Madison County, Georgia

Financial Statements

For the Year Ended December 31, 2019

Madison County, Georgia
Financial Report
For the Year Ended December 31, 2019

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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, 2019, and the related notes to the financial statements, which collectively comprise Madison County, Georgia'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%, -1%, and 13%, respectively, of the assets, net position, 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 audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, based on our 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, 2019, 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 that the 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 32, 33 and 34-35 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 basic financial statements. 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 combining and individual nonmajor fund schedules and the Schedule of Projects Constructed with Special Sales Tax Proceeds, are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund schedules and the Schedule of Special Purpose Local Option Sales Tax is fairly stated in all material respects in relation to the basic financial statements as a whole.

The Certification of 9-1-1 Expenditures has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated February 15, 2021 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
February 15, 2021

Basic Financial Statements

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

	Governmental Activities	Business-type Activities	Total	Industrial Development Authority	June 30 Health Department
ASSETS					
Cash and cash equivalents (Note 3)	$ 16,520,312	$ 500	$ 16,520,812	$ 1,322,949	$ 573,368
Receivables, net (Note 4)	2,001,749	37,676	2,039,425	259,311	30,226
Due from other governments	542,865	14,174	557,039	356,625	49,689
Inventories	140,607	-	140,607	-	-
Restricted cash	197,496	-	197,496	754,099	-
Capital lease receivables	47,927	-	47,927	-	-
Prepaids	116,129	-	116,129	15,315	-
Capital assets (Note 5)					
Capital assets not being depreciated	853,919	-	853,919	571,135	-
Capital assets, net of depreciation	180,957,831	120,898	181,078,729	22,092,505	60,281
Total assets	201,378,835	173,248	201,552,083	25,371,939	713,564
DEFERRED OUTFLOWS OF RESOURCES					
Deferred amount related to pensions (Note 9)	1,624,045	40,347	1,664,392	-	301,061
Total assets and deferred outflows	203,002,880	213,595	203,216,475	25,371,939	1,014,625
LIABILITIES					
Accounts payable and accrued expenses	1,062,598	24,614	1,087,212	306,092	95,586
Due to other governments	-	-	-	20,540	-
Cash held in escrow	196,045	-	196,045	716,099	-
Customer deposits	-	-	-	77,416	-
Long-term liabilities: (Note 7)					
Due within one year					
Notes and bonds payable	22,733	-	22,733	425,457	-
Capital lease obligations	45,733	-	45,733	-	-
Landfill postclosure costs	-	8,335	8,335	-	-
Due in more than one year					
Notes and bonds payable, net	23,359	-	23,359	10,401,024	-
Compensated absences	328,764	2,189	330,953	17,362	42,015
Net pension liability (Note 9)	3,208,827	80,447	3,289,274	-	468,617
Net OPEB liability	-	-	-	-	283,535
Landfill postclosure costs	-	58,345	58,345	-	-
Total liabilities	4,888,059	173,930	5,061,989	11,963,990	889,753
DEFERRED INFLOWS OF RESOURCES					
Deferred amount related to pensions (Note 9)	48,057	1,203	49,260	-	143,248
Unearned revenue - grant proceeds	-	-	-	-	5,012
Unearned lease income	2,194	-	2,194	-	-
Total deferred inflows	50,251	1,203	51,454	-	148,260
Total liabilities and deferred inflows	4,938,310	175,133	5,113,443	11,963,990	1,038,013
NET POSITION					
Net investment in capital assets (Note 16)	181,765,658	120,898	181,886,556	11,837,159	60,281
Restricted for: (Note 15)					
Capital projects	2,426,373	-	2,426,373	204,342	-
Judicial	92,177	-	92,177	-	-
Health and welfare	95,996	-	95,996	-	-
Public safety	429,933	-	429,933	-	-
Public works	820,246	-	820,246	-	-
Debt service	-	-	-	38,000	-
Unrestricted	12,434,187	(82,436)	12,351,751	1,328,448	(83,669)
Total net position	$ 198,064,570	$ 38,462	$ 198,103,032	$ 13,407,949	$ (23,388)

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

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

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: Governmental Activities	Net (Expense) Revenue and Changes in Net position: Business-type Activities	Net (Expense) Revenue and Changes in Net position: Total	Component Units: Industrial Development Authority	Component Units: June 30 Health Department
Primary government									
Governmental Activities:									
General Government	$ 2,453,616	$ 519,712	$ 161,790	$ -	$ (1,772,114)	$ -	$ (1,772,114)		
Judicial	1,508,612	626,056	100,000	-	(782,556)	-	(782,556)		
Public Safety	9,612,995	2,077,761	43,304	200	(7,491,730)	-	(7,491,730)		
Public Works	14,575,377	685	-	1,020,314	(13,554,378)	-	(13,554,378)		
Health and Welfare	735,151	-	243,441	9,558	(482,152)	-	(482,152)		
Culture and Recreation	905,597	119,961	-	2,607	(783,029)	-	(783,029)		
Housing & Development	331,463	142,527	-	-	(188,936)	-	(188,936)		
Interest on Long-term debt	8,743	-	-	-	(8,743)	-	(8,743)		
Total governmental activities	30,131,554	3,486,702	548,535	1,032,679	(25,063,638)	-	(25,063,638)		
Business-type activities:									
Solid Waste Fund	420,072	239,803	31,716	-		(148,553)	(148,553)		
Total business-type activities	420,072	239,803	31,716	-		(148,553)	(148,553)		
Total primary government	30,551,626	3,726,505	580,251	1,032,679		(148,553)	(25,212,191)		
Component Units									
Industrial Development Building Authority	1,904,308	1,374,741	-	2,183,720				1,654,153	-
Health Department	827,614	326,578	547,885	-				-	46,849
Total component units	$ 2,731,922	$ 1,701,319	$ 547,885	$ 2,183,720				$ 1,654,153	$ 46,849
General revenues:									
Taxes:									
Property taxes, levied for general purposes					$ 11,591,449	$ -	$ 11,591,449	$ 770,961	$ -
Sales taxes					4,112,472	-	4,112,472	-	-
Franchise and other business taxes					2,204,689	-	2,204,689	16,675	-
Grants and contributions not restricted to specific programs					-	-	-	1,267,621	-
Interest revenue					7,593	-	7,593	1,795	45
Miscellaneous					182,155	-	182,155	-	-
Transfers					(173,174)	173,174	-	-	-
Total general revenues, special item, and transfers					17,925,184	173,174	18,098,358	2,057,052	45
Change in net position					(7,138,454)	24,621	(7,113,833)	3,711,205	46,894
Net position - beginning					205,203,024	13,841	205,216,865	9,696,744	(70,282)
Net position - ending					$ 198,064,570	$ 38,462	$ 198,103,032	$ 13,407,949	$ (23,388)

