MADISON COUNTY, GEORGIA



ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2022

MADISON COUNTY, GEORGIA

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2022 AND
INDEPENDENT AUDITOR'S REPORT

MADISON COUNTY, GEORGIA

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MADISON COUNTY, GEORGIA

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MCNAIR MCLEMORE MIDDLEBROOKS & CO
CERTIFIED PUBLIC ACCOUNTANTS

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November 30, 2023

INDEPENDENT AUDITOR'S REPORT

To the Honorable Commissioners of
Madison County, Georgia

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of **Madison County, Georgia** (the "County") as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2022, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and the Major Special Revenue Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Madison County Health Department, which represent 3 percent, 2 percent, and 12 percent, respectively, of the assets, net position, and revenues of the County. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for Madison County Health Department, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Adoption of Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*

As discussed in Note 1 to the financial statements, as of January 1, 2022, the County adopted new accounting guidance for leases as a result of the adoption of GASB Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

The County's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the schedule of changes in the County's net pension liability and related ratios on pages 45 and 46, the schedule of County contributions on page 47, and the notes to the required supplementary information on page 48 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules, the schedule of project expenditures with special sales tax proceeds, and combining custodial fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, budgetary comparison schedules, the schedule of project expenditures with special sales tax proceeds, and combining custodial fund financial statements are the responsibility of management and were derived from and relates 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 by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, the combining and individual nonmajor fund financial statements, budgetary comparison schedules, the schedule of project expenditures with special sales tax proceeds, and combining custodial fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2023, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

McNair, McLemore, Middlebrooks & Co., LLC

McNAIR, McLEMORE, MIDDLEBROOKS & CO., LLC

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BASIC FINANCIAL STATEMENTS

MADISON COUNTY, GEORGIA
STATEMENT OF NET POSITION
DECEMBER 31, 2022

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Industrial Development Authority	Board of Health
Assets					
Cash and Cash Equivalents	$ 42,501,271	$ 31,750	$ 42,533,021	$ 2,862,060	$ 888,771
Receivables, Net of Allowance					
Taxes	1,755,353	-	1,755,353	156,007	-
Accounts	215,258	8,033	223,291	158,778	3,153
Restricted Cash	352,240	-	352,240	314,880	-
Due from Other Governments	1,062,294	16,276	1,078,570	678,703	-
Inventories	161,622	-	161,622	-	-
Prepaid Items	175,885	-	175,885	93,532	-
Net OPEB Asset	-	-	-	-	6,274
Capital Assets					
Nondepreciable	1,191,718	-	1,191,718	3,233,970	-
Depreciable, Net	150,595,655	81,865	150,677,520	20,198,106	53,402
Total Assets	198,011,296	137,924	198,149,220	27,696,036	951,600
Deferred Outflows of Resources					
Pensions	1,230,169	12,426	1,242,595	-	149,917
OPEB	-	-	-	-	65,865
Total Deferred Outflows of Resources	1,230,169	12,426	1,242,595	-	215,782
Liabilities					
Accounts Payable	1,836,441	30,919	1,867,360	165,928	28,899
Accrued Interest	-	-	-	87,810	-
Cash Held in Escrow	351,769	-	351,769	-	-
Accrued Salaries and Benefits	384,223	-	384,223	-	-
Due to Other Governments	1,789	-	1,789	1,663	6,260
Customer Deposits	-	-	-	103,788	-
Unearned Grant Revenue	5,287,841	-	5,287,841	-	5,022

See accompanying notes which are an integral part of these financial statements.

MADISON COUNTY, GEORGIA
STATEMENT OF NET POSITION
DECEMBER 31, 2022
(CONTINUED)

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Industrial Development Authority	Board of Health
Liabilities (Continued)					
Noncurrent Liabilities					
Due within One Year					
Compensated Absences	$ 331,020	$ -	$ 331,020	$ 5,011	$ -
Lease Liabilities	8,522	-	8,522	-	-
Notes Payable	-	-	-	353,484	-
Bonds Payable	1,480,000	-	1,480,000	100,000	-
Postclosure Liability	-	8,335	8,335	-	-
Due in More than One Year					
Lease Liabilities	36,950	-	36,950	-	-
Notes Payable	-	-	-	4,446,006	-
Bonds Payable	4,650,000	-	4,650,000	4,208,086	-
Compensated Absences	110,340	2,784	113,124	-	39,667
Net Pension Liability	1,231,114	12,435	1,243,549	-	244,228
Postclosure Liability	-	33,340	33,340	-	-
Total Liabilities	15,710,009	87,813	15,797,822	9,471,776	324,076
Deferred Inflows of Resources					
Pensions	1,668,679	16,855	1,685,534	-	317,967
OPEB	-	-	-	-	177,268
Total Deferred Inflows of Resources	1,668,679	16,855	1,685,534	-	495,235
Net Position					
Net Investment in Capital Assets	155,304,433	81,865	155,386,298	14,202,219	53,402
Restricted for					
Capital Outlay	10,439,076	-	10,439,076	477,125	-
Law Enforcement	825,576	-	825,576	-	-
Court Programs	97,162	-	97,162	-	-
Debt Service	-	-	-	38,165	-
Unrestricted (Deficit)	15,196,530	(36,183)	15,160,347	3,506,751	294,669
Total Net Position	$ 181,862,777	$ 45,682	$181,908,459	$ 18,224,260	$ 348,071

See accompanying notes which are an integral part of these financial statements.

MADISON COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022

Functions / Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary Government				
Governmental Activities				
General Government	$ 4,906,233	$ 745,659	$ 467,565	$ -
Judicial	1,661,559	3,197	100,000	-
Public Safety	10,306,648	2,593,856	12,459	-
Public Works	15,779,982	-	1,807,064	1,557
Health and Welfare	781,685	74,998	225,777	-
Culture and Recreation	1,070,450	232,157	2,908	-
Economic Development	418,781	-	-	-
Interest on Long-Term Debt	73,076	-	-	-
Total Governmental Activities	34,998,414	3,649,867	2,615,773	1,557
Business-Type Activities				
Solid Waste	455,057	259,994	38,461	-
Total Business-Type Activities	455,057	259,994	38,461	-
Total Primary Government	$ 35,453,471	$ 3,909,861	$ 2,654,234	$ 1,557
Component Unit				
Madison County Health Department	$ 679,329	$ 312,617	$ 709,179	$ -
Industrial Development Authority	2,625,689	2,123,239	1,650,018	617,361
Total Component Unit	$ 3,305,018	$ 2,435,856	$ 2,359,197	$ 617,361
General Revenues				
Property Tax				
Sales Tax				
Other Tax				
Interest Revenue				
Miscellaneous				
Total General Revenues				
Transfers				
Total General Revenues and Transfers				
Change in Net Position				
Net Position - Beginning of Year (Deficit)				
Net Position - End of Year				

See accompanying notes which are an integral part of these financial statements.

MADISON COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022
(CONTINUED)

Net (Expense) Revenue and Changes in Net Position				
Primary Government			Component Units	
Governmental Activities	Business-Type Activities	Total	Industrial Development Authority	Board of Health
$ (3,693,009)	$ -	$ (3,693,009)		
(1,558,362)	-	(1,558,362)		
(7,700,333)	-	(7,700,333)		
(13,971,361)	-	(13,971,361)		
(480,910)	-	(480,910)		
(835,385)	-	(835,385)		
(418,781)	-	(418,781)		
(73,076)	-	(73,076)		
(28,731,217)	-	(28,731,217)		
-	(156,602)	(156,602)		
-	(156,602)	(156,602)		
(28,731,217)	(156,602)	(28,887,819)		
			$ -	$ 342,467
			1,764,929	-
			1,764,929	342,467
13,414,560	-	13,414,560	1,048,085	-
8,218,447	-	8,218,447	-	-
2,676,000	-	2,676,000	-	-
32,818	-	32,818	1,105	60
205,479	2,295	207,774	3,000	-
24,547,304	2,295	24,549,599	1,052,190	60
(233,429)	233,429	-	-	-
24,313,875	235,724	24,549,599	1,052,190	60
(4,417,342)	79,122	(4,338,220)	2,817,119	342,527
186,280,119	(33,440)	186,246,679	15,407,141	5,544
$ 181,862,777	$ 45,682	$ 181,908,459	$ 18,224,260	$ 348,071

See accompanying notes which are an integral part of these financial statements.

