments of principal and interest of $5,059 and $9,024 and mature in 2020 and 2023, respectively. Ten of the notes require monthly payments of principal or principal and interest between $1,887 and $7,860 and mature between 2026 and 2036.

Debt Service Requirements

The annual requirements to amortize the GEFA notes at year-end are as follows:

Year Ending December 31,	Principal	Interest	Total
2016	$ 553,420	$ 240,149	$ 793,569
2017	576,610	217,643	794,253
2018	591,484	202,768	794,252
2019	606,904	187,348	794,252
2020	617,766	171,421	789,187
2021-2025	3,184,959	612,913	3,797,872
2026-2030	2,586,254	236,255	2,822,509
2031-2035	662,259	27,241	689,500
2036	9,244	29	9,273
	$ 9,388,900	$ 1,895,767	$ 11,284,667

Note 7: Long-term Obligation, continued

Long-term Obligation Activity

Changes in long-term obligations for the year are as follows:

	Beginning	Increases	Decreases	Ending	Due within one year
GEFA notes payable - business-type activity	$ 9,015,391	$ 887,203	$ 513,694	$ 9,388,900	$ 553,420
Compensated absences	14,450	9,021	12,570	10,901	-
	$ 9,029,841	$ 896,224	$ 526,264	$ 9,399,801	$ 553,420

Two of the GEFA notes above are non-interest bearing. These notes have been adjusted to their net present value based on the interest rates paid on other debts of the IDBA. The calculation of the net present value is as follows:

GEFA notes outstanding	$ 9,388,900
Less: discount on non-interest bearing notes	(496,025)
Net present value of GEFA notes outstanding	8,892,875
Less: current portion of GEFA notes	(553,420)
Net present value of non-current notes payable	$ 8,339,455

Note 8: Equipment Leased to Volunteer Fire Department

During 2006, the County leased a fire truck, which it then was leased to a volunteer fire department in the County. During 2010, the County leased six additional fire trucks, which were also leased to other volunteer fire departments in the County. During 2011, the County leased one additional fire truck. The leases are accounted for as capital leases because the volunteer fire departments will take title of the fire trucks upon making the final payments called for in the leases. The leases that the County signed for the trucks require the County to make all lease payments irrespective of whether it receives its lease payments from the volunteer fire departments. The County's lessors retain a security interest in the fire trucks.

The total value of all lease payments is recorded as a receivable in the general fund. The leases do not include a provision for the payment of contingent rentals. An amount corresponding to the total lease receivable is recorded as deferred revenue in the general fund as the amounts payable under the lease are not considered to be available by the County. In the government-wide financial statements, the capital lease is treated as a sale of the fire truck in the year that the lease is executed. Consequently, only the interest portion of the lease receivable is shown as unearned lease income in the Statement of Net Position.

Note 8: Equipment Leased to Volunteer Fire Department, continued

Future minimum lease payments are as follows:

2016	$	157,718
2017		134,478
2018		122,456
2019		122,454
2020		47,927
Total minimum lease payments		585,033
Less: interest portion of minimum lease payments		(68,262)
Present value minimum lease payments	$	516,771

The leases call for the volunteer fire department to pay all costs associated with operating the fire truck, including maintaining insurance coverage, during the lease term. Further, management expects that all lease payments will be made and that no allowance for uncollectible minimum lease payments is necessary. Finally, no residual value of the leased equipment will accrue to the County upon the expiration of the lease. Because expected future costs, allowances for uncollectables, and residual value accruing to the County are all zero; the County's investment in the lease is equivalent to the present value of the minimum lease payments.

Note 9: Retirement Benefits

Defined Benefit Pension Plan

The County provides a defined benefit retirement program for its employees.

Plan Description

The County sponsors the Association County Commissioners of Georgia Restated Pension Plan for Madison County Employees (The Plan). The Plan, through execution of an adoption agreement, is affiliated with the Association County Commissioners of Georgia Defined Benefit Plan (The ACCG Plan), an agent multiple-employer pension plan administered by GEBCorp.

The ACCG, in its role as the Plan Sponsor, has the sole authority to amend the provisions of The ACCG Plan. The County has the authority to amend the adoption agreement, which defines the specific operational provisions of The Plan.

Complete financial statements for The Plan can be obtained directly from the plan administrator at:
GEBCorp
400 Galleria Parkway, Suite 1250
Atlanta, Georgia 30339

All full-time County employees are eligible to participate in the Plan after completing three years of service. Benefits are fully vested after five years of service. Participants become eligible to retire at age 65 with 3 years of participation in the Plan. Upon eligibility to retire, participants are entitled to an annual benefit in the amount of 1.0% of average annual compensation up to $10,000 plus 1.5% of average annual compensation in excess of $10,000 plus $36 for each year of service, up to 35 years of service, payable as a life annuity. Service Compensation is averaged over a five year period prior to retirement or termination. The Plan also provides benefits in the event of death or disability. These benefit provisions were established by an adoption agreement executed by the County Board of Commissioners.

Note 9: Retirement Benefits, continued

County employees are not required to contribute to the Plan. The County contributes the entire cost of the Plan, using the actuarial basis described in the annual valuation report.

Plan Asset Mix and Accounting Policies

The Plan's financial statements are prepared on an accrual basis, modified to include unrealized gains or losses on marketable securities owned by the Plan and increments in cash value of death benefits. Plan member contributions are recognized when due and the County has made a formal commitment to provide the contributions.

Investments in securities are valued at current market prices. The trust fund is invested, approximately, in 70% equities and 30% fixed income securities on a cost basis.

Plan assets do not include any loans, notes, bonds, or other instruments or securities of the County or related parties except for current receivables of plan contributions due from the County.