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

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

	General Fund	SPLOST 2014 Fund	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	$ 13,746,177	$ 2,217,139	$ 556,996	$ 16,520,312
Taxes receivable, net	1,905,011	-	-	1,905,011
Receivable from other governments	230,413	214,775	97,677	542,865
Other receivables, net	96,738	-	-	96,738
Restricted cash	197,496	-	-	197,496
Capital lease receivable	47,928	-	-	47,928
Prepaid items	97,890	-	18,239	116,129
Inventories	140,607	-	-	140,607
Total assets	16,462,260	2,431,914	672,912	19,567,086
LIABILITIES				
Accounts payable	135,737	85,539	7,190	228,466
Accrued salaries and benefits	770,517	-	63,614	834,131
Tax sale proceeds held for others	196,045	-	-	196,045
Total liabilities	1,102,299	85,539	70,804	1,258,642
DEFERRED INFLOWS OF RESOURCES				
Unavailable property taxes	871,063	-	-	871,063
Unavailable lease reimbursements	47,928	-	-	47,928
Total deferred inflows	918,991	-	-	918,991
FUND BALANCES				
Nonspendable				
Prepaid items	97,890	-	18,239	116,129
Inventories	140,607	-	-	140,607
Restricted				
Capital projects	-	2,346,375	79,998	2,426,373
Judicial	-	-	92,177	92,177
Health and welfare	95,996	-	-	95,996
Public safety	-	-	415,110	415,110
Public works	820,246	-	-	820,246
Committed	140,000	-	-	140,000
Unassigned	13,146,231	-	(3,416)	13,142,815
Total fund balances	14,440,970	2,346,375	602,108	17,389,453
Total liabilities, deferred inflows of resources, and fund balances	$ 16,462,260	$ 2,431,914	$ 672,912	$ 19,567,086

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, 2019

Total fund balance, governmental funds (Exhibit 3)	$	17,389,453
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.		181,811,750
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.		625,461
Deferred outflows and deferred inflows 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 current financial resources and are not reported in the funds.		950,527
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.		(420,589)
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.		(3,208,827)
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.		45,733
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.		871,062
Net Position of Governmental Activities in the Statement of Net Position (Exhibit 1)	$	198,064,570

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, 2019

	General Fund	SPLOST 2014 Fund	Other Governmental Funds	Total Governmental Funds
REVENUES				
Taxes	$ 15,332,546	$ 2,361,632	$ -	$ 17,694,178
Licenses and permits	163,827	-	-	163,827
Intergovernmental	1,276,752	-	4,500	1,281,252
Charges for services	1,908,173	-	629,200	2,537,373
Fines and forfeitures	661,382	-	117,254	778,636
Investment earnings	6,321	9,672	1,632	17,625
Contributions and donations	66,183	-	25,000	91,183
Miscellaneous	310,571	-	2,740	313,311
Total revenues	19,725,755	2,371,304	780,326	22,877,385
EXPENDITURES				
Current:				
General government	2,476,857	-	-	2,476,857
Judicial	1,502,302	-	42,401	1,544,703
Public safety	7,607,235	-	1,181,306	8,788,541
Public works	2,276,811	-	-	2,276,811
Health and welfare	673,797	-	-	673,797
Culture and recreation	788,509	-	-	788,509
Housing and development	321,198	-	-	321,198
Debt Service:				
Principal	137,715	-	-	137,715
Interest and other charges	8,743	-	-	8,743
Intergovernmental	-	557,164	-	557,164
Capital Outlay:				
Public safety	-	249,154	-	249,154
Public works	-	896,152	-	896,152
Culture and recreation	-	49,000	-	49,000
Total expenditures	15,793,167	1,751,470	1,223,707	18,768,344
Excess (deficiency) of revenues over (under) expenditures	3,932,588	619,834	(443,381)	4,109,041
OTHER FINANCING SOURCES (USES)				
Proceeds from governmental asset dispositions	9,641	-	-	9,641
Transfers in	40,223	-	495,005	535,228
Transfers (out)	(668,179)	-	(40,223)	(708,402)
Total other financing sources and (uses)	(618,315)	-	454,782	(163,533)
Net change in fund balances	3,314,273	619,834	11,401	3,945,508
Fund balances - beginning	11,126,697	1,726,541	590,707	13,443,945
Fund balances - ending	$ 14,440,970	$ 2,346,375	$ 602,108	$ 17,389,453

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, 2019

Net change in fund balances - total governmental funds (Exhibit 4)	$	3,945,508
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, $11,570,242 exceeded capital outlays, $306,415, in the current period.		(11,263,827)
The County accepted contributed assets by developers into the County's capital asset system. The assets contributed are not current financial resources. Therefore, the contributions are not reflected in the fund-level financial statements.		190,000
In the Statement of Activities, only the loss on the sale/disposal of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balance by the cost of the capital assets sold/disposed (net of accumulated depreciation).		(9,595)
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.		(208,391)
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.		214,432
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.		(28,706)
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.		(115,590)
Debt principal payments are reported as expenditures in the governmental funds, but reduce the liability in the Statement of Net Position.		137,715
Change in net position of governmental activities (Exhibit 2)	$	(7,138,454)

Madison County, Georgia
Statement of Net Position
Proprietary Fund
December 31, 2019

	Solid Waste Fund
ASSETS	
Current assets:	
Cash	$ 500
Accounts receivable	37,676
Receivables from other governments	14,174
Total current assets	52,350
Non-current assets:	
Capital assets, net of depreciation	120,898
Total assets	173,248
DEFERRED OUTFLOWS OF RESOURCES	
Deferred amount related to pensions	40,347
Total assets and deferred outflows	213,595
LIABILITIES	
Current liabilities:	
Accounts payable	12,970
Salaries and benefits payable	11,644
Current portion of postclosure liability	8,335
Total current liabilities	32,949
Non-current liabilities:	
Compensated absences	2,189
Net pension liability	80,447
Postclosure liability	58,345
Total non-current liabilities	140,981
Total liabilities	173,930
DEFERRED INFLOWS OF RESOURCES	
Deferred amount related to pensions	1,203
Total liabilities and deferred inflows	175,133
NET POSITION	
Investment in capital assets	120,898
Unrestricted	(82,436)
Total net position	$ 38,462

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, 2019

	Solid Waste Fund
REVENUES	
Charges for services	$ 200,737
Miscellaneous	39,066
Total operating revenues	239,803
OPERATING EXPENSES	
Cost of sales - waste disposal fees	153,835
Personal services	192,775
Contractual services	19,888
Other supplies and expenses	40,563
Depreciation	13,011
Total operating expenses	420,072
Operating loss	(180,269)
NON-OPERATING REVENUES (EXPENSES)	
Grants and contributions	31,716
Transfers in	173,174
Change in net position	24,621
Net positions - beginning	13,841
Net position - ending	$ 38,462

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, 2019

	Solid Waste Fund
Cash flows from operating activities:	
Cash sales to customers	$ 202,244
Cash payments to employees for services	(212,143)
Cash payments to suppliers	(194,180)
Net cash used by operating activities	(204,079)
Cash flows from noncapital financing activities:	
Noncapital grants	30,905
Transfers in	173,174
Net cash provided by noncapital financing activities	204,079
Net change in cash and cash equivalents	-
Cash - beginning	500
Cash - ending	$ 500
Reconciliation of operating loss to net cash used by operating activities:	
Operating loss	$ (180,269)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation	13,011
Changes in assets, deferred outflows, liabilities and deferred inflows:	
Accounts receivable	(37,559)
Prepaids	8,279
Accounts payable	2,199
Salaries and benefits payable	(2,184)
Pension deferrals	(17,080)
Pension liability	22,160
Compensated absences	(4,301)
Landfill post closure liability	(8,335)
Net cash used by operating activities	$ (204,079)

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

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

ASSETS		
Cash	$	446,934
Total assets		446,934
LIABILITIES		
Due to others		446,934
Total liabilities	$	446,934

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 MCIDBA and the County entered into an agreement whereby the County is obligated to make contract payments when the MCIDBA has insufficient funds to meet debt service requirements on the Series 2018 Bonds. The contract represents a general obligation of the County to which its full faith and credit are pledged. 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 non-exchange 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 non-exchange 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 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.

