Madison County, Georgia

Financial Statements

For the Year Ended December 31, 2021

Madison County, Georgia
Financial Report
For the Year Ended December 31, 2021

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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, 2021, 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 4%, 0%, and 21%, 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, 2021, 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, Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund, and Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – American Rescue Plan Act Fund, on pages 31, 32, 33-34 and 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 May 9, 2023 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.



Madison, Georgia
May 9, 2023

Basic Financial Statements

Madison County, Georgia
Statement of Net Position
December 31, 2021

	Governmental Activities	Business-type Activities	Total	Industrial Development Authority	June 30 Health Department
ASSETS					
Cash and cash equivalents (Note 3)	$ 35,846,468	$ 500	$ 35,846,968	$ 2,333,920	$ 702,836
Receivables, net (Note 4)	1,401,276	1,751	1,403,027	214,515	4,205
Due from other governments	803,315	10,355	813,670	405,076	-
Inventories	158,389	-	158,389	-	-
Restricted cash	365,549	-	365,549	1,063,728	-
Prepaids	212,004	-	212,004	13,659	-
Capital assets (Note 5)					
Capital assets not being depreciated	993,596	-	993,596	1,968,798	-
Capital assets, net of depreciation	161,093,705	94,876	161,188,581	20,786,890	60,761
Total assets	200,874,302	107,482	200,981,784	26,786,586	767,802
DEFERRED OUTFLOWS OF RESOURCES					
Deferred amount related to pensions (Note 8)	1,306,452	32,542	1,338,994	-	226,349
Total assets and deferred outflows	202,180,754	140,024	202,320,778	26,786,586	994,151
LIABILITIES					
Accounts payable					
and accrued expenses	1,511,342	40,569	1,551,911	102,790	50,816
Due to other governments	260	-	260	25,587	-
Cash held in escrow	365,270	-	365,270	-	-
Customer deposits	-	-	-	104,444	-
Unearned revenue	2,811,685	-	2,811,685	-	15,221
Long-term liabilities: (Note 7)					
Due within one year					
Notes, installments and bonds payable	1,529,618	-	1,529,618	503,322	-
Compensated absences	9,160	-	9,160	-	10,592
Landfill postclosure costs	-	8,335	8,335	-	-
Due in more than one year					
Notes, installments and bonds payable, net	6,210,404	-	6,210,404	10,625,834	-
Compensated absences	369,219	5,276	374,495	10,858	22,079
Net pension liability (Note 8)	2,284,077	57,901	2,341,978	-	602,528
Net OPEB liability	-	-	-	-	127,349
Landfill postclosure costs	-	41,675	41,675	-	-
Total liabilities	15,091,035	153,756	15,244,791	11,372,835	828,585
DEFERRED INFLOWS OF RESOURCES					
Deferred amount related to pensions (Note 8)	809,600	19,708	829,308	-	160,022
Total deferred inflows	809,600	19,708	829,308	-	160,022
Total liabilities and deferred inflows	15,900,635	173,464	16,074,099	11,372,835	988,607
NET POSITION					
Net investment in capital assets (Note 15)	154,347,279	94,876	154,442,155	11,626,532	60,761
Restricted for: (Note 14)					
Capital projects	9,418,215	-	9,418,215	1,319,595	-
Judicial	136,830	-	136,830	-	-
Health and welfare	247,825	-	247,825	-	-
Public safety	222,189	-	222,189	-	-
Debt service	-	-	-	38,026	-
Unrestricted	21,907,781	(128,316)	21,779,465	2,429,598	(55,217)
Total net position	$ 186,280,119	$ (33,440)	$ 186,246,679	$ 15,413,751	$ 5,544

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

Madison County, Georgia
Statement of Activities
For the Year Ended December 31, 2021

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	$ 2,840,890	$ 613,555	$ 102,488	$ -	$ (2,124,847)	$ -	$ (2,124,847)		
Judicial	1,547,804	637,112	148,705	-	(761,987)	-	(761,987)		
Public Safety	10,305,420	1,902,719	22,392	250	(8,380,059)	-	(8,380,059)		
Public Works	14,406,368	1,430	-	5,125	(14,399,813)	-	(14,399,813)		
Health and Welfare	782,560	-	319,528	5,212	(457,820)	-	(457,820)		
Culture and Recreation	978,365	167,231	-	3,639	(807,495)	-	(807,495)		
Housing & Development	345,420	171,352	-	-	(174,068)	-	(174,068)		
Interest on Long-term debt	90,215	-	-	-	(90,215)	-	(90,215)		
Total governmental activities	31,297,042	3,493,399	593,113	14,226	(27,196,304)	-	(27,196,304)		
Business-type activities:									
Solid Waste Fund	446,765	274,839	20,662	-		(151,264)	(151,264)		
Total business-type activities	446,765	274,839	20,662	-		(151,264)	(151,264)		
Total primary government	31,743,807	3,768,238	613,775	14,226		(151,264)	(27,347,568)		
Component Units									
Industrial Development Building Authority	2,505,442	2,048,622	-	177,362				(279,458)	-
Health Department	811,351	223,094	628,161	-				-	39,904
Total component units	$ 3,316,793	$ 2,271,716	$ 628,161	$ 177,362				$ (279,458)	$ 39,904
General revenues:									
Taxes:									
Property taxes, levied for general purposes					$ 13,086,061	$ -	$ 13,086,061	$ 878,413	$ -
Sales taxes					5,349,433	-	5,349,433	-	-
Franchise and other business taxes					2,630,040	-	2,630,040	31,683	-
Grants and contributions not restricted to specific programs					156,162	-	156,162	-	-
Interest revenue					74,707	-	74,707	1,270	42
Gain on sale of capital asset					10,733	-	10,733	-	-
Miscellaneous					136,816	-	136,816	-	-
Transfers					(145,346)	145,346	-	-	-
Total general revenues and transfers					21,298,606	145,346	21,443,952	911,366	42
Change in net position					(5,897,698)	(5,918)	(5,903,616)	631,908	39,946
Net position - beginning					192,177,817	(27,522)	192,150,295	14,781,843	(34,402)
Net position - ending					$ 186,280,119	$ (33,440)	$ 186,246,679	$ 15,413,751	$ 5,544