MADISON COUNTY, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2022

	General Fund	American Rescue Plan Act Fund	General Obligation Bond Fund	2020 SPLOST Fund	Non-Major Governmental Funds	Total Governmental Funds
Assets						
Cash and Cash Equivalents	$25,628,831	$ 5,360,507	$ 4,997,060	$ 3,616,724	$ 2,898,149	$ 42,501,271
Receivables, Net of Allowance						
Taxes	1,755,353	-	-	-	-	1,755,353
Other Receivables	215,258	-	-	-	-	215,258
Due from Other Governments	316,007	-	-	332,788	413,499	1,062,294
Restricted Cash	352,240	-	-	-	-	352,240
Due from Other Funds	70,457	-	83,778	-	-	154,235
Prepaid Items	128,297	-	-	27,970	19,618	175,885
Inventory	161,622	-	-	-	-	161,622
Total Assets	$28,628,065	$ 5,360,507	$ 5,080,838	$ 3,977,482	$ 3,331,266	$ 46,378,158
Liabilities						
Accounts Payable	$ 808,669	$ -	$ 451,589	$ 54,790	$ 521,393	$ 1,836,441
Accrued Salaries and Benefits	384,223	-	-	-	-	384,223
Unearned Grant Revenue	-	5,287,841	-	-	-	5,287,841
Tax Sale Proceeds Held for Others	351,769	-	-	-	-	351,769
Due to Other Governments	1,789	-	-	-	-	1,789
Due to Other Funds	83,778	70,457	-	-	-	154,235
Total Liabilities	1,630,228	5,358,298	451,589	54,790	521,393	8,016,298

See accompanying notes which are an integral part of these financial statements.

MADISON COUNTY, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2022
(CONTINUED)

	General Fund	American Rescue Plan Act Fund	General Obligation Bond Fund	2020 SPLOST Fund	Non-Major Governmental Funds	Total Governmental Funds
Deferred Inflows of Resources						
Unavailable Revenue - Property Taxes	697,138	-	-	-	-	697,138
Total Deferred Inflows of Resources	697,138	-	-	-	-	697,138
Fund Balances						
Nonspendable	289,919	-	-	-	-	289,919
Restricted	-	-	4,629,249	3,922,692	2,809,873	11,361,814
Assigned	-	2,209	-	-	-	2,209
Unassigned	26,010,780	-	-	-	-	26,010,780
Total Fund Balances	26,300,699	2,209	4,629,249	3,922,692	2,809,873	37,664,722
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$28,628,065	$ 5,360,507	$ 5,080,838	$ 3,977,482	$ 3,331,266	$ 46,378,158

See accompanying notes which are an integral part of these financial statements.

MADISON COUNTY, GEORGIA
RECONCILIATION OF THE BALANCE SHEET
OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET POSITION
DECEMBER 31, 2022

Total Fund Balances - Governmental Funds	$	37,664,722
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital Assets		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Cost of the Assets		459,230,580
Accumulated Depreciation		(307,443,207)
Deferred Outflows of Resources		
Pensions		1,230,169
Revenues		
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.		697,138
Long-Term Liabilities		
Long-term liabilities are not due and payable in the current period and, therefore, are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities both current and long-term are reported in the Statement of Net Position. Long-term liabilities at year-end consist of the following:		
Bonds Payable		(6,130,000)
Lease Liabilities		(45,472)
Compensated Absences		(441,360)
Net Pension Liability		(1,231,114)
Deferred Inflows of Resources		
Pensions		(1,668,679)
Total Net Position of Governmental Activities	$	181,862,777

See accompanying notes which are an integral part of these financial statements.

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MADISON COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	General Fund	American Rescue Plan Act Fund	General Obligation Bond Fund	2020 SPLOST Fund	Non-Major Governmental Funds	Total Governmental Funds
Revenues						
Taxes						
Property Tax	$ 13,206,447	$ -	$ -	$ -	$ -	$ 13,206,447
Sales Tax	2,514,021	-	-	3,397,480	2,306,946	8,218,447
Other Taxes	2,675,542	-	-	-	458	2,676,000
License and Permits	168,097	-	-	-	-	168,097
Intergovernmental	1,985,070	425,764	50,478	-	131,227	2,592,539
Fines and Forfeitures	758,905	-	-	-	90,280	849,185
Charges for Services	1,930,329	-	-	-	627,258	2,557,587
Interest Earnings	28,247	1,272	3,034	1,302	520	34,375
Contributions and Donations	98,232	-	-	-	-	98,232
Other Revenues	166,778	-	-	-	16,671	183,449
Total Revenues	23,531,668	427,036	53,512	3,398,782	3,173,360	30,584,358
Expenditures						
Current						
General Government	3,426,273	425,764	-	-	-	3,852,037
Judicial	1,660,218	-	-	-	-	1,660,218
Public Safety	8,870,717	-	-	-	1,164,797	10,035,514
Public Works	3,522,525	-	861,748	-	255,734	4,640,007
Health and Welfare	724,802	-	-	-	-	724,802
Culture and Recreation	1,109,004	-	-	-	-	1,109,004
Housing and Development	413,871	-	-	-	-	413,871

See accompanying notes which are an integral part of these financial statements.

MADISON COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022
(CONTINUED)

	General Fund	American Rescue Plan Act Fund	General Obligation Bond Fund	2020 SPLOST Fund	Non-Major Governmental Funds	Total Governmental Funds
Expenditures (Continued)						
Debt Service						
Principal	170,022	-	-	1,450,000	-	1,620,022
Interest	2,378	-	-	70,698	-	73,076
Intergovernmental	-	-	574,360	305,773	279,371	1,159,504
Capital Outlay	-	-	793,306	-	291,767	1,085,073
Total Expenditures	19,899,810	425,764	2,229,414	1,826,471	1,991,669	26,373,128
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,631,858	1,272	(2,175,902)	1,572,311	1,181,691	4,211,230
Other Financing Sources (Uses)						
Transfers from Other Funds	28,700	-	-	-	1,035,180	1,063,880
Transfers to Other Funds	(1,268,609)	-	-	-	(28,700)	(1,297,309)
Lease Liabilities Issued	55,472	-	-	-	-	55,472
Proceeds from Sale of Capital Assets	22,030	-	-	-	-	22,030
Total Other Financing Sources (Uses)	(1,162,407)	-	-	-	1,006,480	(155,927)
Net Change in Fund Balances	2,469,451	1,272	(2,175,902)	1,572,311	2,188,171	4,055,303
Fund Balance - Beginning of Year	23,831,248	937	6,805,151	2,350,381	621,702	33,609,419
Fund Balance - End of Year	$ 26,300,699	$ 2,209	$ 4,629,249	$ 3,922,692	$ 2,809,873	$ 37,664,722

See accompanying notes which 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, 2022

Net Change in Fund Balances - Total Governmental Funds	$ 4,055,303
Amounts reported for governmental activities in the Statement of Activities are different because:	
Capital Assets	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is depreciated over their estimated useful lives and reported as depreciation expense.	
Total Capital Outlays	1,698,941
Total Depreciation	(11,858,642)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales and donations) is to decrease net position.	(140,227)
Deferred outflows of resources related to pensions is not available during the current period and therefore is not reported in the funds.	
Change in Deferred Outflows of Resources - Pensions	(76,283)
Long-Term Debt	
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	
Lease Liabilities	(55,472)
Under the modified accrual basis of accounting used in governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the Statement of Activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. The adjustments for these items are as follows:	
Bonds Payable	1,450,000
Lease Liabilities	10,000
Installment Agreement	160,022
Compensated Absences	(62,981)
Net Pension Liability	1,052,963
Revenues	
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	208,113
Deferred inflows of resources related to pensions is not available during the current period and therefore is not reported in the funds.	
Change in Deferred Inflows of Resources - Pensions	(859,079)
Change in Net Position of Governmental Activities	$ (4,417,342)

See accompanying notes which are an integral part of these financial statements.

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MADISON COUNTY, GEORGIA
GENERAL FUND
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2022

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
Revenues				
Taxes				
Property Tax	$ 12,509,632	$ 12,509,632	$ 13,206,447	$ 696,815
Sales Tax	1,900,000	1,900,000	2,514,021	614,021
Other Taxes	2,389,000	2,389,000	2,675,542	286,542
License and Permits	176,400	176,400	168,097	(8,303)
Intergovernmental	287,459	1,146,190	1,985,070	838,880
Fines and Forfeitures	636,740	636,740	758,905	122,165
Charges for Services	1,578,171	1,851,900	1,930,329	78,429
Interest Earnings	20,400	20,400	28,247	7,847
Contributions and Donations	69,800	89,642	98,232	8,590
Other Revenues	44,150	105,817	166,778	60,961
Total Revenues	19,611,752	20,825,721	23,531,668	2,705,947
Expenditures				
Current				
General Government				
General Government	1,684,347	1,799,677	1,489,380	310,297
Governing Body	147,732	172,196	156,738	15,458
Financial Administration	146,679	145,776	145,776	-
Board of Elections / Registrations	332,304	345,896	317,331	28,565
Board of Equalization	14,775	17,651	17,000	651
Information Technology	161,045	194,133	194,085	48
Tax Commissioner	385,220	400,831	378,936	21,895
Tax Assessor	428,128	454,347	454,298	49
Buildings and Grounds	314,687	312,034	272,729	39,305
Judicial				
Superior Court	337,525	333,738	303,980	29,758
Clerk of Superior Court	482,959	480,643	473,493	7,150
District Attorney	117,762	106,655	100,026	6,629
Magistrate Court	259,338	261,161	249,926	11,235
Probate Court	391,445	395,122	390,191	4,931
Juvenile Court	155,997	156,268	142,602	13,666

See accompanying notes which are an integral part of these financial statements.