Note 1: Summary of Significant Accounting Policies, continued

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, 2019: 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. Non-exchange 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.

3. The budget is legally enacted through passage of an ordinance. For 2019, the budget was legally adopted on August 13, 2018.

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.

Note 1: Summary of Significant Accounting Policies, continued

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 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, 2019, were levied on August 26, 2019 with a payment period from August 28, 2019 to December 20, 2019. 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, 2019 amounted to $1,905,011 and deferred property tax revenue totaled $871,063.

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.

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.

Note 1: Summary of Significant Accounting Policies, continued

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.

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.

Note 1: Summary of Significant Accounting Policies, continued

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 fund which reported a deficit fund balance:

Drug Abuse Treatment Fund	$	3,416

The deficit in the Drug Abuse Treatment Fund is a result of year-end accruals and will be funded by a transfer from the General Fund.

Note 1: Summary of Significant Accounting Policies, continued

B. Expenditures in Excess of Appropriations:

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

General Fund:		
Law enforcement	$	30,236
Vehicle maintenance		29,019
Special Revenue Fund:		
Clerk's Deed Fund	$	7,412
Sheriff Donation Special Revenue Fund		28,870
Jail Special Revenue Fund		4,223

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: Deposits and Investments

The carrying amount of the County's deposits with financial institutions was $17,165,244 and the bank balance was $23,346,899. The County's policy regarding custodial credit risk is to comply with the state law requiring collateralization of uninsured deposits up to 110% of the value of the deposits. As of December 31, 2019, none of the County's deposits was exposed to custodial credit risk.

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: Receivables

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

Taxes receivable	$ 1,905,011
Ambulance service receivable	1,877,253
Other receivables-General Fund	51,916
	3,834,180
Less: allowances for doubtful accounts related to ambulance service receivables	(1,832,431)
	$ 2,001,749

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

Ambulance service receivable	$ 1,877,253
Other receivables	51,916
	1,929,169
Less: allowances for doubtful accounts related to ambulance service receivables	(1,832,431)
	$ 96,738

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	$ 834,919	$ 19,000	$ -	$ 853,919
Total capital assets not being depreciated	834,919	19,000	-	853,919
Capital assets being depreciated:				
Buildings and improvements	14,362,810	5,406	-	14,368,216
Equipment, furniture and vehicles	8,556,239	257,562	63,842	8,749,959
Land improvement	1,455,689	43,447	-	1,499,136
Infrastructure	429,935,208	171,000	-	430,106,208
Total capital assets being depreciated	454,309,946	477,415	63,842	454,723,519
Less accumulated depreciation for:				
Buildings and improvements	5,114,823	359,190	-	5,474,013
Equipment, furniture and vehicles	6,762,106	400,928	54,237	7,108,797
Land improvement	713,355	56,651	-	770,006
Infrastructure	249,659,399	10,753,473	-	260,412,872
Total accumulated depreciation	262,249,683	11,570,242	54,237	273,765,688
Total capital assets being depreciated, net	192,060,263	(11,092,827)	9,605	180,957,831
Governmental acitvities capital assets, net	$ 192,895,182	$ (11,073,827)	$ 9,605	$ 181,811,750

Note 5: Capital Assets, continued

Business type Activities:	**Beginning**	**Increases**	**Decreases**	**Ending**
Solid Waste Fund:				
Capital assets being depreciated:				
Buildings and improvements	$ 83,260	$ -	$ -	$ 83,260
Equipment	236,771	-	-	236,771
Total capital assets being depreciated	320,031	-	-	320,031
Less accumulated depreciation for:				
Buildings and improvements	50,389	3,197	-	53,586
Equipment	135,733	9,814	-	145,547
Total accumulated depreciation	186,122	13,011	-	199,133
Total Solid Waste being depreciated, net	133,909	(13,011)	-	120,898
Total Business type activities capital assets, net	$ 133,909	$ (13,011)	$ -	$ 120,898

During the year, the General Fund incurred and expensed interest costs of $8,743. The Solid Waste fund incurred and expensed interest cost of $0. No interest costs were capitalized during the year.

Depreciation expense was charged to governmental activities as follows:

General Government	$ 93,882
Judicial	5,760
Public Safety	440,882
Public Works	10,861,888
Health & Welfare	55,888
Culture & Recreation	109,487
Housing & Development	2,455
	$ 11,570,242

Note 5: Capital Assets, continued

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

	Beginning	Increases	Decreases	Ending
Capital assets not being depreciated:				
Land	$ 210,113	$ -	$ -	$ 210,113
Total capital assets not being depreciated	210,113	-	-	210,113

Business type Activities:	Beginning	Increases	Decreases	Ending
Water fund:				
Capital assets not being depreciated:				
Construction in progress	733,523	4,802,176	5,535,699	-
Land	311,022	50,000	-	361,022
Total capital assets not being depreciated	1,044,545	4,852,176	5,535,699	361,022
Capital assets being depreciated:				
Water systems	18,987,373	6,735,699	-	25,723,072
Wastewater plant/system	2,495,327	-	-	2,495,327
Vehicles and equipment	152,897	-	-	152,897
Total capital assets being depreciated	21,635,597	6,735,699	-	28,371,296
Less accumulated depreciation for:				
Water systems	5,083,141	495,460	-	5,578,601
Wastewater plant/system	504,263	62,383	-	566,646
Vehicles and equipment	129,503	4,040	-	133,543
Total accumulated depreciation	5,716,907	561,883	-	6,278,790
Total capital assets being depreciated, net	15,918,690	6,173,816	-	22,092,506
Total capital assets, net	16,963,235	11,025,992	5,535,699	22,453,528
Total component unit capital assets, net	$ 17,173,348	$ 11,025,992	$ 5,535,699	$ 22,663,641

Note 6: Interfund Balances and Transfers Activity

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	$ 495,005	$ 173,174	$ -	$ 668,179
Nonmajor Gov't Funds	-	-	40,223	40,223
	$ 495,005	$ 173,174	$ 40,223	$ 708,402

The County routinely transfers unrestricted monies that are collected in its General Fund into funds that have either a statutory or a 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 in the amount of $446,577 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 $48,428 and was required to supplement the activities of the D.A.T.E. fund. The transfer to the Solid Waste Fund from General Fund in the amount of $173,174 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 fund to the general fund in the amount of $40,223 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.

Note 7: Long-term Obligations

Governmental activities

Categories of debt

Notes Payable – Private Placements

During 2018, the County entered into a loan agreement with a principal amount of $93,919 to purchase ambulance stretchers. The County made an initial payment in fiscal year 2018 of $25,702 and will make three annual payments of $24,002 on the note until its maturity at the rate of 2.718% per annum.