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

Madison County, Georgia
Balance Sheet
Governmental Funds
December 31, 2021

	General Fund	American Rescue Plan Act Fund	General Obligation Bond Fund	SPLOST 2020	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	$ 23,473,329	2,812,622	$ 6,874,702	$ 2,051,403	$ 634,412	$ 35,846,468
Taxes receivable, net	1,217,951	-	-	-	-	1,217,951
Receivable from other governments	410,279	-	-	290,423	102,613	803,315
Other receivables, net	183,325	-	-	-	-	183,325
Restricted cash	365,549	-	-	-	-	365,549
Prepaid items	171,361	-	-	34,693	5,950	212,004
Inventories	158,389	-	-	-	-	158,389
Total assets	25,980,183	2,812,622	6,874,702	2,376,519	742,975	38,787,001
LIABILITIES						
Accounts payable	220,576	-	69,551	26,138	36,757	353,022
Accrued salaries and benefits	1,073,801	-	-	-	84,516	1,158,317
Payable to other governments	260	-	-	-	-	260
Tax sale proceeds held for others	365,270	-	-	-	-	365,270
Unearned grant revenue	-	2,811,685	-	-	-	2,811,685
Total liabilities	1,659,907	2,811,685	69,551	26,138	121,273	4,688,554
DEFERRED INFLOWS OF RESOURCES						
Unavailable property taxes	489,028	-	-	-	-	489,028
Total deferred inflows	489,028	-	-	-	-	489,028
FUND BALANCES						
Nonspendable						
Prepaid items	171,361	-	-	34,693	5,950	212,004
Inventories	158,389	-	-	-	-	158,389
Restricted						
Capital projects	-	-	6,805,151	2,315,688	262,683	9,383,522
Judicial	-	-	-	-	136,830	136,830
Health and welfare	247,825	-	-	-	-	247,825
Public safety	-	-	-	-	217,672	217,672
Committed	65,000	-	-	-	-	65,000
Assigned	-	937	-	-	-	937
Unassigned	23,188,673	-	-	-	(1,433)	23,187,240
Total fund balances	23,831,248	937	6,805,151	2,350,381	621,702	33,609,419
Total liabilities, deferred inflows of resources, and fund balances	$ 25,980,183	$ 2,812,622	$ 6,874,702	$ 2,376,519	$ 742,975	$ 38,787,001

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, 2021

Total fund balance, governmental funds (Exhibit 3)	$	33,609,419
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.		162,087,301
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.		496,849
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.		(8,118,401)
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.		(2,284,077)
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.		489,028
Net Position of Governmental Activities in the Statement of Net Position (Exhibit 1)	$	186,280,119

Madison County, Georgia
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2021

	General Fund	American Rescue Plan Act Fund	General Obligation Bond Fund	SPLOST 2020	Other Governmental Funds	Total Governmental Funds
REVENUES						
Taxes	$ 18,063,314	$ -	$ -	$ 3,074,390	$ -	$ 21,137,704
Licenses and permits	191,952	-	-	-	-	191,952
Intergovernmental	493,339	90,235	-	-	48,705	632,279
Charges for services	1,907,157	-	-	-	645,054	2,552,211
Fines and forfeitures	673,825	-	-	-	75,411	749,236
Investment earnings	57,316	937	13,709	2,510	5,324	79,796
Contributions and donations	108,302	-	-	-	8,238	116,540
Miscellaneous	142,792	-	-	-	3,581	146,373
Total revenues	21,637,997	91,172	13,709	3,076,900	786,313	25,606,091
EXPENDITURES						
Current:						
General government	2,849,926	90,235	-	-	-	2,940,161
Judicial	1,590,855	-	-	-	49,800	1,640,655
Public safety	8,495,332	-	-	-	1,098,559	9,593,891
Public works	2,333,996	-	-	-	-	2,333,996
Health and welfare	727,874	-	-	-	-	727,874
Culture and recreation	917,752	-	-	-	-	917,752
Housing and development	343,223	-	-	-	-	343,223
Debt Service:						
Principal	103,337	-	-	1,420,000	-	1,523,337
Interest and other charges	1,865	-	-	88,350	-	90,215
Intergovernmental	-		-	276,779	-	276,779
Capital Outlay:						
Public safety	-	-	743,439	-	252,884	996,323
Public works	-	-	301,731	-	1,179,984	1,481,715
Culture and recreation	-	-	-	16,330	-	16,330
Total expenditures	17,364,160	90,235	1,045,170	1,801,459	2,581,227	22,882,251
Excess (deficiency) of revenues over (under) expenditures	4,273,837	937	(1,031,461)	1,275,441	(1,794,914)	2,723,840
OTHER FINANCING SOURCES (USES)						
Proceeds from governmental asset dispositions	107,656	-	-	-	-	107,656
Transfers in	30,896	-	-	-	351,010	381,906
Transfers (out)	(496,356)	-	-	-	(30,896)	(527,252)
Total other financing	(357,804)	-	-	-	320,114	(37,690)
Net change in fund balances	3,916,033	937	(1,031,461)	1,275,441	(1,474,800)	2,686,150
Fund balances - beginning	19,915,215	-	7,836,612	1,074,940	2,096,502	30,923,269
Fund balances - ending	$ 23,831,248	$ 937	$ 6,805,151	$ 2,350,381	$ 621,702	$ 33,609,419

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

Madison County, Georgia
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2021

Net change in fund balances - total governmental funds (Exhibit 4)	$	2,686,150
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, $11,716,979 exceeded capital outlays, $1,766,366, in the current period.		(9,950,613)
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).		(96,887)
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.		22,995
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.		(72,170)
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.		(10,510)
Debt principal payments are reported as expenditures in the governmental funds, but reduce the liability in the Statement of Net Position.		1,523,337
Change in net position of governmental activities (Exhibit 2)	$	(5,897,698)

Madison County, Georgia
Statement of Net Position
Proprietary Fund
December 31, 2021

	Solid Waste Fund
ASSETS	
Current assets:	
Cash	$ 500
Accounts receivable	1,751
Receivables from other governments	10,355
Total current assets	12,606
Non-current assets:	
Capital assets, net of depreciation	94,876
Total assets	107,482
DEFERRED OUTFLOWS OF RESOURCES	
Deferred amount related to pensions	32,542
Total assets and deferred outflows	140,024
LIABILITIES	
Current liabilities:	
Accounts payable	28,211
Salaries and benefits payable	12,358
Current portion of postclosure liability	8,335
Total current liabilities	48,904
Non-current liabilities:	
Compensated absences	5,276
Net pension liability	57,901
Postclosure liability	41,675
Total non-current liabilities	104,852
Total liabilities	153,756
DEFERRED INFLOWS OF RESOURCES	
Deferred amount related to pensions	19,708
Total liabilities and deferred inflows	173,464
NET POSITION	
Investment in capital assets	94,876
Unrestricted	(128,316)
Total net position	$ (33,440)

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, 2021

	Solid Waste Fund
REVENUES	
Charges for services	$ 262,302
Miscellaneous	12,537
Total operating revenues	274,839
OPERATING EXPENSES	
Cost of sales - waste disposal fees	184,656
Personal services	186,365
Contractual services	23,654
Other supplies and expenses	39,079
Depreciation	13,011
Total operating expenses	446,765
Operating loss	(171,926)
NON-OPERATING REVENUES (EXPENSES)	
Grants and contributions	20,662
Transfers in	145,346
Change in net position	(5,918)
Net positions - beginning	(27,522)
Net position - ending	$ (33,440)

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, 2021

	Solid Waste Fund
Cash flows from operating activities:	
Cash sales to customers	$ 273,924
Cash payments to employees for services	(189,956)
Cash payments to suppliers	(249,784)
Net cash used by operating activities	(165,816)
Cash flows from noncapital financing activities:	
Noncapital grants	20,470
Transfers in	145,346
Net cash provided by noncapital financing activities	165,816
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	$ (171,926)
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	(916)
Accounts payable	5,941
Salaries and benefits payable	(4,731)
Pension deferrals	11,279
Pension liability	(11,840)
Compensated absences	1,701
Landfill post closure liability	(8,335)
Net cash used by operating activities	$ (165,816)

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

Madison County, Georgia
Statement of Fiduciary Assets and Liabilities
Custodial Funds
December 31, 2021

ASSETS		
Cash	$	412,525
Total assets		412,525
LIABILITIES		
Due to others		412,525
Total liabilities	$	412,525

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.