Plan Membership

Retirees, beneficiaries and disabled receiving benefits	50
Terminated plan members entitled to but not receiving benefits	84
Active plan members	144
Total	278
Covered compensation for active participants	$ 4,921,444

Contributions

The County is required to contribute at an actuarially determined amount. Section 47-20 of the Georgia Code sets forth the funding standards for state and local governmental pension plans. Administrative expenses are based on total covered payroll of plan members and are added to the annual funding requirement. The County's legally required contribution was $192,487 and its actual contribution was $530,214. This actual contribution represents 275% of the required contribution and 10.77% of the covered payroll. The County recorded this amount as a liability at December 31, 2014 and paid this contribution during 2015. Therefore, the County reported no payable and the plan reported no receivable for amounts due for the 2014 plan year. Because of the necessity of receiving actuarial reports from the pension plan administrators, the County has determined that it will use the immediately preceding calendar year as its measurement period for reporting its pension activity. The County's contribution for the 2015 plan year of $537,605 was outstanding and reported as a liability in the County's funds. The contribution for the 2015 plan year is not reflected in the calculation of the pension plan's total pension liability or its net pension liability.

Note 9: Retirement Benefits, continued

Net Pension Liability

The County's *total pension liability* was determined based on an actuarial valuation as of December 31, 2014 and the *net pension liability* was measured as of the same date. The December 31, 2014 actuarial valuation determined the total pension liability using assumptions that were applied to all periods included in the measurement as follows:

Actuarial Methods and Assumptions

Investment return	7.50%
Salary increases	3.50% with an age based scale as follows:

Age	Salary increase
Under 30	3.5% plus 1.5%
30-39	3.5% plus 1.0%
40-49	3.5% less 0.5%
50+	3.5% less 1.0%

Future payroll growth	5.50% per year

No cost of living adjustments are awarded after retirement.

Mortality:	RP-2000, Combined

Discount Rate

The discount rate is determined using a building block approach based on 20-year benchmarks (25% weighting), 30-year benchmarks (25% weighting), and forward-looking capital market assumptions for moderate asset allocations as determined by UBS (50% weighting). The discount rate is rounded to the nearest 0.25%.

The discount rate is calculated as follows:

	Expected return	Weighting	Weighted return
20-year benchmark weighted average return	7.44%	25%	1.86%
30-year benchmark weighted average return	9.49%	25%	2.37%
UBS capital market moderate asset allocation assumption	6.30%	50%	3.15%
Calculated discount rate			7.38%
Rounded to the nearest 0.25% and used as the discount rate			**7.50%**

Note 9: Retirement Benefits, continued

The 20 and 30 year benchmark weighted average returns are calculated using the following asset allocation and historical returns based on their compounded annual growth rate (CAGR):

Benchmark	Allocation	Average 20 Year Return	Average 30 Year Return
S&P 500	30%	8.80%	10.74%
Barclay's Agg.	30%	5.75%	7.80%
MCSE EAFE	15%	5.44%	9.51%
Citi Non US WEBI	5%	5.48%	5.48%
NAREIT Equity	5%	9.91%	11.35%
Russell 2000	5%	8.96%	9.37%
Russell 3000	5%	8.89%	10.58%
S&P Mid-cap	5%	11.83%	13.21%
	100%		
Weighted average return		7.44%	9.49%

The above calculated discount rate was used to calculate both the beginning and ending total pension liability. The average contribution made to the plan over the last 5 years was used to project plan assets. The projected plan assets are sufficient to pay all projected benefits promised to current plan participants. Because projected plan assets are sufficient to pay all projected promised benefits, the expected long-term rate of return was used to discount all projected benefit payments.

Because of the sensitivity of the calculation of the total pension liability to relatively small changes in the discount rate, the total pension liability calculated using discount rates one percentage point higher and lower than the discount rates actually used to calculate the total pension liability follows:

	Discount Rate Senstivity Analysis	
	6.50%	8.50%
Total Pension Liability	$ 9,586,410	$ 7,399,736
Fiduciary Net Position	6,584,881	6,584,881
Net Pension Liability	$ 3,001,529	$ 814,855

Note 9: Retirement Benefits, continued

Summary of Changes in Total Pension Liability, Fiduciary Net Position and Net Pension Liability

The changes in the total pension liability from the beginning to the ending of the year are as follows:

	Total Pension Liability	Fiduciary Net Position	Net Pension Liability
Beginning of year	$ 7,925,326	$ 6,023,949	$ 1,901,377
Service cost	197,980	-	197,980
Interest on total pension liability	582,428	-	582,428
Employer contributions	-	530,214	(530,214)
Net investment income	-	395,521	(395,521)
Benefit payments	(319,239)	(319,239)	-
Administrative expenses	-	(26,147)	26,147
Other expense	-	(19,417)	19,417
End of year	$ 8,386,495	$ 6,584,881	$ 1,801,614

The beginning and ending net pension liability is calculated as follows:

	Beginning	Ending
Total Pension Liability	$ 7,925,326	$ 8,386,495
Fiduciary Net Position	6,023,949	6,584,881
Net Pension Liability	$ 1,901,377	$ 1,801,614

Pension Expense, Deferred Outflows Related to Pension Items and Deferred Inflows Related to Pension Items

The following schedule reconciles the pension contributions to the total pension expense reported by the County in the government-wide statements:

Pension contributions	$ 530,214
Change in net pension liability	(99,763)
Deferred outflow related to investment results	(62,478)
Amortization of deferred outflows	12,496
Pension expense	$ 380,469

Note 9: Retirement Benefits, continued

The unamortized deferred outflows and inflows related to pension items are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ -
Change of assumptions	-	-
Net difference between projected and actual earnings on Plan investments	49,982	-
	$ 49,982	$ -

The County amortizes the differences between projected and actual investment returns into pension expense equally over a closed five year amortization period. The expected amortization of the County's current deferred outflows and inflows over the next five years is:

Year ended June 30,	Experience Difference	Assumption Change	Investment Results Difference
2016	$ -	$ -	$ 12,496
2017	-	-	12,496
2018	-	-	12,496
2019	-	-	12,494
2020	-	-	-
	$ -	$ -	$ 49,982

In addition, other pension and retirement plans are in effect, but are not under the direct control of the County. These elected officials are specifically excluded from the Defined Benefit Plan for County employees.

Probate Judge's Retirement Fund of Georgia

The Probate Judge is covered under a pension plan that requires that certain sums from marriage licenses and fines or forfeitures be remitted to the pension plan before the payment of any costs or other claims.