Capital Lease Obligation – Private Placements

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 $47,928 under the lease. See Note 8 for a more complete description of this leasing activity.

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

	Beginning	Increases	Decreases	Ending	Due within one year
Governmental activities:					
Capital lease obligations - private placement	$ 161,323	$ -	$ 115,590	$ 45,733	$ 45,733
Notes payable - private placement	68,217	-	22,125	46,092	22,733
Compensated absences	300,058	320,759	292,053	328,764	-
	$ 529,598	$ 320,759	$ 429,768	$ 420,589	$ 68,466

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

	Beginning	Increases	Decreases	Ending	Due within one year
Business-type activities:					
Landfill postclosure costs	$ 75,015	$ -	$ 8,335	$ 66,680	$ 8,335
Compensated absences	6,490	9,328	13,629	2,189	-
	$ 81,505	$ 9,328	$ 21,964	$ 68,869	$ 8,335

Debt Service Requirements:

Governmental activities

Debt service requirements:

	Notes Payable - Private Placement		
Year Ending December 31,	**Principal**	**Interest**	**Total**
2020	$ 22,733	$ 1,268	$ 24,001
2021	23,359	643	24,002
	$ 46,092	$ 1,911	$ 48,003

Note 7: Long-term Obligation, continued

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

Long-term Obligations

Notes Payable – Private Placements

The Authority has various notes with the Georgia Environmental Finance Authority (GEFA). These notes bear interest rates ranging from non-interest bearing to 2.31%. The notes require monthly payments of principal or principal and interest between $5,207 and $6,354 and mature between 2026 and 2040. The Authority has a new note payable with GEFA with an original principal balance of $4,700,000 of which $3,314,407 has been advanced by GEFA through year-end. This leaves an additional $1,385,593 of additional available borrowing capacity under this note.

Bonds Payable

The Authority issued Series 2018 Revenue Refunding Bonds in June 2018 with interest rates ranging from 3% to 4% maturing between 2019 and 2038. Interest is payable semiannually on January 1 and July 1 and principal is payable in annual installments ranging from $75,000 to $515,000 on July 1 of each year. The bond proceeds were used to refund several notes payable. The bonds are secured by the proceeds of the Authority's tax collections, which the bond documents describe as "contract payments" between Madison County and the Authority.

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

	Beginning	Increases	Decreases	Ending	Due within one year
Notes payable - business-type activity -					
Private Placement	$ 3,613,491	$ 3,085,447	$ 234,179	$ 6,464,759	$ 335,457
Discount on notes	(324,599)	-	50,218	(274,381)	-
Notes payable, net	3,288,892	3,085,447	284,397	6,190,378	335,457
Series 2018 Bonds	4,415,000	-	75,000	4,340,000	90,000
Series 2018 Bond premium	312,109	-	16,006	296,103	-
Bonds payable, net	4,727,109	-	91,006	4,636,103	90,000
Compensated absences	12,972	9,598	5,208	17,362	-
	$ 8,028,973	$ 3,095,045	$ 380,611	$ 10,843,843	$ 425,457

Debt Service Requirements

	Notes Payable - Private Placement		Bonds Payable		
Year Ending December 31,	Principal	Interest	Principal	Interest	Total
2020	$ 335,457	90,507	$ 90,000	169,800	$ 685,764
2021	373,229	104,221	90,000	167,100	734,550
2022	378,396	99,054	100,000	164,400	741,850
2023	383,679	93,772	100,000	161,400	738,851
2024	389,082	88,370	100,000	158,400	735,852
2025-2029	2,030,823	356,429	565,000	728,200	3,680,452
2030-2034	1,473,047	202,455	1,445,000	559,800	3,680,302
2035-2039	1,049,754	63,472	1,850,000	193,000	3,156,226
2040	51,292	194	-	-	51,486
	$ 6,464,759	1,098,474	$ 4,340,000	2,302,100	$ 14,205,333

Note 8: Equipment Leased to Volunteer Fire Department

During 2010, the County leased three fire trucks, which were leased to other volunteer fire departments in the County. 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.

Future minimum lease payments are as follows:

Year Ending December 31,	
2020	47,927
Total minimum lease payments	47,927
Less: interest portion of minimum lease payments	(2,194)
Present value of minimum lease payments	$ 45,733

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

Note 9: Retirement Benefits, continued

All County employees working at least 30 hours per week 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.

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	68
Terminated plan members entitled to but not receiving benefits	119
Active plan members	180
Total	367
Part-time active employees not participating in the Plan	56
Covered compensation for active participants	$ 4,631,134

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. The ACCG Board of Trustees reports to the County the amount of both the required contribution (as calculated based on Georgia law) and the recommended contribution (as calculated by the Plan's actuaries). 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 for the 2019 reporting period is $27,486 and its recommended and actual contribution are $625,461. The actual contribution represents 2276% of the legally required contribution and 12.7% of the covered payroll. The County recorded this amount as a liability at its fiscal year-end and paid this contribution during 2020. The plan recognized the contribution as an increase to the fiduciary net position for the County's participants during the 2019 plan year. Therefore, the County reports no payable and the plan reports no receivable for amounts due for the 2018 plan year (the measurement period). 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 2018 plan year of $599,011 was recorded as an expenditure on the County's 2018 financial statement and was paid during 2019.

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, 2018 and the *net pension liability* was measured as of the same date. The December 31, 2018 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	7.00%
Salary increases	2.50% with an age based scale as follows:

Age	Salary increase
Under 30	2.5% plus 1.0%
30-39	2.5% plus 0.5%
40-49	2.5% less 0.5%
50+	2.5% less 1.0%

The salary increase assumptions are based on the results of February 2019 experience study.

Future payroll growth	4.50% per year

No cost of living adjustments are awarded after retirement.

Mortality:	RP-2000, projected with Scale AA to 2019

Discount Rate

The discount rate is determined using a building block approach based on forward-looking capital market assumptions for a moderate asset allocation, defined as a 65th percentile return, as determined by UBS. This expected return was then increased by a factor to account for the plan's actual return in excess of its benchmarks as follows:

The discount rate is calculated as follows:

	Expected return
UBS 65th percentile return based on UBS Capital Markets Assumptions	6.10%
Five-year performance in excess of benchmarks	0.90%
Calculated discount rate	7.00%

Note 9: Retirement Benefits, continued

The weighted average returns used by UBS are calculated using the following asset allocation and historical returns based on their compounded growth rate (CAGR):

Benchmark	Allocation	Expected Return	Weighted Return
Fixed income	30%	3.80%	1.14%
Equities:			
Large cap	30%	6.30%	1.89%
Mid cap	5%	7.90%	0.40%
Small cap	5%	6.30%	0.32%
REIT	5%	8.40%	0.42%
International	15%	7.90%	1.19%
Multi cap	5%	7.50%	0.38%
Global Allocation	5%	7.80%	0.39%
	100%		6.11%

The Plan used a 7.00% discount rate to calculate the ending total pension liability, which is a reduction from the 7.25% discount rate used for the immediately prior measurement date. 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 promised benefits, the expected long-term rate of return was used to discount all projected benefit payments.

Detailed information about the pension plan's fiduciary net position is available in the separately issued financial statement schedules by employer issued by the Association of County Commissioners of Georgia Pension Trust.