MADISON COUNTY, GEORGIA
GENERAL FUND
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2022
(CONTINUED)

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
Public Safety				
Sherriff's Office	$ 2,860,362	$ 3,026,535	$ 3,026,535	$ -
Emergency Management	927,724	927,679	927,370	309
Emergency Medical Service	2,487,782	2,517,937	2,460,329	57,608
Coroner	90,919	97,863	97,844	19
Animal Shelter	100,390	100,390	100,390	-
Jail	2,478,099	2,436,597	2,258,249	178,348
Public Works				
Highways and Streets	1,202,731	2,003,968	1,228,814	775,154
Vehicle Maintenance	655,275	850,614	823,725	26,889
Industrial Dev. And Building Authority	-	1,470,018	1,469,986	32
Health and Welfare				
Food Bank	110,829	110,820	55,008	55,812
Senior Citizens Center	365,574	385,998	364,213	21,785
Public Education	41,538	41,538	40,624	914
Extension Office	19,576	22,971	22,147	824
Health	243,877	243,877	242,810	1,067
Culture and Recreation				
Recreation	798,374	887,733	887,733	-
Library Administration	221,271	221,271	221,271	-
Housing and Development				
Planning, Zoning, and Inspections	379,784	400,865	390,004	10,861
Chamber of Commerce	15,000	15,000	15,000	-
Forest Resources	9,000	9,000	8,867	133
Debt Service				
Principal	80,200	170,022	170,022	-
Interest and other charges	1,200	2,378	2,378	-
Total Expenditures	18,449,448	21,519,202	19,899,810	1,619,392
Excess Revenue Over (Under) Expenditures	1,162,304	(693,481)	3,631,858	1,086,555
Other Financing Sources (Uses)				
Transfers from Other Funds	-	-	28,700	28,700
Transfers to Other Funds	-	(1,268,609)	(1,268,609)	-
Lease Liabilities Issued	-	-	55,472	55,472
Proceeds from Sale of Capital Assets	-	-	22,030	22,030
Total Other Financing Sources (Uses)	-	(1,268,609)	(1,162,407)	106,202
Net Change in Fund Balance	1,162,304	(1,962,090)	2,469,451	1,192,757
Fund Balance - Beginning of Year	23,831,248	23,831,248	23,831,248	-
Fund Balance - End of Year	$ 24,993,552	$ 21,869,158	$ 26,300,699	$ 4,431,541

See accompanying notes which are an integral part of these financial statements.

MADISON COUNTY, GEORGIA
AMERICAN RESCUE PLAN ACT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2022
(CONTINUED)

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
Revenues				
Intergovernmental	$ -	$ 425,764	$ 425,764	$ -
Interest Earnings	-	-	1,272	1,272
Total Revenues	-	425,764	427,036	1,272
Expenditures				
Current				
General Government	-	425,764	425,764	-
Total Expenditures	-	425,764	425,764	-
Net Changes in Fund Balance	-	-	1,272	1,272
Fund Balance - Beginning of Year	937	937	937	-
Fund Balance - End of Year	$ 937	$ 937	$ 2,209	$ 1,272

See accompanying notes which are an integral part of these financial statements.

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MADISON COUNTY, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2022

	Solid Waste Fund
Assets	
Current Assets	
Cash and Cash Equivalents	$ 31,750
Accounts Receivable, Net	8,033
Due from Other Governments	16,276
Total Current Assets	56,059
Long-Term Assets	
Capital Assets	
Depreciable Assets, Net	81,865
Total Capital Assets, Net	81,865
Total Noncurrent Assets	81,865
Total Assets	137,924
Deferred Outflows of Resources	
Pensions	12,426
Total Deferred Outflows of Resources	12,426

See accompanying notes which are an integral part of these financial statements.

MADISON COUNTY, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2022
(CONTINUED)

	Solid Waste Fund
Liabilities	
Current Liabilities	
Accounts Payable	$ 30,919
Postclosure Liability	8,335
Total Current Liabilities	39,254
Long-Term Liabilities	
Compensated Absences	2,784
Net Pension Liability	12,435
Postclosure Liability	33,340
Total Long-Term Liabilities	48,559
Total Liabilities	87,813
Deferred Inflows of Resources	
Pensions	16,855
Total Deferred Inflows of Resources	16,855
Net Position	
Investment in Capital Assets	81,865
Unrestricted (Deficit)	(36,183)
Total Net Position	$ 45,682

See accompanying notes which are an integral part of these financial statements.

MADISON COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Solid Waste Fund
Operating Revenues	
Charges for Sales and Services	$ 259,994
Miscellaneous	2,295
Total Operating Revenues	262,289
Operating Expenses	
Cost of Sales - Waste Disposal Fees	199,095
Personal Services	163,047
Contractual Services	6,257
Other Supplies and Expenses	73,647
Depreciation	13,011
Total Operating Expenses	455,057
Operating Income (Loss)	(192,768)
Nonoperating Revenues (Expenses)	
Intergovernmental Revenue	38,461
Total Nonoperating Revenues (Expenses)	38,461
Income (Loss) Before Contributions and Transfers	(154,307)
Transfers from Other Funds	233,429
Change in Net Position	79,122
Total Net Position - Beginning of Year (Deficit)	(33,440)
Total Net Position - End of Year	$ 45,682

See accompanying notes which are an integral part of these financial statements.

MADISON COUNTY, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Solid Waste Fund
Cash Flows from Operating Activities	
Cash Received from Customers	$ 256,007
Cash Paid to Suppliers for Goods and Services	(276,291)
Cash Paid to Employees	(214,435)
Net Cash Flows Provided by (Used for) Operating Activities	(234,719)
Cash Flows from Noncapital Financing Activities	
Transfers from Other Funds	233,429
Intergovernmental Revenue	32,540
Net Cash Flows Provided by (Used for) Noncapital Financing Activities	265,969
Net Increase (Decrease) in Cash and Cash Equivalents	31,250
Cash and Cash Equivalents - Beginning of Year	500
Cash and Cash Equivalents - End of Year	$ 31,750

See accompanying notes which are an integral part of these financial statements.

MADISON COUNTY, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022
(CONTINUED)

	Solid Waste Fund
Reconciliation of Net Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities	
Net Operating Income (Loss)	$ (192,768)
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided by (Used by) Operating Activities	
Depreciation	13,011
Changes in Assets and Liabilities	
(Increase) Decrease in Accounts Receivable	(6,282)
(Increase) Decrease in Deferred Outflows - Pensions	20,116
Increase (Decrease) in Accounts Payable	2,708
Increase (Decrease) in Accrued Salaries and Benefits	(12,358)
Increase (Decrease) in Compensated Absences	(2,492)
Increase (Decrease) in Net Pension Liability	(45,466)
Increase (Decrease) in Deferred Inflows - Pensions	(2,853)
Increase (Decrease) in Postclosure Liability	(8,335)
Total Adjustments	(41,951)
Net Cash Provided by (Used for) Operating Activities **Operating Activities**	$ (234,719)

See accompanying notes which are an integral part of these financial statements.

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MADISON COUNTY, GEORGIA
FIDUCIARY FUNDS
STATEMENT OF NET POSITION
DECEMBER 31, 2022

	Custodial Funds
Assets	
Cash and Cash Equivalents	$ 498,633
Taxes Receivable for Other Governments	4,213,694
Total Assets	$ 4,712,327
Liabilities	
Funds Due to Others	$ 376,102
Uncollected Taxes	4,213,694
Total Liabilities	4,589,796
Net Position	
Restricted for Individuals, Organizations, and Other Governments	122,531
Total Net Position	$ 122,531

See accompanying notes which are an integral part of these financial statements.

MADISON COUNTY, GEORGIA
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2022

	Custodial Funds
Additions	
Taxes Collected for Other Governments	$ 26,388,854
Funds Collected for Others	1,406,948
Total Additions	27,795,802
Deductions	
Taxes Distributed to Other Governments	26,388,854
Forfeitures	42,386
Funds Distributed to Others	1,242,031
Total Deductions	27,673,271
Changes in Net Position	122,531
Net Position - Beginning of Year	-
Net Position - End of Year	$ 122,531

See accompanying notes which are an integral part of these financial statements.

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NOTES TO THE FINANCIAL STATEMENTS

(1) Summary of Significant Accounting Policies

Madison County was established under the provisions of an Act of the General Assembly 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.