Clerk of Superior Court Retirement Fund

The Clerk of Superior Court is covered under a pension plan which requires that certain sums from fees and fines or forfeitures be remitted to the pension plan before the payment of any costs or other claims.

Sheriff's Retirement Fund/Peace Officer's Annuity and Benefit Fund

The Sheriff and sheriff deputies are covered under separate pension plans which require that certain sums from fines or bond forfeitures be remitted by the Probate Judge or Clerk of Superior Court to the pension plans before the payment of any costs or other claims.

Defined Contribution Plan

The County offers a Section 457 defined contribution retirement plan. The plan was established through resolution of the Board of Commissioners and may be amended through a similar action. The County makes no contributions to this plan. The plan is entirely funded through voluntary employee salary reduction. Employee contributions totaled $66,534.

Note 10: Risk Management

The County is exposed to various risks of losses related to torts, thefts of, damage to, and destruction of assets; errors and omissions; natural disasters; and job-related illnesses or injuries to employees. The County carries commercial insurance for these various risk with deductibles of $2,500 on property loss and $25,000 on employment and related claims.

The County has joined together with other municipalities in the state as part of the Association of County Commissioners of Georgia Group Self-Insurance Workers' Compensation Fund, a public entity risk pool currently operating as a common risk management and insurance program for member local governments.

As part of 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 funds 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 funds.

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

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

Note 11: Landfill Costs

State and federal regulations require that Madison County place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site. The landfill was closed as of April 9, 1994 and converted to a transfer station. The percentage of landfill capacity used to date was 100% (full). The Closure Certificate was issued by the State of Georgia Department of Natural Resources with an effective date of August 22, 1997. All closure costs were incurred prior to the Closure Certificate date.

A provision and related liability are being recognized in the Solid Waste Fund based on the postclosure care costs estimated to be incurred in the remaining years of postclosure monitoring. The recognition of these landfill postclosure care costs is based on 100% usage of the landfill and is based on an estimate of the postclosure monitoring cost provided by an independent engineer hired by the County. Changes in inflation, technology, or applicable laws and regulations could result in actual costs that differ from the estimate.

During 2015, the County expended $2,026 on postclosure costs, which included various monitoring and remediation activities. Engineering consultants provided Madison County with estimated costs of $8,335 per year for the remaining postclosure costs. Therefore, the estimated liability for the remaining 12 years as shown on Madison County's financial statements for landfill postclosure costs is $100,020 as of December 31, 2015. Postclosure financial assurance requirements are being met through continually maintaining certain finance ratios.

The County expects to fund the costs of postclosure care from the Solid Waste Fund each year. The County expects that the Solid Waste Fund will report operating losses that will have to be funded through transfers from the General Fund for the foreseeable future.

The estimated total cost of the landfill postclosure care is based on the amount that would be paid if all remaining equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of December 31, 2015. However, the actual costs of closure and postclosure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

Note 12: Commitments and Contingencies

Contingent Liabilities

The County participates in a number of federal and state assisted grant programs. Expenditures financed by grants are subject to audit by the appropriate grant or government. If expenditures are disallowed due to noncompliance with grant program regulations, the County may be required to reimburse the grantor government. The amount, if any, of disallowed expenditures discovered in future audits is expected to be immaterial.

Litigation

The County is a defendant in several lawsuits, which arose in the ordinary course of its activities. The County records liabilities resulting from such claims and litigation only when they become probable and measurable. No liability has been recorded for any of the lawsuits currently in process.

Note 13: Joint Venture

Northeast Georgia Regional Commission (RC)

Madison County, Georgia, along with cities and counties in the 12 county Northeast Georgia area is a member of the Northeast Georgia Regional Commission (RC). Membership in an RC is automatic for each municipality and county in the state. The Official Code of Georgia Section 50-8-34 (Georgia Planning Act of 1989) provides for the organizational structure of the RCs. Each county and municipality in the state is required by law to pay minimum annual dues to the RC. The Board is comprised of not less than two (2) or more than five (5) representatives of each member county served by the RC. The manner of selecting such representatives from each member county is as follows:

- The chief elected official or the chair of the board of commissioners of each county served by the Center shall be a member (or a designated government official).
- One elected or appointed municipal government official from each county served by the Center. The mayors of the municipalities in such county shall select the municipal representative of that county.
- Not less than ten (10) or more than twenty (20) public members.
- A minority representation, the percentage of which is at least equal to the minority population of the geographical region served by the Board, as established by the latest United States Census.

The Georgia Planning Act of 1989 (OCGA 50-8-34) defines RCs as "public agencies and instrumentalities of their members". Georgia laws also provide that the member governments are liable for any debts or obligations of an RDC beyond its resources. (OCGA 50-8-39.1)

Complete financial statements of the Northeast Georgia Regional Commission can be obtained directly from the RC's administrative office at 305 Research Drive, Athens, Georgia 30610. The only transactions between the County and the RC in the current year were payment of the County's membership fee.

Note 14: Related Party

The County gives an annual appropriation to the Madison County Health Department to help fund their yearly operations. For the fiscal year ending December 31, 2015, the County funded the Health Department $154,109. The SPLOST referendum includes a provision requiring that a portion of the SPLOST will be spent pursuant to a contract with the Madison County Industrial Development and Building Authority (MCIDBA). The County remitted $200,459 to the MCIDBA during the year out of the 2014 SPLOST funds. In addition, the County appropriated $28,634 to the MCIDBA from the General Fund to compensate for the revenue reductions that the MCIDBA incurred as a result of Georgia's adoption of the Title Ad Valorem Tax.