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 the current discount rate and discount rates one percentage point higher and lower than the discount rate actually used to calculate the total pension liability follows:

	Discount Rate Sensitivity Analysis		
	6.00%	7.00%	8.00%
Total Pension Liability	$ 12,965,322	$ 11,396,800	$ 10,109,186
Fiduciary Net Position	8,107,526	8,107,526	8,107,526
Net Pension Liability	$ 4,857,796	$ 3,289,274	$ 2,001,660

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:

Summary of Changes

	Total Pension Liability	Fiduciary Net Position	Net Pension Liability
Beginning of year	$ 10,771,023	$ 8,412,858	$ 2,358,165
Service cost	211,631	-	211,631
Interest on total pension liability	764,259	-	764,259
Experience loss	59,089	-	59,089
Change in assumptions	49,838	-	49,838
Employer contributions	-	599,011	(599,011)
Net investment income	-	(366,391)	366,391
Benefit payments	(459,040)	(459,040)	-
Administrative expenses	-	(27,268)	27,268
Other expense	-	(51,644)	51,644
End of year	$ 11,396,800	$ 8,107,526	$ 3,289,274

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

	Beginning	Ending
Total Pension Liability	$ 10,771,023	$ 11,396,800
Fiduciary Net Position	8,412,858	8,107,526
Net Pension Liability	$ 2,358,165	$ 3,289,274

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	$ 599,011
Change in net pension liability	931,109
Deferred outflows related to investment results	(795,836)
Deferred outflows related to experience losses	(43,938)
Deferred outflow related to assumption changes	(37,059)
Amortization of deferred ouflows and inflows	185,644
Pension expense	$ 838,931

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	$ 187,608	$ 49,260
Change of assumptions	287,975	-
Net difference between projected and actual earnings on Plan investments	563,348	-
Employer contributions made after measurement date but before year-end	625,461	-
	$ 1,664,392	$ 49,260

The County amortizes the differences between projected and actual investment returns into pension expense equally over a closed five-year amortization period. The experience difference and assumption change are amortized over an actuarially determined period. The contributions made after the measurement date will be recognized as a reduction of net pension liability next year. The amortization of the deferred outflows will result in an increase to pension expense and the amortization of deferred inflows will result in a decrease to pension expense. The expected increase (decrease) to the County's pension expense related to the amortization of the County's current deferred outflows and inflows over the next five years is:

Year ended December 31,	Experience Difference	Assumption Change	Investment Results Difference
2020	71,735	139,876	188,427
2021	51,316	116,215	90,930
2022	15,297	31,884	85,032
2023	-	-	198,959
	$ 138,348	$ 287,975	$ 563,348

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.

Note 9: Retirement Benefits, continued

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 $84,203.

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 2019, the County expended $7,735 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 8 years as shown on Madison County's financial statements for landfill postclosure costs is $66,680 as of December 31, 2019. 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.

Note 11: Landfill Costs, continued

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, 2019. 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, 2019, the County funded the Health Department $158,732. 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 $271,193 to the MCIDBA during the year out of the 2014 SPLOST funds.

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	$ 2,426,373
Judicial	92,177
Public safety	412,462
	$ 2,931,012

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:

Governmental Assets:	
Capital assets not being depreciated	$ 853,919
Capital assets, net of depreciation	180,957,831
	181,811,750
Less: Note Payable	(46,092)
Net investment in capital	$ 181,765,658

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: Subsequent Events

During March 2020, the County modified operations as a result of the COVID-19 pandemic and in compliance with state and federal recommendations. The extent of the impact of COVID-19 on the County's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak all of which are uncertain. Accordingly, the extent of which COVID-19 may impact the financial condition or results of operation cannot be determined.

In June 2020, the County issued a General Obligation Sales Tax Bond, Series 2020 (the "Series 2020 Bond) in the amount of $9,000,000. The bond was issued to fund various capital outlay projects of Madison County and the participating municipalities within the County. The bond will be paid in principal installments on July 1 of each year, commencing July 1, 2021 and shall mature on July 1, 2026. Interest accrues on the outstanding principal amount of the Bonds from its dated date at the rate of 0.95% per annum and interest installments shall be paid on January 1 and July 1 of each year. All unpaid principal and interest with respect to the Bond shall be due and payable on July 1, 2026.

The County has evaluated subsequent events through February 15, 2021, the date which the financial statements were available to be issued.

Required Supplementary Information

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

	Year Ended December 31,				
Changes in Total Pension Liability	**2015**	**2016**	**2017**	**2018**	**2019**
Total Pension Liability - beginning of year	$ 7,925,326	$ 8,386,495	$ 9,441,307	$ 10,129,348	$ 10,771,023
Service cost	197,980	187,164	189,468	216,888	211,631
Interest on total pension liability	582,428	615,307	693,026	718,383	764,259
Assumption change	-	331,254	320,970	31,751	49,838
Experience gain / loss	-	285,873	(113,511)	115,896	59,089
Benefit payments (adjusted for interest)	(319,239)	(364,786)	(401,912)	(441,243)	(459,040)
Total Pension Liability - end of year	8,386,495	9,441,307	10,129,348	10,771,023	11,396,800
Changes in Fiduciary Net Position					
Fiduciary Net Position - beginning of year	6,023,949	6,584,881	6,708,988	7,270,075	8,412,858
Employer contributions	530,214	537,605	549,129	592,576	599,011
Net investment income	395,521	10,638	456,996	1,113,370	(366,391)
Benefit payments	(319,239)	(364,786)	(401,912)	(441,243)	(459,040)
Administrative expense	(26,147)	(26,457)	(28,414)	(25,644)	(27,268)
Other	(19,417)	(32,893)	(14,712)	(96,276)	(51,644)
Fiduciary Net Position - end of year	6,584,881	6,708,988	7,270,075	8,412,858	8,107,526
Net Pension Liability	$ 1,801,614	$ 2,732,319	$ 2,859,273	$ 2,358,165	$ 3,289,274
Plan Fiduciary Net Position as a % of Total Pension Liability	78.52%	71.06%	71.77%	78.11%	71.14%
Covered payroll	$ 4,921,444	$ 4,786,794	$ 4,544,200	$ 4,726,098	$ 4,631,134
Net Pension Liability as % of Covered Payroll	36.61%	57.08%	62.92%	49.90%	71.03%

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
2019	$ 599,011	$ 599,011	$ -	$ 4,631,134	12.93%
2018	592,576	592,576	-	4,726,098	12.54%
2017	549,129	549,129	-	4,544,200	12.08%
2016	537,210	537,605	(395)	4,786,794	11.23%
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, 2019