General Obligation Bond Fund – This is a capital projects fund. This fund accounts for the proceeds from the General Obligation Sales Tax Bond, Series 2020. The bonds will be used to finance various capital outlay projects of Madison County and the participating municipalities within the county.

American Rescue Plan Act Fund – This is a special revenue fund to account for the grant proceeds from the American Rescue Plan Act Grant. The grant proceeds and grant expenditures are reported in this fund.

Note 1: Summary of Significant Accounting Policies, continued

SPLOST 2020 Fund – This is a capital projects fund established to account for all special local options sales tax revenues from the 2020 referendum as well as the specifically identified projects for which the SPLOST tax was established.

The County reports the following major enterprise fund:

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

The County reports the following fiduciary fund type:

Agency Funds – These funds account for monies held by the County in a trustee capacity or as an agent on behalf of individuals, private organizations, other governments and/or other funds. All of the County's fiduciary funds are agency funds, which are custodial in nature. Accordingly, the County presents a statement of fiduciary assets and liabilities rather than a statement of fiduciary net position. Agency funds do not include a measurement of the results of operations, so a statement of changes in fiduciary net position is not presented by the County. Following are the agency funds of the County at December 31, 2021: 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 2021, the budget was legally adopted on January 25, 2021.

Note 1: Summary of Significant Accounting Policies, continued

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

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

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

D. Encumbrances

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

E. Deposits and Investments

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

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

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

F. Receivables and Payables

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

G. Property Tax Calendar

Property taxes attach as an enforceable lien on property as of January 1. The County bills and collects its own property taxes and 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, 2021, were levied on August 2, 2021 with a payment period from August 26, 2021 to December 20, 2021. 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, 2021 amounted to $1,217,951 and deferred property tax revenue totaled $489,028.

H. Prepaid Expenses

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

Note 1: Summary of Significant Accounting Policies, continued

I. Inventory

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

J. Capital Assets

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

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

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

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

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

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

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

Note 1: Summary of Significant Accounting Policies, continued

L. Restricted Revenues

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

M. Fund Equity

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

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

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

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

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

Unassigned – all other spendable amounts.

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

Note 2: Stewardship, Compliance and Accountability

A. Deficit Fund Balance:

The following lists the County's funds which reported a deficit fund balance:

Drug Abuse Treatment Fund	$	1,433
Solid Waste Fund		33,440

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

Note 3: Deposits and Investments

The carrying amount of the County's deposits with financial institutions was $44,829,763 and the bank balance was $36,625,041. 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, 2021, 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	$	1,217,951
Ambulance service receivable		148,980
Other receivables-General Fund		49,113
		1,416,044
Less: allowances for doubtful accounts related to ambulance service receivables		(14,768)
	$	1,401,276

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

Ambulance service receivable	$	148,980
Other receivables		49,113
		198,093
Less: allowances for doubtful accounts related to ambulance service receivables		(14,768)
	$	183,325

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	$ 1,001,229	$ -	$ 7,633	$ 993,596
Construction in progress	681,026	636,355	1,317,381	-
Total capital assets not being depreciated	1,682,255	636,355	1,325,014	993,596
Capital assets being depreciated:				
Buildings and improvements	14,677,748	294,039	111,797	14,859,990
Equipment, furniture and vehicles	9,409,249	2,047,313	951,022	10,505,540
Land improvement	1,499,136	106,040	-	1,605,176
Infrastructure	430,106,208	-	-	430,106,208
Total capital assets being depreciated	455,692,341	2,447,392	1,062,819	457,076,914
Less accumulated depreciation for:				
Buildings and improvements	5,834,423	363,507	76,260	6,121,670
Equipment, furniture and vehicles	7,412,585	543,305	897,305	7,058,585
Land improvement	824,305	54,557	-	878,862
Infrastructure	271,168,482	10,755,610	-	281,924,092
Total accumulated depreciation	285,239,795	11,716,979	973,565	295,983,209
Total capital assets being depreciated, net	170,452,546	(9,269,587)	89,254	161,093,705
Governmental acitvities capital assets, net	$ 172,134,801	$ (8,633,232)	$ 1,414,268	$ 162,087,301

Business type Activities: **Solid Waste Fund:**	**Beginning**	**Increases**	**Decreases**	**Ending**
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	56,783	3,197	-	59,980
Equipment	155,361	9,814	-	165,175
Total accumulated depreciation	212,144	13,011	-	225,155
Total Solid Waste being depreciated, net	107,887	(13,011)	-	94,876
Total Business type activities capital assets, net	$ 107,887	$ (13,011)	$ -	$ 94,876

During the year, the General Fund incurred and expensed interest costs of $1,865. The 2020 SPLOST Fund incurred and expensed interest costs of $88,350. The Solid Waste fund incurred and expensed interest cost of $0. No interest costs were capitalized during the year.

Note 5: Capital Assets, continued

Depreciation expense was charged to governmental activities as follows:

General Government	$ 93,439
Judicial	1,341
Public Safety	549,330
Public Works	10,895,965
Health & Welfare	58,928
Culture & Recreation	113,066
Housing & Development	4,910
	$ 11,716,979

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	229,653	1,165,010	-	1,394,663
Land	364,022	-	-	364,022
Total capital assets not being depreciated	593,675	1,165,010	-	1,758,685
Capital assets being depreciated:				
Water systems	25,756,189	-	-	25,756,189
Wastewater plant/system	2,495,327	-	-	2,495,327
Vehicles and equipment	218,429	-	-	218,429
Total capital assets being depreciated	28,469,945	-	-	28,469,945
Less accumulated depreciation for:				
Water systems	6,207,418	629,318	-	6,836,736
Wastewater plant/system	629,029	62,383	-	691,412
Vehicles and equipment	141,826	13,081	-	154,907
Total accumulated depreciation	6,978,273	704,782	-	7,683,055
Total capital assets being depreciated, net	21,491,672	(704,782)	-	20,786,890
Total capital assets, net	22,085,347	460,228	-	22,545,575
Total component unit capital assets, net	$ 22,295,460	$ 460,228	$ -	$ 22,755,688

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	$ 351,010	$ 145,346	$ -	$ 496,356
Nonmajor Gov't Funds	-	-	30,896	30,896
	$ 351,010	$ 145,346	$ 30,896	$ 527,252

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 $311,082 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 $39,928 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 $145,346 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 $30,896 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

General Obligation Bonds – Direct Placements

In June 2020, the County issued $9,000,000 of General Obligation Sales Tax Bond, Series 2020 (the "Series 2020 Bond). The proceeds were used to provide money for various capital outlay projects of Madison County and the participating municipalities within the County. The Series 2020 Bond was issued at par. Interest shall accrue on the outstanding principal amount from its dated date at the rate of 0.95% per annum, calculated on the basis of a 360-day year of twelve 30-day months. The Series 2020 Bond will be liquidated by the SPLOST 2020 Fund. Principal is due in annual installments on July 1 of each year beginning July 1, 2021 and interest due on January 1 and July 1 of each year.