Note 15: Assets Restricted by Enabling Legislation

The County maintains several special revenue funds and a capital project fund to account for activities that are required by Georgia law. These funds have restrictions on the use of the remaining fund balance in the funds as follows:

SPLOST capital projects	$ 1,612,073
Judicial	61,854
Public safety	74,220
	$ 1,748,147

Note 16: Net Investment in Capital Assets

Net investment in capital assets is reported on the government-wide statement of net position as of year-end are as follows:

Net investment in capital assets:

Governmental Assets:	
Capital assets not being depreciated	$ 2,286,724
Capital assets, net of depreciation	221,872,542
	$ 224,159,266

As described in Note 8, the County signed a capital lease for fire trucks and subsequently sold fire trucks through sub-leases, which also qualify as capital leases. The fire trucks have been removed from the County's assets and have been replaced by a capital lease receivable on the Statement of Net Position. Capital lease receivables do not qualify as capital assets. Therefore, the related lease obligation is not a capital lease obligation. Both the capital lease receivable and related capital lease obligation have been excluded from the County's calculation of net investment in capital assets. None of the County's capital lease obligations are related to the County's capital assets.

Note 17: Implementation of GASB Statement No. 68 and GASB Statement No. 71

The County implemented the requirements of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date-an Amendment of GASB Statement No. 68* as of January 1, 2015. The implementation of these new standards affected the governmental activities of the government-wide level statements, and the County's proprietary fund, but had no effect on the governmental funds.

The new standards require that the County's net position as of the beginning of the year be restated by eliminating the net pension benefit that the County previously reported under the reporting requirements of GASB 27 and recording the entirety of the County's net pension liability as well as a deferred outflow of resources for pension contributions that were made after the initial measurement date, January 1, 2014, but before the beginning on the County's accounting year. The following schedule summarizes the changes in the County's beginning net position related to the implementation of GASB 68 and GASB 71:

Note 17: Implementation of GASB Statement No. 68 and GASB Statement No. 71, continued

	Governmental Activities	Solid Waste Fund
Beginning net pension liability	$ (1,853,843)	$ (47,534)
Beginning deferred outflow of resources - pension contributions between measurement date and January 1, 2015	516,959	13,255
Write-off prior year net pension benefit	(171,759)	-
Change in beginning net position	$ (1,508,643)	$ (34,279)

The new accounting principle required that pension contributions reported in the funds be reduced by the change in the net pension liability resulting in total pension expense as follows:

	Governmental Activities	Solid Waste Fund
Pension contributions	$ 524,165	$ 13,440
Differences between contribution and pension expense	32,949	845
Pension expense	$ 557,114	$ 14,285

Changes in the concepts used in the accounting principle preclude the County from determining what the pension expense for the 2015 fiscal year would have been had the new principle not been effective. Pro forma amounts for pension expense that would have been reported had the standard been implemented for the fiscal year 2014 financial statements are not readily determinable. Pension expense during 2014 as reported under the previous accounting standard was:

	Governmental Activities	Solid Waste Fund
Prior year pension expense under previous accounting standard	$ 529,666	$ 13,382

Required Supplementary Information

Madison County, Georgia
Required Supplementary Information
Schedule of Changes in the County's Net Pension Liability and Related Ratios

Changes in Total Pension Liability	Year Ended December 31, **2015**
Total Pension Liability - beginning of year	$ 7,925,326
Service cost	197,980
Interest on total pension liability	582,428
Benefit payments (adjusted for interest)	(319,239)
Total Pension Liability - end of year	8,386,495
Changes in Fiduciary Net Position	
Fiduciary Net Position - beginning of year	6,023,949
Employer contributions	530,214
Net investment income	395,521
Benefit payments	(319,239)
Administrative expense	(26,147)
Other	(19,417)
Fiduciary Net Position - end of year	6,584,881
Net Pension Liability	$ 1,801,614
Plan Fiduciary Net Position as a % of Total Pension Liability	78.52%
Covered payroll	$ 4,921,444
Net Pension Liability as % of Covered Payroll	36.61%

Note: As information becomes available it will be added to this schedule until a 10 year history is presented.

Madison County, Georgia
Required Supplementary Information
Schedule of County Pension Contributions

	Actuarially Determined Contribution	Contributions in Relation to Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Employee Payroll	Contributions as Percentage of Covered Employee Payroll
2015	$ 519,956	$ 530,214	$ (10,258)	$ 4,921,444	10.77%

Unavailable historical information is not required to be reported in the implementation year under GASB Statement No. 68. The information will be reported as it becomes available.

Madison County, Georgia
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget (GAAP Basis) and Actual - General Fund
For the year ended December 31, 2015

REVENUES	Original Budget	Final Budget	Actual	Variance with Final Budget
Taxes	$ 10,286,851	$ 10,286,851	$ 10,575,370	$ 288,519
Licenses and permits	78,700	78,700	115,291	36,591
Intergovernmental	157,459	891,067	894,109	3,042
Charges for services	1,422,856	1,422,856	1,527,043	104,187
Fines and forfeitures	622,000	643,710	606,615	(37,095)
Investment earnings	2,550	2,550	1,419	(1,131)
Contributions and donations	68,000	69,025	53,539	(15,486)
Miscellaneous	55,939	207,970	269,101	61,131
Total revenues	12,694,355	13,602,729	14,042,487	439,758
EXPENDITURES				
Current:				
General government				
General government	2,699,381	1,074,720	909,603	165,117
Governing body	113,973	158,334	156,155	2,179
Financial administration	284,214	336,850	336,212	638
Board of Elections/Registrations	126,040	155,696	156,514	(818)
Information technology	166,295	243,297	219,124	24,173
Tax Commissioner	265,610	315,968	290,610	25,358
Tax Assessor	268,068	326,548	323,983	2,565
Buildings and grounds	112,354	162,163	156,611	5,552
Judicial				
Superior Court	299,551	395,040	391,010	4,030
Clerk of Superior Court	339,153	405,117	403,072	2,045
Magistrate Court	180,060	217,911	213,442	4,469
Probate Court	190,680	258,356	247,933	10,423
Public Defender	-	1,366	1,366	-
Public Safety				
Law enforcement	2,756,514	3,516,207	3,724,554	(208,347)
Emergency management	683,598	706,444	707,008	(564)
Emergency medical service	1,521,298	1,796,604	1,849,178	(52,574)
Coroner	30,968	35,841	36,146	(305)
Animal Control	84,360	84,360	84,360	-
Public Works				
Highways and Streets	692,681	1,700,839	1,646,423	54,416
Vehicle Maintenance	498,150	536,264	461,240	75,024
Industrial Dev. and Building Authority	-	-	28,634	(28,634)
Health and welfare				
Food Bank	85,842	86,488	71,537	14,951
Senior Citizens Center	223,957	266,110	263,704	2,406
Public Education	30,880	31,463	26,017	5,446
Extension Office	16,821	17,888	17,965	(77)
Health	241,950	243,025	243,360	(335)
Culture and recreation				
Recreation	460,181	517,134	517,040	94
Ga Dept of Natural Resources	21,700	21,700	21,700	-
Library administration	197,640	197,640	197,625	15