Reporting Entity

As required by GAAP, the financial statements of the reporting entity include those of Madison County (the primary government) and any component units. A component unit is a legally separate organization for which the elected officials of the primary government are financially accountable. In addition, a component unit can be another organization for which the nature and significance of its relationship with a primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The component units discussed below are included in the County's reporting entity because of the significance of their operational and financial relationships with the County. In conformity with GAAP, as set forth in Statement of Governmental Accounting Standards Board (GASB) No. 61 *The Financial Reporting Entity: Omnibus, an amendment of GASB Statement No. 14 and 34*, the County's relationships with other governments and agencies have been examined. The financial statements of the component units have been included as discretely presented component units. The component unit columns in the combined financial statements include the financial data for the Madison County Health Department, as of June 30, 2022, and the Madison County Industrial Development and Building Authority, as of December 31, 2022. The financial information for the component units is reported in columns separate from the County's financial information to emphasize that it is legally separate from the County.

Madison County Health Department (Health Department)

The Health Department is charged with determining the health needs and resources of its jurisdiction, developing programs, activities, and facilities responsive to those needs, and enforcing all laws related to health matters unless they fall under the jurisdiction of other agencies. The Health Department is governed by the Madison County Board of Health (the Board). The Board includes seven members representing government, health professions, and the needy. The County appoints the voting majority of the Board. The County provides significant operating subsidies to the department. The Health Department is presented as a governmental fund type. The Health Department issued separate financial statements that have a June 30 year-end, as required by state statutes. Complete financial statements of the Health Department may be obtained from their administrative office at the following location:

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

(1) Summary of Significant Accounting Policies (Continued)

Reporting Entity (Continued)

Madison County Industrial Development and Building Authority (MCIDBA)

The County appoints all members of the MCIDBA'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 MCIDBA has a December 31 year end.

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

The following is a joint venture.

Under Georgia law, the County, in conjunction with other cities and counties in the eight county west central Georgia areas, is a member of the Northeast Georgia Regional Commission (RC) and is required to pay annual dues thereto. Membership in an RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the RC in Georgia. The RC Council membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC. Separate financial statements may be obtained from:

Northeast Georgia Regional Commission
305 Research Drive
Athens, Georgia 30605-2795

Government-Wide and Fund Financial Statements

The government-wide financial statements (statement of net position and statement of change in net position) report information on all of the nonfiduciary activities of the primary government and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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

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

(1) Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-Wide Financial Statements

The government-wide financial statements are reported using the flow of economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the primary government's Emergency Management Services and Sanitation services and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting.

Under the modified accrual basis of accounting, revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt services expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when the obligations are expected to be liquidated with expendable available financial resources.

Property taxes, local option sales taxes, other taxes, intergovernmental revenues, interest, and charges for services associated with the current fiscal period are all considered susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenues are considered to be measurable and available only when cash is received by the primary government.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the County's enterprise fund is charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The fund financial statements provide more detailed information about the primary government's most significant funds, not the primary government as a whole. The activities of the primary government are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

(1) Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Fund Financial Statements (Continued)

The primary government reports the following major governmental funds:

General Fund - The General Fund is the government's primary operating fund. It is used to account for and report all financial resources not accounted for and reported in another fund.

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.

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.

2020 SPLOST 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 primary government reports the following major proprietary funds:

Solid Waste Fund – This fund accounts for the post-closure care of the County's landfill and the operations and maintenance of the County's solid waste transfer station.

Additionally, the primary government reports the following fund types:

Special Revenue Funds - Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

Capital Project Funds - Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Custodial Funds - Custodial Funds are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds.

Deposits and Investments

The primary government's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Investments are reported at fair value, which is determined using selected bases. Short-term investments are reported at cost, which approximates fair value. Securities traded on national or international exchanges are valued at the last reported sales price at current exchange rates, and investments that do not have an established market are reported at estimated fair value. Cash deposits are reported at carrying amount, which reasonably estimates fair value.

(1) Summary of Significant Accounting Policies (Continued)

Receivables

Receivables and due from other governments represent funds to be received from other local governments, state grant-in-aid, state contracts, or federal funds. No allowance is deemed necessary for these receivables.

Activity between funds that is representative of lending / borrowing arrangements outstanding at the end of the fiscal year is referred to as either "due to / from other funds" or "advances to / from other funds." All other outstanding balances between funds are reported as "due to / from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

All trade and property tax receivables have been reduced to their estimated net realizable value and are shown net of an allowance for doubtful accounts. Estimated uncollectible amounts are based upon historical experience rates.

Inventories

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.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items acquired subsequent to October 1, 2003) are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Property, plant, and equipment capital assets are defined by the primary government as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of two years. Infrastructure capital assets are defined by the primary government as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The County has recorded intangible right-to-use assets as a result of implementing GASB 87. The intangible right-to-use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, plus ancillary charges necessary to place the lease into service. The intangible right-to-use assets are amortized on a straight-line basis over the life of the related lease.

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.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

(1) Summary of Significant Accounting Policies (Continued)

Capital Assets (Continued)

Property, plant, and equipment of the primary government are depreciated using the straight-line method over the following estimated useful lives:

Asset Class	Estimated Useful Lives
Infrastructure	15-99 Years
Building and Improvement	20-50 Years
Water & Sewer Distributions	20-50 Years
Heavy Machinery & Vehicles	3-15 Years
Equipment, Furniture & Fixtures	5-10 Years
Computer Equipment	5-7 Years

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 non-vesting accumulated rights to receive sick pay benefits. Governmental activities compensated absences balances are liquidated through the General Fund.

Deferred Outflows / Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period or periods and so will not be recognized as an outflow of resources (expense / expenditures) until then. The County has one item that qualifies for reporting in this category. The deferred outflow of resources related to the pension plans. This amount is deferred and will be recognized as a reduction of the net pension liability in future years.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The primary government has two types of deferred inflows of resources. One type is only reported at the government-wide level for deferred inflows of resources for the net difference between projected and actual earnings on pension plan investments. The second type, which is only reported at the governmental fund level, is for unavailable property tax receivables. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

(1) Summary of Significant Accounting Policies (Continued)

Long-Term Obligations (Continued)

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources.

Net Position Flow Assumption

Sometimes the primary government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted - net position and unrestricted - net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the primary government's policy to consider restricted - net position to have been depleted before unrestricted - net position is applied.

Fund Equity

In the financial statements, governmental funds report the following classifications of fund balance:

Nonspendable - amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted - amounts are restricted when constraints have been placed on the use of resources by (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

Committed - amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Board of Commissioners (the Commissioners) through adoption of a resolution. The Commissioners also may modify or rescind the commitment.

Assigned - amounts that are constrained by the County's intent to be used for specific purposes but are neither restricted nor committed. By resolution, the Commissioners have authorized the County Manager to assign fund balances.

Unassigned - amounts are reported as unassigned as the residual amount when the balances do not meet any of the above criteria. The County reports positive unassigned fund balances only in the General Fund. Negative unassigned fund balances may be reported in all funds.

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

- Committed
- Assigned
- Unassigned

The County does not have a formal minimum fund balance policy.

(1) Summary of Significant Accounting Policies (Continued)

Fund Equity (Continued)

The following is a summary of the fund balance classifications as of December 31, 2022:

	General Fund	American Rescue Plan Act Fund	General Obligation Bond Fund	2020 SPLOST Fund	Nonmajor Governmental	Total
Nonspendable						
Inventory	$ 161,622	$ -	$ -	$ -	$ -	$ 161,622
Prepaids	128,297	-	-	-	-	128,297
Restricted						
Capital Outlay	-	-	4,629,249	3,922,692	1,887,135	10,439,076
Law Library	-	-	-	-	40,844	40,844
Law Enforcement	-	-	-	-	873,783	873,783
Drug Awareness	-	-	-	-	8,111	8,111
Assigned						
Capital Outlay	-	2,209	-	-	-	2,209
Unassigned	26,010,780	-	-	-	-	26,010,780
Total Fund Balances	$26,300,699	$ 2,209	$4,629,249	$ 3,922,692	$ 2,809,873	$ 37,664,722

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.

(1) Summary of Significant Accounting Policies (Continued)

Impact of New Accounting Standard Adopted

In June 2017, GASB issued Statement No. 87, *Leases* (GASB 87). The objective of this statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. GASB 87 increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as deferred inflows of resources or outflows of resources based on the payment provisions of the contract.

As a result of adopting this pronouncement as of January 1, 2022, the County recognized intangible right-to-use assets and lease liabilities related to its lessee arrangements, as described in Note 9. The lease liabilities were recorded in the statement of net position based on the present value of future payments. Within the statement of activities, the intangible right-to-use assets are recognized on a straight-line basis as amortization expense over the life of the lease. The interest portion of cash payments is recognized as interest expense based on the incremental borrowing rate.

(2) Budgets and Budgetary Accounting

Budget Process

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 2022, the budget was legally adopted on January 25, 2022.

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 (GAAP).

(3) Deposits

Custodial Credit Risk - Deposits

The custodial credit risk of deposits is the risk that in the event of the failure of a bank, the government will not be able to recover deposits. The County's bank balances of deposits as of December 31, 2022, are entirely insured or collateralized with securities held by the County's agent in the County's name. State statutes require banks holding public funds to secure these funds by FDIC insurance, securities pledged at par value, and surety bonds at face value in combined aggregate totaling not less than 110 percent of the public funds held. The County does not have a formal policy for custodial credit risk.