Installment Agreement – Private Placements

In July 2020, the County entered into an installment agreement with a principal amount of $325,000 to purchase a building. The County made an initial payment in fiscal year 2020 of $85,000 and will make three annual payments of $81,200 on the note until its maturity on January 10, 2023 at the rate of 1.50% per annum.

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. This note was paid off during 2021.

Note 7: Long-term Obligation, continued

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

	Beginning	Increases	Decreases	Ending	Due within one year
Governmental activities:					
General Obligation Bonds - direct placement	$ 9,000,000	$ -	$ 1,420,000	$ 7,580,000	$ 1,450,000
Installment agreement - private placement	240,000	-	79,978	160,022	79,618
Notes payable - private placement	23,359	-	23,359	-	-
Compensated absences	367,869	434,163	423,653	378,379	9,160
	$ 9,631,228	$ 434,163	$ 1,946,990	$ 8,118,401	$ 1,538,778

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

Debt Service Requirements:

	Beginning	Increases	Decreases	Ending	Due within one year
Business-type activities:					
Landfill postclosure costs	$ 58,345	$ -	$ 8,335	$ 50,010	$ 8,335
Compensated absences	3,575	5,949	4,248	5,276	-
	$ 61,920	$ 5,949	$ 12,583	$ 55,286	$ 8,335

Governmental activities

Debt service requirements:

	General Obligation Bonds - Direct Placement		Installment Agreement - Private Placement	
Year Ending December 31,	**Principal**	**Interest**	**Principal**	**Interest**
2022	$ 1,450,000	$ 72,010	$ 79,617	$ 1,582
2023	1,480,000	58,235	80,405	795
2024	1,515,000	44,175	-	-
2025	1,550,000	29,782	-	-
2026	1,585,000	15,058	-	-
	$ 7,580,000	$ 219,260	$ 160,022	$ 2,377

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 2041. The Authority has a note payable with GEFA with an original principal balance of $4,700,000 of which $4,095,100 had been advanced by GEFA through year-end. This leaves an additional $604,900 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	$ 6,476,590	$ 650,844	$ 237,205	$ 6,890,229	$ 403,322
Discount on notes	(227,854)	-	42,689	(185,165)	-
Notes payable, net	6,248,736	650,844	279,894	6,705,064	403,322
Series 2018 Bonds	4,250,000	-	90,000	4,160,000	100,000
Series 2018 Bond premium	280,098	-	16,006	264,092	-
Bonds payable, net	4,530,098	-	106,006	4,424,092	100,000
Compensated absences	7,953	11,653	8,748	10,858	-
	$ 10,786,787	$ 662,497	$ 394,648	$ 11,140,014	$ 503,322

Debt Service Requirements

	Notes Payable - Private Placement		Bonds Payable		
Year Ending December 31,	Principal	Interest	Principal	Interest	Total
2022	$ 403,322	122,679	$ 100,000	164,400	$ 790,401
2023	409,131	116,830	100,000	161,400	787,361
2024	415,112	110,849	100,000	158,400	784,361
2025	421,229	104,731	105,000	154,400	785,360
2026	427,483	98,477	110,000	150,200	786,160
2027-2031	2,094,834	393,486	820,000	679,600	3,987,920
2032-2036	1,516,892	218,694	1,820,000	436,000	3,991,586
2037-2041	1,202,226	70,021	1,005,000	60,800	2,338,047
	$ 6,890,229	1,235,767	$ 4,160,000	1,965,200	$ 14,251,196

Note 8: Retirement Benefits

Defined Benefit Pension Plan

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

Plan Description

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

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

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

All 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	80
Terminated plan members entitled to but not receiving benefits	88
Active plan members	161
Total	329
Part-time active employees not participating in the Plan	38
Covered compensation for active participants	$ 4,803,973

Note 8: Retirement Benefits, continued

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 2021 reporting period is $0 and its recommended and actual contribution are $673,868. The actual contribution represents 2276% of the legally required contribution and 14.02% of the covered payroll. The County recorded this amount as a liability at its fiscal year-end and paid this contribution during 2022. The plan recognized the contribution as an increase to the fiduciary net position for the County's participants during the 2021 plan year. Therefore, the County reports no payable and the plan reports no receivable for amounts due for the 2020 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 2020 plan year of $683,112 was recorded as an expenditure on the County's 2020 financial statement and was paid during 2021.

Net Pension Liability

The County's *total pension liability* was determined based on an actuarial valuation as of December 31, 2020 and the *net pension liability* was measured as of the same date. The December 31, 2020 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:	Pub-2010 (50%0 & PS (50%) Amt-Weighted with Scale AA to 2020 (Pre-Retirement: Employee, Post-Retirement: Retiree)

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.

Note 8: Retirement Benefits, continued

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%

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. 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	$ 14,873,825	$ 13,078,899	$ 11,602,558
Fiduciary Net Position	10,736,921	10,736,921	10,736,921
Net Pension Liability	$ 4,136,904	$ 2,341,978	$ 865,637

Note 8: 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	$ 12,332,473	$ 9,493,028	$ 2,839,445
Service cost	198,702	-	198,702
Interest on total pension liability	841,399	-	841,399
Experience loss	310,715	-	310,715
Change in assumptions	20,580	-	20,580
Employer contributions	-	683,112	(683,112)
Net investment income	-	1,290,793	(1,290,793)
Benefit payments	(624,970)	(624,970)	-
Administrative expenses	-	(39,729)	39,729
Other expense	-	(65,313)	65,313
End of year	$ 13,078,899	$ 10,736,921	$ 2,341,978

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

	Beginning	Ending
Total Pension Liability	$ 12,332,473	$ 13,078,899
Fiduciary Net Position	9,493,028	10,736,921
Net Pension Liability	$ 2,839,445	$ 2,341,978

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	$ 683,112
Change in net pension liability	(497,467)
Deferred inflows related to investment results	488,086
Deferred outflows related to experience losses	(238,456)
Deferred outflow related to assumption changes	(15,794)
Amortization of deferred ouflows and inflows	230,829
Pension expense	$ 650,310

Note 8: 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	$ 338,544	$ 6,426
Change of assumptions	326,582	-
Net difference between projected and actual earnings on Plan investments	-	822,882
Employer contributions made after measurement date but before year-end	673,868	-
	$ 1,338,994	$ 829,308

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
2022	126,740	176,121	243,252
2023	111,444	144,237	129,325
2024	72,259	4,786	328,284
2025	21,675	1,438	122,021
	$ 332,118	$ 326,582	$ 822,882

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 8: 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 $52,190.