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Taxes	$13,752,095	$13,752,095	$15,332,546	$ 1,580,451
Licenses and permits	132,075	132,075	163,827	31,752
Intergovernmental	237,416	259,068	1,276,752	1,017,684
Charges for services	1,409,311	1,586,144	1,908,173	322,029
Fines and forfeitures	559,170	559,170	661,382	102,212
Investment earnings	600	600	6,321	5,721
Contributions and donations	75,500	80,092	66,183	(13,909)
Miscellaneous	46,700	230,964	310,571	79,607
Total revenues	16,212,867	16,600,208	19,725,755	3,125,547
EXPENDITURES				
Current:				
General government				
General government	3,961,529	1,615,736	1,058,458	557,278
Governing body	107,297	184,100	176,511	7,589
Financial administration	95,311	118,963	112,187	6,776
Board of Elections/Registrations	148,424	164,281	167,853	(3,572)
Board of Equalization	14,395	14,877	11,567	3,310
Information technology	149,350	149,350	126,438	22,912
Tax Commissioner	268,372	331,464	322,947	8,517
Tax Assessor	283,993	355,373	346,785	8,588
Buildings and grounds	164,590	184,669	154,111	30,558
Judicial				
Superior Court	432,859	438,368	428,206	10,162
Clerk of Superior Court	393,252	497,349	473,574	23,775
District Attorney	45,731	48,064	47,892	172
Magistrate Court	214,547	267,003	247,233	19,770
Probate Court	252,606	310,326	305,397	4,929
Public Safety				
Law enforcement	3,607,511	4,622,963	4,653,199	(30,236)
Emergency management	742,757	775,795	779,169	(3,374)
Emergency medical service	1,695,233	2,059,928	2,007,997	51,931
Coroner	64,391	82,917	75,480	7,437
Animal Shelter	91,390	91,390	91,390	-
Public Works				
Highways and Streets	735,473	1,777,883	1,688,365	89,518
Vehicle Maintenance	525,800	555,691	584,710	(29,019)
Industrial Dev. and Building Authority	3,500	3,500	3,736	(236)
Health and welfare				
Food Bank	96,042	96,167	83,776	12,391
Senior Citizens Center	238,023	307,061	296,738	10,323
Public Education	37,020	37,020	32,430	4,590
Extension Office	21,718	21,718	19,624	2,094
Health	241,778	241,778	241,229	549
Culture and recreation				
Recreation	505,262	588,956	578,324	10,632
Library administration	210,200	210,200	210,185	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, 2019

	Original Budget	Final Budget	Actual	Variance with Final Budget
Housing and development				
Planning, zoning and inspections	246,034	311,442	312,331	(889)
Forest Resources	9,439	9,439	8,867	572
Debt Service:				
Principal	24,000	138,518	137,715	803
Interest and other charges	2,000	9,938	8,743	1,195
Total Expenditures	15,629,827	16,622,227	15,793,167	829,060
Excess (deficiency) of revenues over expenditures	583,040	(22,019)	3,932,588	3,954,607
OTHER FINANCING SOURCES (USES)				
Proceeds from governmental asset dispositions	-	-	9,641	9,641
Transfers in	36,000	36,000	40,223	4,223
Transfers out	(548,397)	(806,271)	(668,179)	138,092
Total other financing sources and uses	(512,397)	(770,271)	(618,315)	151,956
Net change in fund balances	70,643	(792,290)	3,314,273	4,106,563
Fund balances - beginning	11,126,697	11,126,697	11,126,697	-
Fund balances - ending	$ 11,197,340	$ 10,334,407	$ 14,440,970	$ 4,106,563

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

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 normal
Asset valuation method	5-year smoothed market
Amortization method	Level percentage compensation
Future payroll growth	4.50%
Investment rate of return	7.00%

NOTE C: CHANGES IN ASSUMPTIONS

The mortality table used by the actuaries to project the benefits that will be paid under the Plan was changed from RP-2000, combined to RP-2000 with Scale AA to 2017 figures in 2017, then was updated to 2018 figures in 2018 and then updated to 2019 figures in 2019. Both mortality tables were produced by the Society of Actuaries. The Scale AA contains a longer life expectancy.

The expected return was changed from 7.25% to 7.00% as of December 31, 2018 based on an analysis performed during 2019. The 2018 plan year activity was calculated using the 7.25% rate. The expected investment return was changed from 7.50% to 7.25% as of December 31, 2016. The interest on the total pension liability and the expected return on the fiduciary net position during the year were calculated using the previous expected investment return of 7.50%. The total pension liability as of the December 31, 2016 measurement date (used for financial reporting for the year ended December 31, 2017) was calculated using a discount rate of 7.25%, which resulted in a deferred outflow. This change was made based on an analysis performed by the ACCG Board of Trustees in 2014. 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.

The rate of turnover was changed to the Vaughn Select and Ultimate Table through age 59.

The disability table was changed from the 1977 Social Security Table to the 1985 CIDA Table Class 1 through age 59.

The assumed future payroll growth rate decreased from 5.50% to 4.75% during the 2016 measurement period and then reduced to 4.50% during the 2018 measurement period.

The salary increase assumption was changed for ages under 30 from the base rate of 1.5% to the base rate plus 1.0% and for ages from 30 to 39 changed from the base rate plus 1% to the base rate plus 0.5%. The salary scale base rate was changed from 3.5% to 2.5%

NOTE C: CHANGES IN ASSUMPTIONS, CONTINUED

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. 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 actuaries, and the County's actual contribution for the 2014-2016 plan years, which correspond to the County's 2015-2017 fiscal years. 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/Registrations	3,572
Emergency Management	3,374
Industrial Dev. & Building Authority	236
Planning, zoning and inspections	889

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	30,236
Vehicle maintenance	29,019

Combining and Individual Fund Schedules

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

	Total Nonmajor Special Revenue Funds	SPLOST 2008 Capital Project Fund	Total Nonmajor Governmental Funds
ASSETS			
Cash and cash equivalents	$ 476,998	$ 79,998	$ 556,996
Receivable from other governments	97,677	-	97,677
Prepaid expenses	18,239	-	18,239
Total assets	592,914	79,998	672,912
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	7,190	-	7,190
Accrued salaries and benefits	63,614	-	63,614
Total liabilities	70,804	-	70,804
Fund balances:			
Nonspendable	18,239	-	18,239
Restricted			
Capital Projects	-	79,998	79,998
Judicial	92,177	-	92,177
Public safety	415,110	-	415,110
Unassigned	(3,416)	-	(3,416)
Total fund balances	522,110	79,998	602,108
Total liabilities and fund balances	$ 592,914	$ 79,998	$ 672,912

Madison County, Georgia
All Nonmajor Governmental Funds
Combined Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended December 31, 2019

	Total Nonmajor Special Revenue Funds	SPLOST 2008 Capital Project Fund	Total Nonmajor Governmental Funds
REVENUES			
Intergovernmental	$ 4,500	$ -	$ 4,500
Charges for services	629,200	-	629,200
Fines and forfeitures	117,254	-	117,254
Investment earnings	1,236	396	1,632
Contribution and donations	25,000	-	25,000
Miscellaneous	2,740	-	2,740
Total revenues	779,930	396	780,326
EXPENDITURES			
Current:			
Judicial	42,401	-	42,401
Public Safety	1,181,306	-	1,181,306
Total Expenditures	1,223,707	-	1,223,707
Excess (deficiency) of revenues over (under) expenditures	(443,777)	396	(443,381)
OTHER FINANCING SOURCES (USES)			
Transfers in	495,005	-	495,005
Transfers (out)	(40,223)	-	(40,223)
Total other financing sources and uses	454,782	-	454,782
Net change in fund balances	11,005	396	11,401
Fund balances - beginning	511,105	79,602	590,707
Fund balances - ending	$ 522,110	$ 79,998	$ 602,108

Madison County, Georgia
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2019