(3) Deposits (Continued)

Custodial Credit Risk - Deposits

The Board, a discretely presented component unit, bank balances of deposits as of June 30, 2022 are entirely insured or collateralized with securities held by the Board's agent in the Board's name. State statutes require banks holding public funds to secure these funds by FDIC insurance, securities pledged at par value, and surety bonds at face value in combined aggregate totaling not less than 110 percent of the public funds held.

The MCIDBA, a discretely presented component unit, bank balances of deposits as of December 31, 2022, are entirely insured or collateralized with securities held by the Board's agent in the Board's name. State statutes require banks holding public funds to secure these funds by FDIC insurance, securities pledged at par value, and surety bonds at face value in combined aggregate totaling not less than 110 percent of the public funds held.

(4) Property Taxes

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, 2022, were levied on September 15, 2022 with a due date of December 20, 2022. 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, 2022 amounted to $1,755,353 and deferred property tax revenue totaled $697,138.

(5) Receivables

Receivables at December 31, 2022, consist of the following:

	General Fund	Solid Waste Fund	Total
Taxes	$ 1,755,353	$ -	$ 1,755,353
Accounts	3,193,371	8,033	3,201,404
Gross Receivables	4,948,724	8,033	4,956,757
Allowance for Uncollectible	(2,978,113)	-	(2,978,113)
Net Total Receivables	$ 1,970,611	$ 8,033	$ 1,978,644

(6) Due from Other Governments

Amounts due from other governments at December 31, 2022, are as follows:

Fund	State	Other	Total
General Fund	$ 246,485	$ 69,522	$ 316,007
2020 SPLOST Fund	332,788	-	332,788
Non-Major Governmental Funds	309,452	104,047	413,499
Solid Waste Fund	-	16,276	16,276
Total	$ 888,725	$ 189,845	$1,078,570

The amounts due from state government are primarily for sales tax and grant funds.

(7) Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of December 31, 2022, is as follows:

Due to / from Other Funds

Receivable Fund	Payable Fund	Amount
General Fund	American Rescue Plan Act Fund	$ 70,457
General Obligation Bond Fund	General Fund	83,778
Total		$ 154,235

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

	Transfer In			
	General Fund	Nonmajor Governmental	Solid Waste Fund	Total
Transfer Out				
General Fund	$ -	$ 1,035,180	$ 233,429	$ 1,268,609
Nonmajor Governmental	28,700	-	-	28,700
Total	$ 28,700	$ 1,035,180	$ 233,429	$ 1,297,309

Transfers are used to move unrestricted revenue to finance various programs that the primary government must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching fund for various grant programs.

(8) Capital Assets

Governmental activities for the year ended December 31, 2022 include the following:

	Beginning Balance	Increase	Decrease	Transfers / Reclassifications	Ending Balance
Capital Assets Not Being Depreciated					
Land	$ 993,596	$ -	$ (24,280)	$ -	$ 969,316
Construction in Progress	-	222,402	-	-	222,402
Total Capital Assets Not Being Depreciated	993,596	222,402	(24,280)	-	1,191,718
Capital Assets Being Depreciated					
Buildings	14,859,990	70,457	(1,080)	(549,044)	14,380,323
Equipment, Furniture, and Vehicles	10,505,540	1,167,180	(513,510)	2,241	11,161,451
Land Improvements	1,605,176	70,235	-	546,803	2,222,214
Infrastructure	430,106,208	111,695	-	-	430,217,903
Intangible Right-To-Use Assets	-	56,972	-	-	56,972
Total Capital Assets Being Depreciated	457,076,914	1,476,539	(514,590)	-	458,038,863
Accumulated Depreciation					
Buildings	(6,121,670)	(353,154)	-	203,299	(6,271,525)
Equipment, Furniture, and Vehicles	(7,058,585)	(673,331)	398,643	-	(7,333,273)
Land Improvements	(878,862)	(76,259)	-	(203,299)	(1,158,420)
Infrastructure	(281,924,092)	(10,747,443)	-	-	(292,671,535)
Intangible Right-To-Use Assets	-	(8,455)	-	-	(8,455)
Total Accumulated Depreciation	(295,983,209)	(11,858,642)	398,643	-	(307,443,208)
Total Capital Assets Being Depreciated, Net	161,093,705	(10,382,103)	(115,947)	-	150,595,655
Governmental Activities Capital Assets, Net	$ 162,087,301	$ (10,159,701)	$ (140,227)	$ -	151,787,373
				Less Related Long-Term Debt Outstanding	(1,480,000)
				Unspent Bond Proceeds	4,997,060
				Net Investment in Capital Assets	$ 155,304,433

Business-type activities for the year ended December 31, 2022 include the following:

	Beginning Balance	Increase	Decrease	Transfers / Reclassifications	Ending Balance
Capital Assets Being Depreciated					
Buildings and Improvements	$ 83,260	$ -	$ -	$ -	$ 83,260
Furniture, Fixtures, and Equipment	236,771	-	-	-	236,771
Total Capital Assets Being Depreciated	320,031	-	-	-	320,031
Accumulated Depreciation					
Buildings and Improvements	(59,980)	(3,197)	-	-	(63,177)
Furniture, Fixtures, and Equipment	(165,175)	(9,814)	-	-	(174,989)
Total Accumulated Depreciation	(225,155)	(13,011)	-	-	(238,166)
Total Capital Assets Being Depreciated, Net	94,876	(13,011)	-	-	81,865
Business-Type Activities					
Capital Assets, Net	$ 94,876	$ (13,011)	$ -	$ -	$ 81,865

(8) Capital Assets (Continued)

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

Governmental Activities	
General Government	$ 109,978
Judicial	1,341
Public Safety	628,769
Public Works	10,926,648
Health and Welfare	56,883
Culture and Recreation	130,113
Housing and Development	4,910
Total Depreciation Expense - Governmental Activities	$ 11,858,642
Business-Type Activities	
Solid Waste	$ 13,011
Total Depreciation Expense - Business-Type Activities	$ 13,011

Activity for the Madison County Industrial Development and Building Authority for the year ended December 31, 2022, was as follows:

	Beginning Balance	Increase	Decrease	Transfers / Reclassifications	Ending Balance
Capital Assets Not Being Depreciated					
Land	$ 574,135	$ -	$ -	$ -	$ 574,135
Construction in Progress	1,956,344	703,491	-	-	2,659,835
Total Capital Assets Not Being Depreciated	2,530,479	703,491	-	-	3,233,970
Capital Assets Being Depreciated					
Water System	25,756,189	78,043	(19,998)	-	25,814,234
Wastewater Treatment Plant	2,495,327	-	-	-	2,495,327
Vehicles and Equipment	218,429	44,017	(82,945)	-	179,501
Total Capital Assets Being Depreciated	28,469,945	122,060	(102,943)	-	28,489,062
Accumulated Depreciation					
Water System	(6,836,736)	(630,903)	18,665	-	(7,448,974)
Wastewater Treatment Plant	(691,412)	(62,383)	-	-	(753,795)
Vehicles and Equipment	(154,907)	(16,225)	82,945	-	(88,187)
Total Accumulated Depreciation	(7,683,055)	(709,511)	101,610	-	(8,290,956)
Total Capital Assets Being Depreciated, Ne	20,786,890	(587,451)	(1,333)	-	20,198,106
Madison County IDBA Capital Assets, Net	$ 23,317,369	$ 116,040	$ (1,333)	$ -	23,432,076
				Less Related Long-Term Debt Outstanding	(9,107,576)
				Less (Non-Debt) Capital Related Liabilities	(122,281)
				Net Investment in Capital Assets	$ 14,202,219

Depreciation expense of $709,511 was charged to the business-type activities Water Fund.

(8) Capital Assets (Continued)

Activity for the Board of Health for the year ended June 30, 2022, was as follows:

	Beginning Balance	Increase	Decrease	Ending Balance
Capital Assets Being Depreciated				
Office and Medical Equipment	$ 142,904	$ 8,242	$ -	$ 151,146
Total Capital Assets Being Depreciated	142,904	8,242	-	151,146
Accumulated Depreciation				
Office and Medical Equipment	(82,143)	(15,601)	-	(97,744)
Total Accumulated Depreciation	(82,143)	(15,601)	-	(97,744)
Total Capital Assets Being Depreciated, Net	60,761	(7,359)	-	53,402
Board of Health Capital Assets, Net	$ 60,761	$ (7,359)	$ -	$ 53,402

Depreciation expense of $15,601 was charged to the governmental activities health function / program.