Note 9: 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 10: 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 2021, the County expended $10,620 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 $50,010 as of December 31, 2021. 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 10: 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, 2021. 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 11: 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.

Unearned Revenue

During 2021, the County received grant funds from the American Rescue Plan Act in the amount of $2,901,920 but only incurred $90,235 of eligible expenditures. The remaining grant funds of $2,811,685 are reported as unearned revenue (liability) in the ARPA special revenue fund. In February 2022, the County approved spending approximately $2.2 million of the ARPA funds on Madison County Industrial Development Authority water projects.

Note 12: 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)

Note 12: Joint Venture, continued

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 13: 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, 2021, the County funded the Health Department $158,732.

The County entered into an intergovernmental agreement with the Madison County Industrial Development and Building Authority (MCIDBA) wherein the County agreed to act as a payroll agent for the MCIDBA. During 2021, the MCIDBA paid the County $359,920 in reimbursements of payroll and benefits.

Note 14: 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	$ 2,613,064
Judicial	136,830
Public safety	194,734
	$ 2,944,628

Note 15: 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	$ 993,596
Capital assets, net of depreciation	161,093,705
	162,087,301
Less: Installment agreement payable	(160,022)
Less: GO Bonds payable	(7,580,000)
Net investment in capital	$ 154,347,279

Note 16: General Fund Expenditures

The General Fund of Madison County, Georgia expended $1,720,295 for transportation (including maintenance and operation costs).

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**	**2020**	**2021**
Total Pension Liability - beginning of year	$ 7,925,326	$ 8,386,495	$ 9,441,307	$ 10,129,348	$ 10,771,023	$ 11,396,800	$ 12,332,473
Service cost	197,980	187,164	189,468	216,888	211,631	197,664	198,702
Interest on total pension liability	582,428	615,307	693,026	718,383	764,259	771,592	863,273
Assumption change	-	331,254	320,970	31,751	49,838	557,804	20,580
Experience gain / loss	-	285,873	(113,511)	115,896	59,089	156,738	310,715
Benefit payments (adjusted for interest)	(319,239)	(364,786)	(401,912)	(441,243)	(459,040)	(748,125)	(646,844)
Total Pension Liability - end of year	8,386,495	9,441,307	10,129,348	10,771,023	11,396,800	12,332,473	13,078,899
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	8,107,526	9,493,028
Employer contributions	530,214	537,605	549,129	592,576	599,011	625,461	683,112
Net investment income	395,521	10,638	456,996	1,113,370	(366,391)	1,570,476	1,290,793
Benefit payments	(319,239)	(364,786)	(401,912)	(441,243)	(459,040)	(748,125)	(624,970)
Administrative expense	(26,147)	(26,457)	(28,414)	(25,644)	(27,268)	(39,683)	(39,729)
Other	(19,417)	(32,893)	(14,712)	(96,276)	(51,644)	(22,627)	(65,313)
Fiduciary Net Position - end of year	6,584,881	6,708,988	7,270,075	8,412,858	8,107,526	9,493,028	10,736,921
Net Pension Liability	$ 1,801,614	$ 2,732,319	$ 2,859,273	$ 2,358,165	$ 3,289,274	$ 2,839,445	$ 2,341,978
Plan Fiduciary Net Position as a % of Total Pension Liability	78.52%	71.06%	71.77%	78.11%	71.14%	76.98%	82.09%
Covered payroll	$ 4,921,444	$ 4,786,794	$ 4,544,200	$ 4,726,098	$ 4,631,134	$ 4,939,728	$ 4,803,973
Net Pension Liability as % of Covered Payroll	36.61%	57.08%	62.92%	49.90%	71.03%	57.48%	48.75%

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
2021	$ 683,112	$ 683,112	$ -	$ 4,803,973	14.22%
2020	625,461	625,461	-	4,939,728	12.66%
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, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Taxes	$ 15,943,545	$ 15,943,545	$ 18,063,314	$ 2,119,769
Licenses and permits	140,600	140,600	191,952	51,352
Intergovernmental	242,459	410,874	493,339	82,465
Charges for services	1,518,084	1,747,324	1,907,157	159,833
Fines and forfeitures	642,620	645,685	673,825	28,140
Investment earnings	64,000	64,000	57,316	(6,684)
Contributions and donations	68,000	18,823	108,302	89,479
Miscellaneous	50,200	71,670	142,792	71,122
Total revenues	18,669,508	19,042,521	21,637,997	2,595,476
EXPENDITURES				
Current:				
General government				
General government	4,550,546	1,837,998	1,275,398	562,600
Governing body	113,568	170,811	162,210	8,601
Financial administration	107,750	137,722	134,474	3,248
Board of Elections/Registrations	164,775	198,571	198,505	66
Board of Equalization	15,038	15,439	9,390	6,049
Information technology	181,655	181,655	157,259	24,396
Tax Commissioner	297,690	364,709	364,706	3
Tax Assessor	331,295	410,183	401,464	8,719
Buildings and grounds	163,632	178,533	146,520	32,013
Judicial				
Superior Court	449,264	450,979	404,492	46,487
Clerk of Superior Court	379,594	487,997	457,786	30,211
District Attorney	87,740	114,970	114,329	641
Magistrate Court	220,326	273,423	262,529	10,894
Probate Court	273,727	352,431	351,719	712
Public Safety				
Law enforcement	3,927,376	5,137,510	5,012,675	124,835
Emergency management	878,283	947,994	943,335	4,659
Emergency medical service	1,983,590	2,470,398	2,352,828	117,570
Coroner	98,359	108,878	90,104	18,774
Animal Shelter	96,390	96,390	96,390	-
Public Works				
Highways and Streets	801,654	1,740,740	1,720,295	20,445
Vehicle Maintenance	655,275	693,883	609,961	83,922
Industrial Dev. and Building Authority	4,650	4,650	3,740	910
Health and welfare				
Food Bank	106,096	44,610	38,698	5,912
Senior Citizens Center	283,198	387,517	387,394	123
Public Education	40,846	40,846	40,123	723
Extension Office	19,578	19,578	18,600	978
Health	244,877	244,877	243,059	1,818
Culture and recreation				
Recreation	587,154	705,639	704,150	1,489
Library administration	213,602	213,602	213,602	-