	Clerk Deed Fund	PEPI & Seized Drug	Sheriff Donation Fund	Drug Abuse Treatment Fund	E-911	Law Library	Jail Fund	Total Nonmajor Special Revenue Funds
ASSETS								
Cash and cash equivalents	$ 72,200	$ 46,881	$ 20,887	$ 1,381	$ 315,672	$ 19,977	$ -	$ 476,998
Receivable from other governments	-	-	-	-	97,677	-	-	97,677
Prepaid expenses	-	-	-	-	18,239	-	-	18,239
Total assets	72,200	46,881	20,887	1,381	431,588	19,977	-	592,914
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	-	-	-	4,797	2,393	-	-	7,190
Accrued salaries and benefits	-	-	-	-	63,614	-	-	63,614
Total liabilities	-	-	-	4,797	66,007	-	-	70,804
Fund balances:								
Nonspendable	-	-	-	-	18,239	-	-	18,239
Restricted								
Judicial	72,200	-	-	-	-	19,977	-	92,177
Public safety	-	46,881	20,887	-	347,342	-	-	415,110
Unassigned	-	-	-	(3,416)	-	-	-	(3,416)
Total fund balances	72,200	46,881	20,887	(3,416)	365,581	19,977	-	522,110
Total liabilities and fund balances	$ 72,200	$ 46,881	$ 20,887	$ 1,381	$ 431,588	$ 19,977	$ -	$ 592,914

Madison County, Georgia
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2019

	Clerk Deed Fund	PEPI & Seized Drug	Sheriff Donation Fund	Drug Abuse Treatment Fund	E-911	Law Library	Jail Fund	Total Nonmajor Special Revenue Funds
REVENUES								
Intergovernmental	$ -	$ -	$ 4,500	$ -	$ -	$ -	$ -	$ 4,500
Charges for services	23,285	-	5,215	-	588,095	12,605	-	629,200
Fines and forfeitures	-	56,985	-	20,046	-	-	40,223	117,254
Investment earnings	452	-	-	-	691	93	-	1,236
Contributions and donations	-	-	25,000	-	-	-	-	25,000
Miscellaneous	-	-	1,345	-	1,395	-	-	2,740
Total revenues	23,737	56,985	36,060	20,046	590,181	12,698	40,223	779,930
EXPENDITURES								
Current:								
Judicial	39,412	-	-	-	-	2,989	-	42,401
Public Safety	-	89,348	31,870	68,959	991,129	-	-	1,181,306
Total Expenditures	39,412	89,348	31,870	68,959	991,129	2,989	-	1,223,707
Excess (deficiency) of revenues over (under) expenditures	(15,675)	(32,363)	4,190	(48,913)	(400,948)	9,709	40,223	(443,777)
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	48,428	446,577	-	-	495,005
Transfers (out)	-	-	-	-	-	-	(40,223)	(40,223)
Total other financing sources and uses	-	-	-	48,428	446,577	-	(40,223)	454,782
Net change in fund balances	(15,675)	(32,363)	4,190	(485)	45,629	9,709	-	11,005
Fund balances - beginning	87,875	79,244	16,697	(2,931)	319,952	10,268	-	511,105
Fund balances - ending	$ 72,200	$ 46,881	$ 20,887	$ (3,416)	$ 365,581	$ 19,977	$ -	$ 522,110

Exhibit E

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, 2019

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Charges for services	$ 18,500	$ 18,500	$ 23,285	$ 4,785
Investment income	-	-	452	452
Total revenues	18,500	18,500	23,737	5,237
EXPENDITURES				
Current:				
Judicial	32,000	32,000	39,412	(7,412)
Total expenditures	32,000	32,000	39,412	(7,412)
Net change in fund balances	(13,500)	(13,500)	(15,675)	(2,175)
Fund balances - beginning	87,875	87,875	87,875	-
Fund balances - ending	$ 74,375	$ 74,375	$ 72,200	$ (2,175)

Exhibit F

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, 2019

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Fines and forfeitures	$ 8,000	$ 39,150	$ 56,985	$ 17,835
Total revenues	8,000	39,150	56,985	17,835
EXPENDITURES				
Current:				
Public safety	8,000	89,348	89,348	-
Total expenditures	8,000	89,348	89,348	-
Net change in fund balances	-	(50,198)	(32,363)	17,835
Fund balances - beginning	79,244	79,244	79,244	-
Fund balances - ending	$ 79,244	$ 29,046	$ 46,881	$ 17,835

Exhibit G

Madison County, Georgia
Sheriff Donation Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2019

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Intergovernmental revenue	$ -	$ -	$ 4,500	$ 4,500
Charges for services	-	-	5,215	5,215
Contributions and donations	3,000	3,000	25,000	22,000
Miscellaneous	-	-	1,345	1,345
Total revenues	3,000	3,000	36,060	33,060
EXPENDITURES				
Current:				
Public safety	3,000	3,000	31,870	(28,870)
Total expenditures	3,000	3,000	31,870	(28,870)
Net change in fund balances	-	-	4,190	4,190
Fund balances - beginning	16,697	16,697	16,697	-
Fund balances - ending	$ 16,697	$ 16,697	$ 20,887	$ 4,190

Exhibit H

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, 2019

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Fines and forfeitures	$ 21,000	$ 21,000	$ 20,046	$ (954)
Total revenues	21,000	21,000	20,046	(954)
EXPENDITURES				
Current:				
Public safety	57,944	70,942	68,959	1,983
Total expenditures	57,944	70,942	68,959	1,983
OTHER FINANCING SOURCES (USES)				
Transfers in	36,944	49,942	48,428	(1,514)
Total other financing sources	36,944	49,942	48,428	(1,514)
Net change in fund balances	-	-	(485)	(485)
Fund balances - beginning	(2,931)	(2,931)	(2,931)	(2,931)
Fund balances - ending	$ (2,931)	$ (2,931)	$ (3,416)	$ (3,416)

Exhibit I

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, 2019

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Charges for services	$ 495,540	$ 495,540	$ 588,095	$ 92,555
Investment income	25	25	691	666
Miscellaneous	500	500	1,395	895
Total revenues	496,065	496,065	590,181	94,116
EXPENDITURES				
Current:				
Public safety	809,294	1,021,772	991,129	30,643
Total expenditures	809,294	1,021,772	991,129	30,643
OTHER FINANCING SOURCES				
Transfers	313,229	525,707	446,577	(79,130)
Total other financing sources	313,229	525,707	446,577	(79,130)
Net change in fund balances	-	-	45,629	45,629
Fund balances - beginning	319,952	319,952	319,952	-
Fund balances - ending	$ 319,952	$ 319,952	$ 365,581	$ 45,629

Exhibit J

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, 2019

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Charges for services	$ 12,000	$ 12,000	$ 12,605	$ 605
Investment income	-	-	93	93
Total revenues	12,000	12,000	12,698	698
EXPENDITURES				
Current:				
Judicial	13,000	13,000	2,989	10,011
Total expenditures	13,000	13,000	2,989	10,011
Net change in fund balance	(1,000)	(1,000)	9,709	10,709
Fund balances - beginning	10,268	10,268	10,268	-
Fund balances - ending	$ 9,268	$ 9,268	$ 19,977	$ 10,709