Madison County, Georgia
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget (GAAP Basis) and Actual - General Fund
For the year ended December 31, 2015

Housing and development				
Planning, zoning and inspections	252,934	307,236	273,995	33,241
Chamber of Commerce	3,750	3,750	3,562	188
Forest Resources	9,439	9,439	9,439	-
Debt Service:				
Principal	21,195	157,657	157,657	-
Interest and other charges	2,044	32,390	32,378	12
Total Expenditures	12,881,281	14,319,845	14,179,157	140,688
Excess (deficiency) of revenues over over expenditures	(186,926)	(717,116)	(136,670)	580,446
OTHER FINANCING SOURCES (USES)				
Proceeds from governmental asset dispositions	-	-	10,414	10,414
Transfers in	63,000	63,000	39,938	(23,062)
Transfers out	(635,389)	(821,500)	(746,525)	(74,975)
Total other financing sources and uses	(572,389)	(758,500)	(696,173)	(87,623)
Net change in fund balances	(759,315)	(1,475,616)	(832,843)	492,823
Fund balances - beginning	8,926,666	8,926,666	8,926,666	-
Fund balances - ending	$ 8,167,351	$ 7,451,050	$ 8,093,823	$ 492,823

Madison County, Georgia
Notes to Required Supplementary Information
For the Year Ended December 31, 2015

Related to the Pension Data

NOTE A: VALUATION DATE

The actuarially determined contribution rates are calculated as of January 1 of each year presented. The contributions are recorded during that year by the pension plan and the County and are paid using current financial resources directly following that year.

NOTE B: METHODS AND ASSUMPTIONS USED TO DETERMINE CONTRIBUTION RATES

Actuarial cost method	Entry age
Asset valuation method	5-year smoothed market
Amortization method	Level percentage compensation
Future payroll growth	5.50%
Investment rate of return	7.50%

NOTE C: CHANGES IN ASSUMPTIONS

The investment return was changed from 7.75% to 7.50% in 2014. The investment return was changed from 8.0% to 7.75% in 2009. All other years assumed an 8.0% investment return. Age and service based employee termination rates were updated to more closely reflect actual experience in 2014. The mortality table was changed from the 1983 GAM, sex distinct table to the RP-2000 combined table in 2014. Retirement rates were updated in 2014. The funding method was changed from Projected Unit Credit to Entry Age Normal in 2014.

NOTE D: HISTORICAL DATA

The adoption on GASB Statement No. 68 resulted in a number of new definitions and concepts regarding measuring pension liabilities. Statement 68 introduced the concept of a total pension liability and a fiduciary net position. While the County has historical data that might be similar to these two amounts, the calculation of the amounts that the County has differs enough that presenting this information might be misleading. Accordingly, the County has not presented historical information about the changes in the total pension liability or the fiduciary net position. Statement 68 also requires the County to present historical contribution data of its pension plan if the plan has calculated an "actuarially determined contribution". The accompanying RSI presents the annual required contribution, as determined by the pension plan's acutaries, and the County's actual contribution for the 2014 plan year. Additional historical information will be added as the information becomes available.

Related to the Budget to Actual Comparison

NOTE E: BASIS OF PRESENTATION

The budget is prepared and adopted on a basis consistent with generally accepted accounting principles (GAAP).

NOTE F: EXCESS OF EXPENDITURES OVER APPROPRIATIONS

Individual departments within the General Fund reported expenditures in excess of appropriations of:

General Fund:

The County evaluated these expenditures in excess of appropriation in the General Fund and determined that they do not represent a *significant* violation of the budget and they are not reported in the footnotes to the financial statements:

Board of Elections/Registration	818
Emergency Management	564
Coroner	305
Extension Office	77
Health Department	335

The County determined that the following expenditures in excess of appropriation in the General Fund do represent a *significant* violation of the budget and has included this violation of the budget in the footnotes to the financial statements:

Law Enforcement	208,347
Emergency Medical Service	52,574
Industrial Dev. and Building Authority	28,634

Combining and Individual Fund Statements and Schedules

Madison County, Georgia
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2015

	Clerk Deed Fund	PEPI & Seized Drug	Drug Abuse Treatment Fund	E-911	Law Library	Jail Fund	Total Special Revenue Funds
ASSETS							
Cash and cash equivalents	$ 45,635	$ 6,497	1,422	$ 22,173	$ 16,219	$ -	$ 91,946
Accounts receivable	-	-	-	81,872	-	-	81,872
Due from other funds	-	-		-	-	$ -	-
Prepaid expenses	-	-		16,099	-	-	16,099
Total assets	45,635	6,497	1,422	120,144	16,219	-	189,917
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	-	-	157	8,399	-	-	8,556
Accrued salaries and benefits	-	-	4,195	44,022	-	-	48,217
Total liabilities	-	-	4,352	52,421	-	-	56,773
Fund balances:							
Restricted							
Judicial	45,635	-	-	-	16,219	-	61,854
Public safety	-	6,497	-	67,723	-	-	74,220
Unassigned	-	-	(2,930)	-	-	-	(2,930)
Total fund balances	45,635	6,497	(2,930)	67,723	16,219	-	133,144
Total liabilities and fund balances	$ 45,635	$ 6,497	$ 1,422	$ 120,144	$ 16,219	$ -	$ 189,917

Madison County, Georgia
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2015