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, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget
Housing and development				
Planning, zoning and inspections	253,421	321,293	319,356	1,937
Chamber of Commerce	15,000	15,000	15,000	-
Forest Resources	9,439	9,439	8,867	572
Debt Service:				
Principal	-	102,739	103,337	(598)
Interest and other charges	-	2,463	1,865	598
Total Expenditures	17,555,388	18,483,467	17,364,160	1,119,307
Excess (deficiency) of revenues over expenditures	1,114,120	559,054	4,273,837	3,714,783
OTHER FINANCING SOURCES (USES)				
Proceeds from governmental asset dispositions	-	-	107,656	107,656
Transfers in	-	-	30,896	30,896
Transfers out	(414,761)	(762,911)	(496,356)	266,555
Total other financing sources and uses	(414,761)	(762,911)	(357,804)	405,107
Net change in fund balances	699,359	(203,857)	3,916,033	4,119,890
Fund balances - beginning	19,915,215	19,915,215	19,915,215	-
Fund balances - ending	$ 20,614,574	$ 19,711,358	$ 23,831,248	$ 4,119,890

Madison County, Georgia
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget (GAAP Basis) and Actual - American Rescue Plan Act Fund
For the Year Ended December 31, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Intergovernmental	$ -	2,901,920	90,235	(2,811,685)
Investment earnings	-	938	937	(1)
Total revenues	-	2,902,858	91,172	(2,811,686)
EXPENDITURES				
Current:				
General government				
Buildings and grounds	-	90,235	90,235	-
Total Expenditures	-	90,235	90,235	-
Excess (deficiency) of revenues over expenditures	-	2,812,623	937	(2,811,686)
Net change in fund balances	-	2,812,623	937	(2,811,686)
Fund balances - beginning	-	-	-	-
Fund balances - ending	$ -	$ 2,812,623	$ 937	$ (2,811,686)

Madison County, Georgia
Notes to Required Supplementary Information
For the Year Ended December 31, 2021

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 2014-2020 plan years, which correspond to the County's 2015-2021 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).

Combining and Individual Fund Schedules

Madison County, Georgia
All Nonmajor Governmental Funds
Combining Balance Sheet
December 31, 2021

	Total Nonmajor Special Revenue Funds	Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
ASSETS			
Cash and cash equivalents	$ 340,059	$ 294,353	$ 634,412
Receivable from other governments	102,613	-	102,613
Prepaid expenses	5,950	-	5,950
Total assets	448,622	294,353	742,975
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	5,087	31,670	36,757
Accrued salaries and benefits	84,516	-	84,516
Total liabilities	89,603	31,670	121,273
Fund balances:			
Nonspendable	5,950	-	5,950
Restricted			
Capital Projects	-	262,683	262,683
Judicial	136,830	-	136,830
Public safety	217,672	-	217,672
Unassigned	(1,433)	-	(1,433)
Total fund balances	359,019	262,683	621,702
Total liabilities and fund balances	$ 448,622	$ 294,353	$ 742,975

Madison County, Georgia
All Nonmajor Governmental Funds
Combined Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended December 31, 2021

	Total Nonmajor Special Revenue Funds	Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
REVENUES			
Intergovernmental	$ 48,705	$ -	$ 48,705
Charges for services	645,054	-	645,054
Fines and forfeitures	75,411	-	75,411
Investment earnings	2,709	2,615	5,324
Contribution and donations	8,238	-	8,238
Miscellaneous	3,581	-	3,581
Total revenues	783,698	2,615	786,313
EXPENDITURES			
Current:			
Judicial	49,800	-	49,800
Public Safety	1,098,559	-	1,098,559
Capital Outlay:			
Public Safety	-	252,884	252,884
Public Works	-	1,179,984	1,179,984
Culture and Recreation	-	-	-
Total Expenditures	1,148,359	1,432,868	2,581,227
Excess (deficiency) of revenues over (under) expenditures	(364,661)	(1,430,253)	(1,794,914)
OTHER FINANCING SOURCES (USES)			
Transfers in	351,010	-	351,010
Transfers (out)	(30,896)	-	(30,896)
Total other financing sources and uses	320,114	-	320,114
Net change in fund balances	(44,547)	(1,430,253)	(1,474,800)
Fund balances - beginning	403,566	1,692,936	2,096,502
Fund balances - ending	$ 359,019	$ 262,683	$ 621,702

Madison County, Georgia
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2021

	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	$ 101,517	$ 21,621	$ 28,888	$ 2,149	$ 150,571	$ 35,313	$ -	$ 340,059
Receivable from other governments	-	-	-	-	102,613	-	-	102,613
Prepaid expenses	-	-	-	-	5,950	-	-	5,950
Total assets	101,517	21,621	28,888	2,149	259,134	35,313	-	448,622
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	-	-	-	20	5,067	-	-	5,087
Accrued salaries and benefits	-	-	-	3,562	80,954	-	-	84,516
Total liabilities	-	-	-	3,582	86,021	-	-	89,603
Fund balances:								
Nonspendable	-	-	-	-	5,950	-	-	5,950
Restricted								
Judicial	101,517	-	-	-	-	35,313	-	136,830
Public safety	-	21,621	28,888	-	167,163	-	-	217,672
Unassigned	-	-	-	(1,433)	-	-	-	(1,433)
Total fund balances	101,517	21,621	28,888	(1,433)	173,113	35,313	-	359,019
Total liabilities and fund balances	$ 101,517	$ 21,621	$ 28,888	$ 2,149	$ 259,134	$ 35,313	$ -	$ 448,622

Madison County, Georgia
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2021

	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	$ 48,705	$ -	$ -	$ -	$ -	$ -	$ -	$ 48,705
Charges for services	27,294	-	-	-	606,153	11,607	-	645,054
Fines and forfeitures	-	28,512	-	16,003	-	-	30,896	75,411
Investment earnings	2,122	-	-	-	530	57	-	2,709
Contributions and donations	-	-	8,238	-	-	-	-	8,238
Miscellaneous	-	-	1,695	-	1,886	-	-	3,581
Total revenues	78,121	28,512	9,933	16,003	608,569	11,664	30,896	783,698
EXPENDITURES								
Current:								
Judicial	46,155	-	-	-	-	3,645	-	49,800
Public Safety	-	14,920	14,503	48,205	1,020,931	-	-	1,098,559
Total Expenditures	46,155	14,920	14,503	48,205	1,020,931	3,645	-	1,148,359
Excess (deficiency) of revenues over (under) expenditures	31,966	13,592	(4,570)	(32,202)	(412,362)	8,019	30,896	(364,661)
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	39,928	311,082	-	-	351,010
Transfers (out)	-	-	-	-	-	-	(30,896)	(30,896)
Total other financing sources and uses	-	-	-	39,928	311,082	-	(30,896)	320,114
Net change in fund balances	31,966	13,592	(4,570)	7,726	(101,280)	8,019	-	(44,547)
Fund balances - beginning	69,551	8,029	33,458	(9,159)	274,393	27,294	-	403,566
Fund balances - ending	$ 101,517	$ 21,621	$ 28,888	$ (1,433)	$ 173,113	$ 35,313	$ -	$ 359,019