(9) Long-Term Debt

Changes in Long-Term Liabilities

Long-term liability activity for the fiscal year ended December 31, 2022 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Governmental Activities					
General Obligation Bonds					
2020 Bonds	$ 7,580,000	$ -	$ (1,450,000)	$ 6,130,000	$ 1,480,000
Installment Agreement -					
Private Placement	160,022	-	(160,022)	-	-
Lease Liabilities	-	55,472	(10,000)	45,472	8,522
Net Pension Liability	2,284,077	-	(1,052,963)	1,231,114	-
Compensated Absences	378,379	62,981	-	441,360	331,020
Governmental Activity					
Long-Term Liabilities	$ 10,402,478	$ 118,453	$ (2,672,985)	$ 7,847,946	$ 1,819,542
Business-Type Activities					
Landfill Postclosure Cost	$ 50,010	$ -	$ (8,335)	$ 41,675	$ 8,335
Net Pension Liability	57,901	-	(45,466)	12,435	-
Compensated Absences	5,276	-	(2,492)	2,784	-
Business-Type Activity					
Long-Term Liabilities	$ 113,187	$ -	$ (56,293)	$ 56,894	$ 8,335

(9) Long-Term Debt (Continued)

Changes in Long-Term Liabilities (Continued)

For the governmental activities, compensated absences, and net pension liability are generally liquidated by the General Fund. For the business-type activities, net pension liability, and compensated absences are liquidated by the Solid Waste Fund.

2020 General Obligation Bonds

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 the 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 percent 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.

	Governmental Activities	
Year Ending	Principal	Interest
2023	$ 1,480,000	$ 58,235
2024	1,515,000	44,175
2025	1,550,000	29,782
2026	1,585,000	15,058
Total	$ 6,130,000	$ 147,250

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 percent per annum. The County paid this installment in full during 2022.

Lease Liabilities

The County has entered into a lease liability agreement for the financing of a Turf Tank One Robot. The lease liability agreement has been recorded at the present value of the future minimum lease payments as of the date of its inception.

The following is an analysis of the lease liability asset as of December 31, 2022:

	Governmental Activities	
Year Ending	Principal	Interest
2023	$ 8,522	$ 1,478
2024	8,799	1,201
2025	9,085	915
2026	9,380	620
2027	9,686	315
Total	$ 45,472	$ 4,529

(10) Landfill Costs

State and federal regulations require that the County place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site. 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 percent (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 post-closure care costs estimated to be incurred in the remaining years of post-closure monitoring. The recognition of these landfill post-closure care costs is based on 100 percent usage of the landfill and is based on an estimate of the post-closure 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 2022, the County expended $2,285 on post-closure costs, which included various monitoring and remediation activities. Engineering consultants provided the County with estimated costs of $8,335 per year for the remaining post-closure costs. Therefore, the estimated liability for the remaining 8 years as shown on the County's financial statements for landfill post-closure costs is $41,675 as of December 31, 2022. Post-closure financial assurance requirements are being met through continually maintaining certain finance ratios.

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

The estimated total cost of the landfill post-closure 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, 2022. However, the actual costs of closure and post-closure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

(11) Retirement Benefits

ACCG Defined Benefit Plan

Plan Description

The County contributes to the Association County Commissioners of Georgia (ACCG) Defined Benefit Plan (the Plan), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating Counties in Georgia. ACCG issues a publicly available financial report that includes financial statements and required supplementary information (RSI) for the Plan. That report may be obtained by writing to GEBCorp, 400 Galleria Parkway, Suite 1250, Atlanta, Georgia 30339 or by calling (800) 736-7166.

Participation and Retirement Benefits

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 percent of average annual compensation up to $10,000 plus 1.5 percent 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.

(11) Retirement Benefits (Continued)

ACCG Defined Benefit Plan (Continued)

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

Plan Asset Mix and Accounting Policies

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

Investments in securities are valued at current market prices. The trust fund is invested, approximately, in 70.0 percent equities and 30.0 percent 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

As of January 1, 2021, the date of the most recent actuarial valuation date, pension plan membership consisted of the following:

Retirees and Beneficiaries Currently Receiving Benefits	79
Terminated Employees Entitled to Benefits but not et Receiving Them	93
Current Active Employees	126
Total	298
Covered compensation for active participants	$ 5,146,665

Contributions

The plan members are not required to contribute to the plan. The County is required to contribute at an actuarially determined rate; the current rate is 12.1 percent of annual covered payroll. The contribution requirements of the County are established and may be amended by the ACCG Board of Trustees.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2022, the County reported a net pension liability. The net pension liability was measured as of December 31, 2021. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of January 1, 2021. An expected total pension liability as of December 31, 2022, was determined using standard roll-forward techniques.

For the year ended December 31, 2022, the County recognized pension expense relative to ACCG in the amount of $525,590. At December 31, 2022, the County reported deferred outflows of resources related to the Pension from the following sources:

(11) Retirement Benefits (Continued)

ACCG Defined Benefit Plan (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	$ 198,959	$ 1,452,769
Differences Between Expected and Actual Experience in the Measurment of the Total Pension Liability	205,380	232,765
Changes of Assumptions or Other Inputs	166,862	-
Employer Contributions Subsequent to the Measurement Date	671,394	-
	$ 1,242,595	$ 1,685,534

County contributions subsequent to the measurement date of December 31, 2021, are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended December 31, 2022.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in the pension expense in the years ended September 30 are as follows:

Year	Amount
2023	$ (109,805)
2024	(487,397)
2025	(335,063)
2026	(182,068)

Actuarial Assumptions - The total pension liability as of December 31, 2022, was determined by an actuarial valuation as of January 1, 2021, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary Increases	2.50% per year with an age-based scale
Investment Rate of Return	On-going basis, based on long-term expected rate of return of pension plan investments

Mortality rates were based on the Pub-2010 Amount weighted Mortality Table with a blend of 50.0 percent of the General Employees Table and 50.0 percent of the Public Safety Employees with Scale AA to 2021. The table was changed to adopt the mortality tables developed specifically for governmental employees by the Society of Actuaries.

(11) Retirement Benefits (Continued)

ACCG Defined Benefit Plan (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Net Pension Liability

Changes in net pension liability for the year ended December 31, 2022, are as follows:

	Total Pension Liability	Fiduciary Net Position	Net Pension Liability
Balance - September 30, 2020	$ 13,078,899	$ 10,736,921	$ 2,341,978
Service cost	206,169	-	206,169
Interest	895,319	-	895,319
Liability Experience (Gain) Loss	(305,504)	-	(305,504)
Assumption Changes	21,529	-	21,529
Plan Changes	257,757	-	257,757
Employer Contributions	-	673,868	(673,868)
Employee Contributions	-	19,894	(19,894)
Net Investment Income	-	1,619,777	(1,619,777)
Benefit Payments	(577,267)	(577,267)	-
Administrative Expense	-	(41,656)	41,656
Other changes	-	(98,184)	98,184
Net changes	498,003	1,596,432	(1,098,429)
Balance - September 30, 2021	$ 13,576,902	$ 12,333,353	$ 1,243,549

The County's net pension liability is recorded in the government-wide statement of net position in the amounts of $1,231,114, and in the Solid Waste Fund in the amount of $12,435.

The investment return assumption is based on the following:

Estimated 65th Percentile Return Based on UBS Capital Market Assumptions:	6.10%
5-Year Performance in Excess of Benchmarks:	0.90%
Assumed Annual Investment Return:	7.00%

Discount Rate - The discount rate used to measure the total pension liability was 7.0 percent. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made at the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

(11) Retirement Benefits (Continued)

ACCG Defined Benefit Plan (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following presents the County's net pension liability calculated using the discount rate of 7.00 percent, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00 %) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Sensitivity of the Net Pension Liability to Changes in the Discount Rate	$ 3,143,914	$ 1,243,549	$ (318,068)

Pension Plan Fiduciary Net Position - Detailed information about the pension plan's fiduciary net position is available in the separately issued ACCG financial report which is publicly available at www.accgretirement.com.

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 $59,835.

(12) Special Funding Defined Benefit Pension Plans

Employees' Retirement System

The County's Tax Commissioner is eligible to participate in the Employees' Retirement System (ERS), a voluntary pension system. The County makes no contributions to this plan. Pursuant to O.C.G.A. 47-2-292(a) the Department of Revenue receives an annual appropriation from the Georgia General Assembly to be used to fund the employer contributions for local County Tax Commissioners. The plan is administered by the Employees' Retirement System who issues a publicly available financial report that can be obtained at www.ers.ga.gov/formspubs/formspubs. This plan is considered immaterial to the County's financial statements.

Sheriffs' Retirement Fund of Georgia

The County's Sheriff is covered by the Sheriffs' Retirement Fund of Georgia. The County makes no contribution to this plan. Contributions are collected by the County as the agent for this fund through its court systems. This plan is administered by the Georgia Sheriffs' Association (GSA) where separate financial statements may be obtained on their website. This plan is considered immaterial to the County's financial statements.

(12) Special Funding Defined Benefit Pension Plans (Continued)

Judges of the Probate Courts Retirement Fund of Georgia

The County's Probate Judge is covered by the Judges of the Probate Courts Retirement Fund of Georgia. The County makes no contributions to this plan. The State of Georgia provides nonemployer contributions to the Fund through the collection of court fines and forfeitures. These nonemployer contributions are recognized as revenue by the Fund when collected from the courts. The Judges of the Probate Courts Retirement Fund of Georgia is a component unit of the State of Georgia. This plan is considered immaterial to the County's financial statements.