	Clerk Deed Fund	PEPI & Seized Drug	Drug Abuse Treatment Fund	E-911	Law Library	Jail Fund	Total Special Revenue Funds
REVENUES							
Charges for services	$ 17,413	$ -	$ -	$ 502,462	$ 7,917	$ -	$ 527,792
Fines and forfeitures	-	26,298	19,657	-	-	39,938	85,893
Investment earnings	201	-	-	28	53	-	282
Miscellaneous	-	-	-	2,845	-	-	2,845
Total revenues	17,614	26,298	19,657	505,335	7,970	39,938	616,812
EXPENDITURES							
Current:							
Judicial	26,642	-	-	-	2,155	-	28,797
Public Safety	-	31,333	66,025	885,740	-	-	983,098
Total Expenditures	26,642	31,333	66,025	885,740	2,155	-	1,011,895
Excess (deficiency) of revenues over (under) expenditures	(9,028)	(5,035)	(46,368)	(380,405)	5,815	39,938	(395,083)
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	47,561	396,464	-	-	444,025
Transfers (out)	-	-	-	-	-	(39,938)	(39,938)
Total other financing sources and uses	-	-	47,561	396,464	-	(39,938)	404,087
Net change in fund balances	(9,028)	(5,035)	1,193	16,059	5,815	-	9,004
Fund balances - beginning	54,663	11,532	(4,123)	51,664	10,404	-	124,140
Fund balances - ending	$ 45,635	$ 6,497	$ (2,930)	$ 67,723	$ 16,219	$ -	$ 133,144

Madison County, Georgia
Clerk's Deed Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Charges for services	$ 11,500	$ 11,500	$ 17,413	$ 5,913
Investment income	-	-	201	201
Total revenues	11,500	11,500	17,614	6,114
EXPENDITURES				
Current:				
Judicial	11,500	11,500	26,642	(15,142)
Total expenditures	11,500	11,500	26,642	(15,142)
Net change in fund balances	-	-	(9,028)	(9,028)
Fund balances - beginning	54,663	54,663	54,663	-
Fund balances - ending	$ 54,663	$ 54,663	$ 45,635	$ (9,028)

Madison County, Georgia
Seized and Forfeited Funds Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Fines and forfeitures	$ 60,000	$ 60,000	$ 26,298	$ (33,702)
Total revenues	60,000	60,000	26,298	(33,702)
EXPENDITURES				
Current:				
Public safety	50,000	50,000	31,333	18,667
Total expenditures	50,000	50,000	31,333	18,667
Net change in fund balances	10,000	10,000	(5,035)	(15,035)
Fund balances - beginning	11,532	11,532	11,532	-
Fund balances - ending	$ 21,532	$ 21,532	$ 6,497	$ (15,035)

Madison County, Georgia
Drug Abuse Treatment Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Fines and forfeitures	$ 12,000	$ 12,000	19,657	$ 7,657
Total revenues	12,000	12,000	19,657	7,657
EXPENDITURES				
Current:				
Public safety	55,773	66,090	66,025	65
Total expenditures	55,773	66,090	66,025	65
Deficit of revenues under expenditures	(43,773)	(54,090)	(46,368)	7,722
OTHER FINANCING SOURCES (USES)				
Transfers in	43,773	54,090	47,561	(6,529)
Total other financing sources and (uses)	43,773	54,090	47,561	(6,529)
Net change in fund balances	-	-	1,193	1,193
Fund balances - beginning	(4,123)	(4,123)	(4,123)	(4,123)
Fund balances - ending	$ (4,123)	$ (4,123)	$ (2,930)	$ (2,930)

Madison County, Georgia
E-911 Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Charges for services	$ 470,000	$ 470,000	$ 502,462	$ 32,462
Investment income	25	25	28	3
Miscellaneous	300	300	2,845	2,545
Total revenues	470,325	470,325	505,335	35,010
EXPENDITURES				
Current:				
Public safety	756,249	885,072	885,740	(668)
Total expenditures	756,249	885,072	885,740	(668)
Deficiency of revenues under expenditures	(285,924)	(414,747)	(380,405)	34,342
OTHER FINANCING SOURCES				
Transfers	285,924	414,747	396,464	(18,283)
Total other financing sources	285,924	414,747	396,464	(18,283)
Net change in fund balances	-	-	16,059	16,059
Fund balances - beginning	51,664	51,664	51,664	-
Fund balances - ending	$ 51,664	$ 51,664	$ 67,723	$ 16,059

This fund reported expenditures in excess of the approved budget. The County does not consider this to be a material violation of a finance-related legal provision requiring disclosure in the notes to the financial statements.

Madison County, Georgia
Law Library Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Charges for services	$ 12,000	$ 12,000	$ 7,917	$ (4,083)
Investment income	-	-	53	53
Total revenues	12,000	12,000	7,970	(4,030)
EXPENDITURES				
Current:				
Judicial	12,000	12,000	2,155	9,845
Total expenditures	12,000	12,000	2,155	9,845
Net change in fund balance	-	-	5,815	5,815
Fund balances - beginning	10,404	10,404	10,404	-
Fund balances - ending	$ 10,404	$ 10,404	$ 16,219	$ 5,815

Madison County, Georgia
Jail Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Fines and forfeitures	$ 63,000	$ 63,000	$ 39,938	$ (23,062)
Total revenues	63,000	63,000	39,938	(23,062)
Excess of revenues over expenditures	63,000	63,000	39,938	(23,062)
OTHER FINANCING (USES)				
Transfers (out)	(63,000)	(63,000)	(39,938)	23,062
Total other financing (uses)	(63,000)	(63,000)	(39,938)	23,062
Net change in fund balance	-	-	-	-
Fund balances - beginning	-	-	-	-
Fund balances - ending	$ -	$ -	$ -	$ -

Exhibit I

Madison County, Georgia
Fiduciary Funds
Combining Schedule of Fiduciary Assets and Liabilities
December 31, 2015