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, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Intergovernmental	$ -	$ -	$ 48,705	$ 48,705
Charges for services	20,000	20,000	27,294	7,294
Investment income	-	-	2,122	2,122
Total revenues	20,000	20,000	78,121	58,121
EXPENDITURES				
Current:				
Judicial	40,000	40,000	46,155	(6,155)
Total expenditures	40,000	40,000	46,155	(6,155)
Net change in fund balances	(20,000)	(20,000)	31,966	51,966
Fund balances - beginning	69,551	69,551	69,551	-
Fund balances - ending	$ 49,551	$ 49,551	$ 101,517	$ 51,966

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, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Fines and forfeitures	$ 22,000	$ 22,000	$ 28,512	$ 6,512
Total revenues	22,000	22,000	28,512	6,512
EXPENDITURES				
Current:				
Public safety	22,000	22,000	14,920	7,080
Total expenditures	22,000	22,000	14,920	7,080
Net change in fund balances	-	-	13,592	13,592
Fund balances - beginning	8,029	8,029	8,029	-
Fund balances - ending	$ 8,029	$ 8,029	$ 21,621	$ 13,592

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, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Charges for services	$ -	$ -	$ -	$ -
Contributions and donations	20,000	20,000	8,238	(11,762)
Miscellaneous	-	-	1,695	1,695
Total revenues	20,000	20,000	9,933	(10,067)
EXPENDITURES				
Current:				
Public safety	20,000	20,000	14,503	5,497
Total expenditures	20,000	20,000	14,503	5,497
Net change in fund balances	-	-	(4,570)	(4,570)
Fund balances - beginning	33,458	33,458	33,458	-
Fund balances - ending	$ 33,458	$ 33,458	$ 28,888	$ (4,570)

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, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Fines and forfeitures	$ 20,000	$ 20,000	$ 16,003	$ (3,997)
Total revenues	20,000	20,000	16,003	(3,997)
EXPENDITURES				
Current:				
Public safety	55,566	72,343	48,205	24,138
Total expenditures	55,566	72,343	48,205	24,138
OTHER FINANCING SOURCES (USES)				
Transfers in	35,566	52,343	39,928	(12,415)
Total other financing sources	35,566	52,343	39,928	(12,415)
Net change in fund balances	-	-	7,726	7,726
Fund balances - beginning	(9,159)	(9,159)	(9,159)	(9,159)
Fund balances - ending	$ (9,159)	$ (9,159)	$ (1,433)	$ (1,433)

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, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Charges for services	$ 570,200	$ 570,200	$ 606,153	$ 35,953
Investment income	2,900	2,900	530	(2,370)
Miscellaneous	750	750	1,886	1,136
Total revenues	573,850	573,850	608,569	34,719
EXPENDITURES				
Current:				
Public safety	767,917	1,057,908	1,020,931	36,977
Total expenditures	767,917	1,057,908	1,020,931	36,977
OTHER FINANCING SOURCES				
Transfers in	194,067	484,058	311,082	(172,976)
Total other financing sources	194,067	484,058	311,082	(172,976)
Net change in fund balances	-	-	(101,280)	(101,280)
Fund balances - beginning	274,393	274,393	274,393	-
Fund balances - ending	$ 274,393	$ 274,393	$ 173,113	$ (101,280)

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, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Charges for services	$ 13,500	$ 13,500	$ 11,607	$ (1,893)
Investment income	-	-	57	57
Total revenues	13,500	13,500	11,664	(1,836)
EXPENDITURES				
Current:				
Judicial	20,000	20,000	3,645	16,355
Total expenditures	20,000	20,000	3,645	16,355
Net change in fund balance	(6,500)	(6,500)	8,019	14,519
Fund balances - beginning	27,294	27,294	27,294	-
Fund balances - ending	$ 20,794	$ 20,794	$ 35,313	$ 14,519

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, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Fines and forfeitures	$ 30,000	$ 84,000	$ 30,896	$ (53,104)
Total revenues	30,000	84,000	30,896	(53,104)
EXPENDITURES				
Current:				
Public Safety	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenues over expenditures	30,000	84,000	30,896	(53,104)
OTHER FINANCING (USES)				
Transfers (out)	(30,000)	(50,000)	(30,896)	19,104
Total other financing (uses)	(30,000)	(50,000)	(30,896)	19,104
Net change in fund balance	-	34,000	-	(34,000)
Fund balances - beginning	-	-	-	-
Fund balances - ending	$ -	$ 34,000	$ -	$ (34,000)

Madison County, Georgia
Combining Balance Sheet
Nonmajor Capital Project Funds
December 31, 2021

	SPLOST 2014	Total Nonmajor Capital Project Funds
ASSETS		
Cash and cash equivalents	$ 294,353	$ 294,353
Total assets	294,353	294,353
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable	31,670	31,670
Due to other funds	-	-
Total liabilities	31,670	31,670
Fund balances:		
Restricted		
Capital Projects	262,683	262,683
Total fund balances	262,683	262,683
Total liabilities and fund balances	$ 294,353	$ 294,353

Madison County, Georgia
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Project Funds
For the Year Ended December 31, 2021

	SPLOST 2014	Total Nonmajor Capital Project Funds
REVENUES		
Investment earnings	$ 2,615	$ 2,615
Total revenues	2,615	2,615
EXPENDITURES		
Capital Outlay:		
Public Safety	252,884	252,884
Public Works	1,179,984	1,179,984
Total Expenditures	1,432,868	1,432,868
Excess (deficiency) of revenues over (under) expenditures	(1,430,253)	(1,430,253)
Net change in fund balances	(1,430,253)	(1,430,253)
Fund balances - beginning	1,692,936	1,692,936
Fund balances - ending	$ 262,683	$ 262,683

Exhibit N

Madison County, Georgia
Combining Schedule of Fiduciary Assets and Liabilities
Fiduciary Funds
December 31, 2021

	Tax Commissioner	Sheriff	Clerk of Superior Court	Probate Court	Magistrate Court	Total Custodial Funds
ASSETS						
Cash	$ 104,799	$ 94,693	$ 207,434	$ 3,815	$ 1,784	$ 412,525
Total Assets	104,799	94,693	207,434	3,815	1,784	412,525
LIABILITIES						
Due to others	104,799	94,693	207,434	3,815	1,784	412,525
Total Liabilities	$ 104,799	$ 94,693	$ 207,434	$ 3,815	$ 1,784	$ 412,525

Compliance Section

Treadwell, Tamplin & Co.
Certified Public Accountants
A Limited Liability Partnership
157 West Jefferson Street
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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, 2021, 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 May 9, 2023. 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) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of 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 identified certain deficiencies in internal control, described in the accompanying schedule of findings and responses as items ***2021-001*** 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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 May 9, 2023.