Magistrates Retirement Fund of Georgia

The County's Magistrate Judge is covered by the Magistrates Retirement Fund of Georgia. The County makes no contributions to this plan. The State of Georgia provides nonemployer contributions to the Fund through the collection of court filing fees. These nonemployer contributions are recognized as revenue by the Fund when collected from the courts. The Magistrates Retirement Fund of Georgia is a component unit of the State of Georgia. This plan is considered immaterial to the County's financial statements.

Peace Officers' Annuity and Benefit Fund of Georgia

The County's Sheriff Deputies are covered by the State of Georgia Peace Officers' Annuity and Benefit Fund. The County makes no contribution to this plan. Contributions are collected by the County as the agent for this fund through its court systems. This plan is administered through the Peace Officers' Annuity and Benefit Fund of Georgia located at 1210 Greenbelt Parkway in Griffin, Georgia where separate financial statements may be obtained. This plan is considered immaterial to the County's financial statements.

(13) Contingent Liabilities

Litigation

During the course of normal operations of the County, various claims and lawsuits arise. The County attorney has advised that there are no potential liabilities that will impair the position as of the date of this audit report.

Federal Grants

The County participates in a number of federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives, and the audits of these programs for or including the year ended December 31, 2022, have not yet been conducted. Accordingly, the County's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the County expects such amounts, if any, to be immaterial.

REQUIRED SUPPLEMENTARY INFORMATION

MADISON COUNTY, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2022

SCHEDULE OF CHANGES IN THE COUNTY'S NET PENSION LIABILITY AND RELATED RATIOS

	2022	2021	2020
Total Pension Liability			
Service Cost	$ 206,169	$ 198,702	$ 197,664
Interest on Total Pension Liability	895,319	863,273	771,592
Difference between Expected and Actual Experience	(305,504)	310,715	156,738
Changes of Assumptions	21,529	20,580	557,804
Plan Changes	257,757	-	-
Benefit Payments, Including Refunds of Employee Contributions	(577,267)	(646,844)	(748,125)
Net Change in Total Pension Liability	498,003	746,426	935,673
Total Pension Liability - Beginning of Year	13,078,899	12,332,473	11,396,800
Total Pension Liability - End of Year	$ 13,576,902	$ 13,078,899	$ 12,332,473
Plan Fiduciary Net Position			
Contributions - Employer	$ 673,868	$ 683,112	$ 625,461
Contributions - Employee	19,894	-	-
Net Investment Income	1,619,777	1,290,793	1,570,476
Benefit Payments, Including Refunds of Member Contributions	(577,267)	(624,970)	(748,125)
Administrative Expenses	(41,656)	(39,729)	(39,683)
Other Expenses	(98,184)	(65,313)	(22,627)
Net Change in Plan Fiduciary Net Position	1,596,432	1,243,893	1,385,502
Plan Fiduciary Net Position - Beginning of Year	10,736,921	9,493,028	8,107,526
Plan Fiduciary Net Position - End of Year	$ 12,333,353	$ 10,736,921	$ 9,493,028
Net Pension Liability (Asset) - End of Year	$ 1,243,549	$ 2,341,978	$ 2,839,445
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	90.84%	82.09%	76.98%
Covered Payroll	5,146,665	4,803,973	4,939,728
Net Pension Liability as a Percentage of Covered Payroll	24.16%	48.75%	57.48%

Note: Schedule is intended to show information for 10 fiscal years. Additional years will be displayed as they become available.

The accompanying notes to the required supplementary information are an integral part of this schedule.

MADISON COUNTY, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2022
(CONTINUED)

SCHEDULE OF CHANGES IN THE COUNTY'S NET PENSION LIABILITY AND RELATED RATIOS

	2019	2018	2017	2016	2015
	$ 211,631	$ 216,888	$ 189,468	$ 187,164	$ 197,980
	764,259	718,383	693,026	615,307	582,428
	59,089	115,896	(113,511)	285,873	-
	49,838	31,751	320,970	331,254	-
	-	-	-	-	-
	(459,040)	(441,243)	(401,912)	(364,786)	(319,239)
	625,777	641,675	688,041	1,054,812	461,169
	10,771,023	10,129,348	9,441,307	8,386,495	7,925,326
	$ 11,396,800	$ 10,771,023	$ 10,129,348	$ 9,441,307	$ 8,386,495
	$ 599,011	$ 592,576	$ 549,129	$ 537,605	$ 530,214
	-	-	-	-	-
	(366,391)	1,113,370	456,996	10,638	395,521
	(459,040)	(441,243)	(401,912)	(364,786)	(319,239)
	(27,268)	(25,644)	(28,414)	(26,457)	(26,147)
	(51,644)	(96,276)	(14,712)	(32,893)	(19,417)
	(305,332)	1,142,783	561,087	124,107	560,932
	8,412,858	7,270,075	6,708,988	6,584,881	6,023,949
	$ 8,107,526	$ 8,412,858	$ 7,270,075	$ 6,708,988	$ 6,584,881
	$ 3,289,274	$ 2,358,165	$ 2,859,273	$ 2,732,319	$ 1,801,614
	71.14%	78.11%	71.77%	71.06%	78.52%
	4,631,134	4,726,098	4,544,200	4,786,794	4,921,444
	71.03%	49.90%	62.92%	57.08%	36.61%

The accompanying notes to the required supplementary information are an integral part of this schedule.

MADISON COUNTY, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2022

SCHEDULE OF COUNTY CONTRIBUTIONS

	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially Determined Contributions	$ 671,394	$ 683,112	$ 625,461	$ 599,011	$ 592,576	$ 549,129	$ 537,210	$ 519,956
Contributions in Relation to the Actuarially Determined Contributions	671,394	683,112	625,461	599,011	592,576	549,129	537,605	530,214
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ (395)	$ (10,258)
County's Covered Payroll	5,548,711	4,803,973	4,939,728	4,631,134	4,726,098	4,544,200	4,786,794	4,921,444
Contributions as a Percentage of Covered Payroll	12.10%	14.22%	12.66%	12.93%	12.54%	12.08%	11.23%	10.77%

Note: Schedule is intended to show information for 10 fiscal years. Additional years will be displayed as they become available.

The accompanying notes to the required supplementary information are an integral part of this schedule.

(1) Pension Plan

***Changes of Assumptions*:**

The mortality improvements for the Pub-2010 GE (50%) & PS (50%) Amount Weighted mortality table is projected to 2021 instead of 2020 with Scale AA.

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

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Actuarial Asset Valuation Method	5-Year Smoothed Market
Net Investment Rate of Return	7.00%
Projected Salary Increases	2.50% per year with an age based scale
Cost of Living Adjustments	0.00%
Retirement Age	Ages 50-54 rate of 5%, age 55-64 rate of 20%, ages 65-69 rate of 30%, and age 70 and over rate of 100%
Mortality	Pub-2010 GE (50%) & PS (50%) Amt-Weighted with Scale AA to 2021 (Pre-Retirement: Employee, Post-Retirement: Retire)
Disability	Male and female rates derived from the 1985 CIDA Table Class 1.

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SUPPLEMENTARY INFORMATION

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NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

Law Library Fund - This fund accounts for the resources of a centralized law library per State Law.

Clerk Deed Fund – This fund accounts for the Clerk Deed funds received and disbursed for Law Enforcement expenditures.

PEPI & Seized Drug Fund – This fund accounts for condemned funds received and disbursed for Law Enforcement expenditures.

Drug Abuse Treatment Fund - This fund accounts for fines collected as required by State Law for drug abuse treatment and educational purposes.

Sheriff's Donation Fund – This fund accounts for donations and contributions for the Sheriff's Department and the related Law Enforcement expenditures.

E-911 Fund - This fund accounts for the E-911 fees collected and disbursements for the operation of the E-911 call center.

Jail Fund - This fund accounts for fines collected as required by State Law for jail operations and construction.

CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

CDBG Fund – This fund is used to collect the CDBG proceeds, and the capital projects approved for these funds.

2014 SPLOST Fund – This fund was established to account for the proceeds and various projects associated with the 2014 SPLOST.

TSPLOST Fund – This fund was established to account for the proceeds and various projects associated with the Transportation Special Purpose Local Option Sales Tax.