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, 2019

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Fines and forfeitures	36,000	36,000	$ 40,223	$ 4,223
Total revenues	36,000	36,000	40,223	4,223
EXPENDITURES				
Current:				
Public Safety	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenues over expenditures	36,000	36,000	40,223	4,223
OTHER FINANCING (USES)				
Transfers (out)	(36,000)	(36,000)	(40,223)	(4,223)
Total other financing (uses)	(36,000)	(36,000)	(40,223)	(4,223)
Net change in fund balance	-	-	-	-
Fund balances - beginning	-	-	-	-
Fund balances - ending	$ -	$ -	$ -	$ -

Madison County, Georgia
Fiduciary Funds
Combining Schedule of Fiduciary Assets and Liabilities
December 31, 2019

	Tax Commissioner	Sheriff	Clerk of Superior Court	Probate Court	Magistrate Court	Total Fiduciary Funds
ASSETS						
Cash	$ 97,671	$ 222,068	$ 110,952	$ 14,230	$ 2,013	$ 446,934
Total Assets	$ 97,671	$ 222,068	$ 110,952	$ 14,230	$ 2,013	$ 446,934
LIABILITIES						
Due to others	$ 97,671	$ 222,068	$ 110,952	$ 14,230	$ 2,013	$ 446,934
Total Liabilities	$ 97,671	$ 222,068	$ 110,952	$ 14,230	$ 2,013	$ 446,934

Compliance Section

Treadwell, Tamplin & Co.
Certified Public Accountants
A Limited Liability Partnership
157 West Jefferson Street
Madison, Georgia 30650
Ph: 706-342-1040
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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Honorable Commissioners of
Madison County, Georgia

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type 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, 2019, 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 February 15, 2021. 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 of the financial statements, 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.

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 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a deficiency in internal control, described in the accompanying schedule of findings and responses as item ***2019-002*** that we consider to be a material weakness.

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 findings and responses as items ***2019-001.***

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 and responses. 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.

We noted certain matters that we reported to management of Madison County, Georgia in a separate letter dated February 15, 2021.

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
February 15, 2021

2019-001: 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 expenditures of the Law Enforcement and Vehicle Maintenance Department exceeded appropriations such that a significant violation of the budget requirement was reported. In addition, the expenditures of the Clerk's Deed Special Revenue Fund, Sheriff Donation Special Revenue Fund and the Jail Special Revenue Fund exceeded appropriations.
Effect:	The County did not comply with Georgia law requiring that expenditures not exceed budgeted amounts.
Cause:	The expenditures exceeded budget because the department heads approved expenditure of funds that were not included in the budget without requesting a budget amendment from the Board of Commissioners before doing so.
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.

2019-002: Adjustment in Solid Waste Fund

Criteria:	Proprietary funds follow the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized in the period when the sale takes place, regardless of when the related cash flows take place.
Condition:	Our audit procedures discovered that a receivable had not been recorded in the Solid Waste fund for the sale of scrap metal. The sale took place in December of 2019 and the payment was received by the county in February 2020. An audit adjustment was required to record the receivable and related revenue in December 2019.
Effect:	As of December 31, 2019, Solid Waste Fund receivables and revenue were understated by $16,648.
Cause:	The sale of scrap metal totaling $37,648 took place on December 18, 2019. The County received payment for the sale in two payments subsequent to year end. The County properly recorded the receivable/revenue in December 2019 for the first payment of $21,000 but did not record a receivable/revenue for the second payment in the amount of $16,648.
Recommendation:	We recommend the County carefully review transactions occurring just before and shortly after year end to ensure revenue is recorded in the appropriate period.
Views of Officials:	Management concurs with the finding and will implement the suggested recommendation.

Madison County, Georgia
Schedule of Special Purpose
Local Option Sales Tax
For the Year Ended December 31, 2019

	Original Estimated Cost	Revised Estimated Cost	Expenditures			Estimated Percentage to Complete
			Prior Years	Current Year	Total	
2008 Referendum						
Expansion of County Jail	$ 3,300,000	$ 3,115,108	$ 3,115,108	$ -	$ 3,115,108	100%
Recreation	1,000,000	951,374	951,374	-	951,374	100%
Library	750,000	581,486	581,486	-	581,486	100%
E-911	424,400	432,383	432,383	-	432,383	100%
EMS	270,000	240,957	240,957	-	240,957	100%
Transfer Station	124,800	117,422	117,411	-	117,411	100%
Old Courthouse	90,000	86,633	7,895	-	7,895	9%
Road and bridge improvements	3,950,800	3,995,094	3,995,094	-	3,995,094	100%
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	$ 12,011,315	$ 11,932,566	$ -	$ 11,932,566	
2014 Referendum						
Road and bridge improvements	$ 6,487,500	$ 6,487,500	$ 3,394,351	896,152	$ 4,290,503	66%
Recreation	227,500	227,500	114,872	49,000	163,872	72%
Sheriff	681,667	681,667	507,500	33,519	541,019	79%
E-911	153,000	153,000	80,611	2,213	82,824	54%
EMS	755,833	755,833	433,264	7,533	440,797	58%
Transfer Station	84,167	84,167	22,298	-	22,298	26%
Old Courthouse	42,000	42,000	-	-	-	0%
Firefighting	1,033,333	1,033,333	307,216	205,889	513,105	50%
Industrial Development & Building Authority for water & sewer projects	1,422,500	1,422,500	987,407	271,193	1,258,600	88%
Payments to cities for capital projects						
City of Carlton	126,900	126,900	88,085	24,193	112,278	88%
City of Colbert	289,050	289,050	200,640	55,106	255,746	88%
City of Comer	549,600	549,600	381,497	104,779	486,276	88%
City of Danielsville	273,300	273,300	189,712	52,105	241,817	88%
City of Hull	96,600	96,600	67,053	18,416	85,469	88%
City of Ila	164,550	164,550	114,224	31,372	145,596	88%
Totals	$ 12,387,500	$ 12,387,500	$ 6,888,730	$ 1,751,470	$ 8,640,200	

Madison County

Certification of 9-1-1 Expenditures

For the Year Ended 2019

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)	
	Southern Linc		$ 8.10
			$
			$
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)	$ 60,275.41
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)	$ 543,445.68
5b	Employee benefits	46-5-134(f)(1)(C)	$ 215,961.41
6	Cost of training of employees who work as dispatchers or directors	46-5-134(f)(1)(D)	$ 825.68
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)	$ 2,415.27
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)	$ 2,648.76
9c	Maintenance costs	46-5-134(f)(1)(G)	$ 21,485.50

Madison County

Certification of 9-1-1 Expenditures

For the Year Ended 2019

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)	$	30,561.77
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)	$	1,093.41
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)	$	
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)	$	7,200.00
15b	Purchase costs	46-5-134(f)(2(B)(iv)	$	5,600.00
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)	$	99,606.88

Madison County

Certification of 9-1-1 Expenditures

For the Year Ended 2019

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)		$ 991,127.87

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 John D Scarbrough Date 2-28-20

Print Name of Chief Elected Official JOHN D. SCARBOROUGH

Title of Chief Elected Official Chairman

Signature of Chief Financial Officer Kathy Figueroa Date 2/27/20

Print Name of Chief Financial Officer Kathy Figueroa