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 Icontrol and compliance. Accordingly, this communication is not suitable for any other purpose.



Madison, Georgia
May 9, 2023

Madison County, Georgia
Schedule of Findings and Responses
December 31, 2021

Material weakness

2021-001

Criteria:	GASB issued GASB Technical Bulletin 2020-1 which concludes that the ARPA Grant is a voluntary nonexchange transaction and that revenue recognition should occur when eligibility requirements are met.
Condition:	In accordance with GASB 33, resources received before eligible expenditures are incurred should be reported as liabilities by the recipient.
Cause:	During 2021, the County received ARPA funds in the amount of $2,901,920. During the same time period, the County only incurred $90,235 of eligible ARPA grant expenditures.
Effect:	Revenue in the ARPA fund was overstated. An audit adjustment of $2,811,685 was required to reduce grant revenue and increase unavailable grant proceeds (liability).
Recommendation:	We recommend that the County follow guidance from GASB on revenue recognition for all grant funds received.
Management response:	Management concurs with the finding and will follow the guidance issued by GASB.

Madison County, Georgia
Schedule of Special Purpose
Local Option Sales Tax
For the Year Ended December 31, 2021

	Original Estimated Cost	Revised Estimated Cost	Expenditures			Estimated Percentage to Complete
			Prior Years	Current Year	Total	
2014 Referendum						
Road and bridge improvements	$ 6,487,500	$ 6,487,500	$ 5,245,376	$ 1,179,984	$ 6,425,360	99%
Recreation	227,500	227,500	226,982	-	226,982	100%
Sheriff	681,667	681,667	671,827	1,116	672,943	99%
E-911	153,000	153,000	151,421	-	151,421	99%
EMS	755,833	755,833	622,373	123,272	745,645	99%
Transfer Station	84,167	84,167	22,298	-	22,298	26%
Old Courthouse	42,000	42,000	42,832	-	42,832	102%
Firefighting	1,033,333	1,033,333	701,529	128,496	830,025	80%
Industrial Development & Building Authority for water & sewer projects	1,422,500	1,422,500	1,403,077	-	1,403,077	99%
Payments to cities for capital projects						
City of Carlton	126,900	126,900	125,166	-	125,166	99%
City of Colbert	289,050	289,050	285,104	-	285,104	99%
City of Comer	549,600	549,600	542,096	-	542,096	99%
City of Danielsville	273,300	273,300	269,575	-	269,575	99%
City of Hull	96,600	96,600	95,280	-	95,280	99%
City of Ila	164,550	164,550	162,309	-	162,309	99%
Totals	$ 12,387,500	$ 12,387,500	$ 10,567,245	$ 1,432,868	$ 12,000,113	

Madison County, Georgia
Schedule of Special Purpose
Local Option Sales Tax
For the Year Ended December 31, 2021

	Original Estimated Cost	Revised Estimated Cost	Expenditures			Estimated Percentage to Complete
			Prior Years	Current Year	Total	
2020 Referendum						
Road and bridge improvements	$ 5,455,000	$ 5,455,000	$ -	316,256	$ 316,256	6%
Recreation	365,000	365,000	-	17,116	17,116	5%
Sheriff	885,000	885,000	-	218,200	218,200	25%
E-911	905,000	905,000	381,142	528,985	910,127	101%
EMS	715,000	715,000	-	7,486	7,486	1%
Courthouse	50,000	50,000	47,974	2,309	50,283	101%
Coroner	60,000	60,000	-	-	-	0%
Firefighting	1,455,000	1,455,000	178,858	51,513	230,371	16%
Facilities acquisition & improvement	190,000	190,000	165,872	7,985	173,857	92%
Industrial Development & Building Authority for water & sewer projects	1,620,000	1,620,000	-	-	-	0%
Payments to cities for capital projects						
City of Carlton	135,783	135,783	13,946	31,368	45,314	33%
City of Colbert	310,172	310,172	310,172	-	310,172	100%
City of Comer	591,057	591,057	60,707	136,545	197,252	33%
City of Danielsville	294,197	294,197	30,217	67,965	98,182	33%
City of Hull	103,834	103,834	103,834	-	103,834	100%
City of Ila	177,052	177,052	18,185	40,901	59,086	33%
Totals	$ 13,312,095	$ 13,312,095	$ 1,310,907	1,426,629	$ 2,737,536	
			Principal payment on 2020 GO Bonds	1,420,000		
				2,846,629		

Note: The following represent 2020 SPLOST expenditures that are reported in the GO Bond Fund:

Road and bridge improvements	(301,731)
Sheriff	(208,179)
E911	(487,185)
EMS	(7,142)
Firefighting	(40,933)
Total SPLOST expenditures reported in GO Bond Fund	(1,045,170)
2020 SPLOST expenditures reported in 2020 SPLOST Fund	$ 1,801,459

Madison County

Certification of 9-1-1 Expenditures

For the Year Ended 2021

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)	
	_____		$ _____
	_____		$ _____
	_____		$ _____
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)	$ 56,205.98
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)	$ 524,943.25
5b	Employee benefits	46-5-134(f)(1)(C)	$ 208,170.43
6	Cost of training of employees who work as dispatchers or directors	46-5-134(f)(1)(D)	$ 474.30
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)	$ 3,177.76
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)	$ 114,949.27
9c	Maintenance costs	46-5-134(f)(1)(G)	$ 21,643.00

Madison County

Certification of 9-1-1 Expenditures

For the Year Ended 2021

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)	$	44,329.84
11	Logging recorders used at a public safety answering point to record telephone and radio traffic:			
11a	Lease costs	46-5-134(f)(1)(I)	$	
11b	Purchase costs	46-5-134(f)(1)(I)	$	
11c	Maintenance costs	46-5-134(f)(1)(I)	$	
12	Insurance purchased to insure against risks and liability in the operation and maintenance of the 9-1-1 system on behalf of the local government or on behalf of employees hired by the local government solely for the operation and maintenance of the 9-1-1 system and employees who work as directors	46-5-134(f)(2)(B)(i)	$	
13	Mobile communications vehicle and equipment, if the primary purpose and designation of such vehicle is to function as a backup 9-1-1 system center			
13a	Lease costs	46-5-134(f)(2(B)(ii)	$	
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)	$	3,600.00
15b	Purchase costs	46-5-134(f)(2(B)(iv)	$	10,799.00
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)	$	32,638.53

Madison County

Certification of 9-1-1 Expenditures

For the Year Ended 2021

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)		$ 1,020,931.36

Certification of Local Government Officials

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

Signature of Chief Elected Official _____ Date 5-18-22

Print Name of Chief Elected Official Robert Higdon

Title of Chief Elected Official Chairman

Signature of Chief Financial Officer Kathy Figueroa Date 5/18/22

Print Name of Chief Financial Officer Kathy Figueroa