	Tax Commissioner	Sheriff	Clerk of Superior Court	Probate Court	Magistrate Court	Total Fiduciary Funds
ASSETS						
Cash	$ 6,635	$ 40,065	$ 131,546	$ 141	$ 2,106	$ 180,493
Total Assets	$ 6,635	$ 40,065	$ 131,546	$ 141	$ 2,106	$ 180,493
LIABILITIES						
Due to others	6,635	40,065	131,546	141	2,106	180,493
Total Liabilities	$ 6,635	$ 40,065	$ 131,546	$ 141	$ 2,106	$ 180,493

Compliance Section

Treadwell, Tamplin & Co.
Certified Public Accountants
A Limited Liability Partnership
157 West Jefferson Street
Madison, Georgia 30650
Ph: 706-342-1040
Fax: 706-342-1041

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

To the Honorable Commissioners of
Madison County, Georgia

We have audited, in accordance with auditing standards generally accepted in the United State 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 activity, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Madison County, Georgia, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise Madison County, Georgia's basic financial statements and have issued our report thereon dated July 7, 2016. We did not audit the financial statements of the Madison County Health Department. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion on the basic financial statements, insofar as it relates to the amounts included for the Madison County Health Department, is based on the report of the other auditors.

Internal Control over Financial Reporting

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

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weakness or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Madison County, Georgia's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of audit findings and responses as item *2013-002*

We noted certain matters that we reported to management of Madison County, Georgia in a separate letter dated July 7, 2016.

Madison County, Georgia's Response to Findings

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

Purpose of this Report

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



Madison, Georgia
July 7, 2016

2013-002: Expenditures in Excess of Appropriations

Criteria:	Georgia law requires that expenditures not exceed the amount approved in the budget at the County's legal level of control.
Condition:	The County's legal level of control is the department level. The County's General Fund had three departments: Law Enforcement, Emergency Medical Service and Industrial Dev. and Building Authority whose expenditures exceeded appropriations such that a significant violation of the budget requirement was reported. Expenditures of the County's Clerks Deed Special Revenue Fund also exceeded appropriations by a significant amount.
Effect:	The County did not comply with Georgia law requiring that expenditures not exceed budgeted amounts.
Cause:	The expenditures exceeded their budget in two of the three departments because the department heads approved the expenditure of funds that were not included in their budget without requesting a budget amendment from the Board of Commissioners before doing so. The Industrial Dev. and Building Authority budget exceeded expenditures because the Board of Commissioners approved sharing the proceeds of the TAVT with the Madison County Industrial Development and Building Authority and did not also approve a budget amendment to accommodate the approved expenditure.
Recommendation:	We recommend the Board of Commissioners monitor actual expenditures in comparison to the budget. We recommend that management put policies in place to ensure that the budget is not overspent. Possible policies that management could implement include requesting budget amendments when it becomes clear that a department is likely to overspend its budget or putting in place procedures to limit the expenditures of departments when it becomes clear that the department's expenditures will likely exceed the budgeted amounts.
Views of Officials:	Management concurs with the finding. Management has met with the affected departments and has come to an agreement that the budget to actual comparisons will be more closely monitored.

Madison County, Georgia
Schedule of Projects Constructed
With Special Sales Tax Proceeds
For the Year Ended December 31, 2015

	Original Estimated Cost	Revised Estimated Cost	Expenditures			Estimated Percentages of Completion
			Prior Years	Current Year	Total	
2008 Referendum						
Expansion of County Jail	$ 3,300,000	$ 3,300,000	$ 325,819	$ 1,329,605	$ 1,655,424	50%
Recreation	1,000,000	1,000,000	912,982	33,986	946,968	95%
Library	750,000	581,486	581,486	-	581,486	100%
E-911	424,400	527,333	432,383	-	432,383	82%
EMS	270,000	270,000	240,957	-	240,957	89%
Transfer Station	124,800	124,800	107,041	10,370	117,411	94%
Old Courthouse	90,000	90,000	7,895	-	7,895	9%
Road and bridge improvements	3,950,800	3,995,094	3,995,094	-	3,995,094	100%
Payments to Industrial Development & Building Authority for water & sewer projects	1,190,000	1,101,812	1,101,812	-	1,101,812	100%
Payments to cities for capital projects						
City of Carlton	128,587	119,118	119,118	-	119,118	100%
City of Colbert	269,316	249,319	249,319	-	249,319	100%
City of Comer	580,574	537,605	537,605	-	537,605	100%
City of Danielsville	252,208	233,570	233,570	-	233,570	100%
City of Hull	88,300	81,781	81,781	-	81,781	100%
City of Ila	181,015	167,653	167,653	-	167,653	100%
Totals	$ 12,600,000	$ 12,379,571	$ 9,094,515	$ 1,373,961	$ 10,468,476	
2014 Referendum						
Road and bridge improvements	$ 6,487,500	$ 6,487,500	$ 550,147	1,293,233	$ 1,843,380	28%
Recreation	227,500	227,500	-	41,015	41,015	18%
Sheriff	681,667	681,667	244,252	120,754	365,006	54%
E-911	153,000	153,000	51,476	10,768	62,244	41%
EMS	755,833	755,833	266,776	140,786	407,562	54%
Transfer Station	84,167	84,167	-	17,718	17,718	21%
Old Courthouse	42,000	42,000	-	-	-	0%
Firefighting	1,033,333	1,033,333	118,217	49,403	167,620	16%
Payments to Industrial Development & Building Authority for water & sewer projects	1,422,500	1,422,500	104,593	200,459	305,052	21%
Payments to cities for capital projects			-		-	
City of Carlton	126,900	126,900	9,331	17,883	27,214	21%
City of Colbert	289,050	289,050	21,253	40,733	61,986	21%
City of Comer	549,600	549,600	40,411	77,450	117,861	21%
City of Danielsville	273,300	273,300	20,096	38,514	58,610	21%
City of Hull	96,600	96,600	7,103	13,613	20,716	21%
City of Ila	164,550	164,550	12,099	23,189	35,288	21%
Totals	$ 12,387,500	$ 12,387,500	$ 1,445,754	$ 2,085,518	$ 3,531,272	

Madison County

Certification of 9-1-1 Expenditures

For the Year Ended 2015

Line No.		O.C.G.A. Reference:	
1	Indicate UCOA Fund Type Used to Account for 9-1-1 Activity (choose one):		
	_X_ Special Revenue Fund ____ Enterprise Fund		
	Expenditures (UCOA Activity 3800)		
2	Wireless service supplier cost recovery charges (identify each supplier individually on lines below - attach list, if necessary)	46-5-134(e)	
	AT&T		$ 29,652.90
	Sprint		$ 414.30
	Southern Linc		$ 16.20
3	Emergency telephone equipment, including necessary computer hardware, software, and data base provisioning, addressing, and nonrecurring costs of establishing a 9-1-1 system:		
3a	Lease costs	46-5-134(f)(1)(A)	$
3b	Purchase costs	46-5-134(f)(1)(A)	$
3c	Maintenance costs	46-5-134(f)(1)(A)	$
4	Rates associated with the service suppliers 9-1-1 service and other service suppliers recurring charges	46-5-134(f)(1)(B)	$ 59,040.84
5	Employees hired by the local government solely for the operation and maintenance of the emergency 9-1-1 system and employees who work as directors as defined in O.C.G.A. §46-5-138.2		
5a	Salaries and wages	46-5-134(f)(1)(C)	$ 470,506.39
5b	Employee benefits	46-5-134(f)(1)(C)	$ 157,674.39
6	Cost of training of employees who work as dispatchers or directors	46-5-134(f)(1)(D)	$ 1,056.70
7	Office supplies of the public safety answering points used directly in providing emergency 9-1-1 system services	46-5-134(f)(1)(E)	$ 4,595.43
8	Building used as a public safety answering point:		
8a	Lease costs	46-5-134(f)(1)(F)	$
8b	Purchase costs	46-5-134(f)(1)(F)	$
9	Computer hardware and software used at a public safety answering point, including computer assisted dispatch systems and automatic vehicle location systems:		
9a	Lease costs	46-5-134(f)(1)(G)	$
9b	Purchase costs	46-5-134(f)(1)(G)	$ 3,797.74
9c	Maintenance costs	46-5-134(f)(1)(G)	$ 27,662.13

Madison County

Certification of 9-1-1 Expenditures

For the Year Ended 2015

Line No.		O.C.G.A. Reference:		
10	Supplies directly related to providing emergency 9-1-1 system services, including the cost of printing emergency 9-1-1 public education materials	46-5-134(f)(1)(H)	$	33,677.01
11	Logging recorders used at a public safety answering point to record telephone and radio traffic:			
11a	Lease costs	46-5-134(f)(1)(I)	$	
11b	Purchase costs	46-5-134(f)(1)(I)	$	
11c	Maintenance costs	46-5-134(f)(1)(I)	$	
12	Insurance purchased to insure against risks and liability in the operation and maintenance of the 9-1-1 system on behalf of the local government or on behalf of employees hired by the local government solely for the operation and maintenance of the 9-1-1 system and employees who work as directors	46-5-134(f)(2)(B)(i)	$	
13	Mobile communications vehicle and equipment, if the primary purpose and designation of such vehicle is to function as a backup 9-1-1 system center			
13a	Lease costs	46-5-134(f)(2(B)(ii)	$	1,200.00
13b	Purchase costs	46-5-134(f)(2(B)(ii)	$	
13c	Maintenance costs	46-5-134(f)(2(B)(ii)	$	
14	Allocation of indirect costs associated with supporting the 9-1-1 system center and operations as identified and outlined in an indirect cost allocation plan approved by the local governing authority that is consistent with the costs allocated within the local government to both governmental and business-type activities	46-5-134(f)(2)(B)(iii)	$	
15	Mobile public safety voice and data equipment, geo-targeted test messaging alert systems, or towers necessary to carry out the function of 9-1-1 system operations			
15a	Lease costs	46-5-134(f)(2(B)(iv)	$	
15b	Purchase costs	46-5-134(f)(2(B)(iv)	$	
15c	Maintenance costs	46-5-134(f)(2(B)(iv)	$	
16	Public safety voice and data communications systems located in the 9-1-1 system facility that further the legislative intent of providing the highest level of emergency response service on a local, regional, and state-wide basis, including equipment and associated hardware and software that supports the use of public safety wireless voice and data communication systems			
16a	Lease costs	46-5-134(f)(2(B)(v)	$	
16b	Purchase costs	46-5-134(f)(2(B)(v)	$	
16c	Maintenance costs	46-5-134(f)(2(B)(v)	$	96,446.00

Madison County

Certification of 9-1-1 Expenditures

For the Year Ended 2015

Line No.		O.C.G.A. Reference:	
17	Other expenditures not included in Lines 2 through 16 above. Identify by object and purpose.		
	_____		$ _____
	_____		$ _____
	_____		$ _____
	_____		$ _____
	_____		$ _____
	_____		$ _____
	_____		$ _____
	_____		$ _____
18	Total Expenditures (total of all amounts reported on Lines 2 through 17 above)		$ 885,740.03

Certification of Local Government Officials

I have reviewed the information presented in this report and certify that it is accurate and correct. I further certify that the 9-1-1 funds were expended in compliance with the expenditure requirements specified in the Official Code of Georgia Annotated (OCGA), Section 46-5-134. I understand that, in accordance with OCGA Section 46-5-134(m)(2), any local government which makes expenditures not in compliance with this Code section may be held liable for pro rata reimbursement to telephone and wireless telecommunications subscribers of amounts improperly expended. Further, the noncompliant local government shall be solely financially responsible for the reimbursement and for any costs associated with the reimbursement. Such reimbursement shall be accomplished by the service providers abating the imposition of the 9-1-1 charges and 9-1-1 wireless enhanced charges until such abatement equals the total amount of the rebate.

Signature of Chief Elected Official _____ Date 4/22/2016

Print Name of Chief Elected Official Anthony Dove

Title of Chief Elected Official Chairman - BOC

Signature of Chief Financial Officer Kathy Figueroa Date 4/22/16

Print Name of Chief Financial Officer Kathy Figueroa