MADISON COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECMEBER 31, 2022

	Special Revenue Funds				
	Law Library Fund	**Clerk Deed Fund**	**PEPI & Seized Drug Fund**	**Drug Abuse Treatment Fund**	**Sheriff's Donation Fund**
Assets					
Cash and Cash Equivalents	$ 40,844	$ 48,207	$ 4,189	$ 11,731	$ 32,360
Due from Other Governments	-	-	-	269	-
Prepaids	-	-	-	-	-
Total Assets	$ 40,844	$ 48,207	$ 4,189	$ 12,000	$ 32,360
Liabilities					
Accounts Payable	$ -	$ -	$ -	3,889	$ -
Total Liabilities	-	-	-	3,889	-
Fund Balances					
Restricted	40,844	48,207	4,189	8,111	32,360
Total Fund Balances	40,844	48,207	4,189	8,111	32,360
Total Liabilities and Fund Balance	$ 40,844	$ 48,207	$ 4,189	$ 12,000	$ 32,360

MADISON COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECMEBER 31, 2022
(CONTINUED)

Special Revenue Funds		Capital Project Funds			Total Nonmajor Governmental Funds
E-911 Fund	Jail Fund	CDBG Fund	2014 SPLOST Fund	TSPLOST Fund	
$ 707,920	$ -	$ 131,227	$ 136,438	$ 1,785,233	$ 2,898,149
103,778	-	-	-	309,452	413,499
19,618	-	-	-	-	19,618
$ 831,316	$ -	$ 131,227	$ 136,438	$ 2,094,685	$ 3,331,266
42,289	$ -	131,227	39,077	304,911	$ 521,393
42,289	-	131,227	39,077	304,911	521,393
789,027	-	-	97,361	1,789,774	2,809,873
789,027	-	-	97,361	1,789,774	2,809,873
$ 831,316	$ -	$ 131,227	$ 136,438	$ 2,094,685	$ 3,331,266

MADISON COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Special Revenue Funds				
	Law Library Fund	**Clerk Deed Fund**	**PEPI & Seized Drug Fund**	**Drug Abuse Treatment Fund**	**Sheriff's Donation Fund**
Revenues					
Taxes	$ -	$ -	$ -	$ -	$ -
Intergovernmental	-	-	-	-	-
Charges for Services	-	-	-	-	-
Fines and Forfeitures	10,862	25,756	7,774	17,188	-
Interest Earnings	19	41	-	-	-
Other Revenues	-	-	-	-	13,448
Total Revenues	10,881	25,797	7,774	17,188	13,448
Expenditures					
Current					
Public Safety	5,350	79,107	18,977	80,217	9,976
Public Works	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Capital Outlay	-	-	6,229	-	-
Total Expenditures	5,350	79,107	25,206	80,217	9,976
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,531	(53,310)	(17,432)	(63,029)	3,472
Other Financing Sources (Uses)					
Transfers from Other Funds	-	-	-	72,573	-
Transfers to Other Funds	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	72,573	-
Net Change in Fund Balances	5,531	(53,310)	(17,432)	9,544	3,472
Fund Balance - Beginning of Year (Deficit)	35,313	101,517	21,621	(1,433)	28,888
Fund Balance - End of Year	$ 40,844	$ 48,207	$ 4,189	$ 8,111	$ 32,360

MADISON COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022
(CONTINUED)

Special Revenue Funds		Capital Project Funds			Total Nonmajor Governmental Funds
E-911 Fund	Jail Fund	CDBG Fund	2014 SPLOST Fund	TSPLOST Fund	
$ 458	$ -	$ -	$ -	$ 2,306,946	$ 2,307,404
-	-	131,227	-	-	131,227
627,258	-	-	-	-	627,258
-	28,700	-	-	-	90,280
205	-	-	95	160	520
3,223	-	-	-	-	16,671
631,144	28,700	131,227	95	2,307,106	3,173,360
971,170	-	-	-	-	1,164,797
-	-	131,227	124,507	-	255,734
-	-	-	-	279,371	279,371
6,667	-	-	40,910	237,961	291,767
977,837	-	131,227	165,417	517,332	1,991,669
(346,693)	28,700	-	(165,322)	1,789,774	1,181,691
962,607	-	-	-	-	1,035,180
-	(28,700)	-	-	-	(28,700)
962,607	(28,700)	-	-	-	1,006,480
615,914	-	-	(165,322)	1,789,774	2,188,171
173,113	-	-	262,683	-	621,702
$ 789,027	$ -	$ -	$ 97,361	$ 1,789,774	$ 2,809,873

MADISON COUNTY, GEORGIA
LAW LIBRARY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2022

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	$ 13,500	$ 10,862	$ (2,638)
Interest Income	-	19	19
Total Revenues	13,500	10,881	(2,619)
Expenditures			
Current			
Public Safety	22,500	5,350	17,150
Total Expenditures	22,500	5,350	17,150
Net Changes in Fund Balance	(9,000)	5,531	14,531
Fund Balance - Beginning of Year	35,313	35,313	-
Fund Balance - End of Year	$ 26,313	$ 40,844	$ 14,531

MADISON COUNTY, GEORGIA
CLERK DEED FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2022

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	$ 19,500	$ 25,756	$ 6,256
Interest Income	-	41	41
Total Revenues	19,500	25,797	6,297
Expenditures			
Current			
Public Safety	79,107	79,107	-
Total Expenditures	79,107	79,107	-
Net Changes in Fund Balance	(59,607)	(53,310)	6,297
Fund Balance - Beginning of Year	101,517	101,517	-
Fund Balance - End of Year	$ 41,910	$ 48,207	$ 6,297

MADISON COUNTY, GEORGIA
PEPI & SEIZED DRUG FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2022

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	$ 15,000	$ 7,774	$ (7,226)
Total Revenues	15,000	7,774	(7,226)
Expenditures			
Current			
Public Safety	18,977	18,977	-
Capital Outlay	6,229	6,229	-
Total Expenditures	25,206	25,206	-
Net Changes in Fund Balance	(10,206)	(17,432)	(7,226)
Fund Balance - Beginning of Year	21,621	21,621	-
Fund Balance - End of Year	$ 11,415	$ 4,189	$ (7,226)

MADISON COUNTY, GEORGIA
DRUG ABUSE TREATMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2022

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	$ 18,000	$ 17,188	$ (812)
Total Revenues	18,000	17,188	(812)
Expenditures			
Current			
Public Safety	81,984	80,217	1,767
Total Expenditures	81,984	80,217	1,767
Excess (Deficiency) of Revenues Over (Under) Expenditures	(63,984)	(63,029)	955
Other Financing Sources (Uses)			
Transfer from Other Funds	-	72,573	72,573
Total Other Financing Sources (Uses)	-	72,573	72,573
Net Changes in Fund Balance	(63,984)	9,544	73,528
Fund Balance - Beginning of Year (Deficit)	(1,433)	(1,433)	-
Fund Balance - End of Year	$ (65,417)	$ 8,111	$ 73,528

MADISON COUNTY, GEORGIA
SHERIFF'S DONATION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2022

	Final Budget	Actual	Variance with Final Budget
Revenues			
Contributions and Donations	$ 3,500	$ 13,448	$ 9,948
Total Revenues	3,500	13,448	9,948
Expenditures			
Current			
Public Safety	9,976	9,976	-
Total Expenditures	9,976	9,976	-
Net Changes in Fund Balance	(6,476)	3,472	9,948
Fund Balance - Beginning of Year	28,888	28,888	-
Fund Balance - End of Year	$ 22,412	$ 32,360	$ 9,948

MADISON COUNTY, GEORGIA
E-911 FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2022

	Final Budget	Actual	Variance with Final Budget
Revenues			
Taxes	$ 200	$ 458	$ 258
Charges for Services	590,000	627,258	37,258
Interest Income	150	205	55
Other Income	1,750	3,223	1,473
Total Revenues	592,100	631,144	39,044
Expenditures			
Current			
Public Safety	988,110	971,170	16,940
Capital Outlay	6,667	6,667	-
Total Expenditures	994,777	977,837	16,940
Excess (Deficiency) of Revenues Over (Under) Expenditures	(402,677)	(346,693)	55,984
Other Financing Sources (Uses)			
Transfers from Other Funds	-	962,607	962,607
Total Other Financing Sources (Uses)	-	962,607	962,607
Net Changes in Fund Balance	(402,677)	615,914	1,018,591
Fund Balance - Beginning of Year	173,113	173,113	-
Fund Balance - End of Year	$ (229,564)	$ 789,027	$ 1,018,591

MADISON COUNTY, GEORGIA
JAIL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2022

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	$ 28,700	$ 28,700	$ -
Total Revenues	28,700	28,700	-
Expenditures			
Current			
Public Safety	-	-	-
Total Expenditures	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	28,700	28,700	-
Other Financing Sources (Uses)			
Transfers to Other Funds	(28,700)	(28,700)	-
Total Other Financing Sources (Uses)	(28,700)	(28,700)	-
Net Changes in Fund Balance	-	-	-
Fund Balances - Beginning of Year	-	-	-
Fund Balance - End of Year	$ -	$ -	$ -

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MADISON COUNTY, GEORGIA
SCHEDULE OF PROJECT EXPENDITURES WITH SPECIAL SALES TAX PROCEEDS
FOR THE YEAR ENDED DECEMBER 31, 2022

Project 2014 Special Local Option Sales Tax	Original Estimated Budget	Amended Budget	Expenditures Prior Years	Expenditures Current Year	Expenditures Total
Road and Bridge Improvements	$ 6,487,500	$ 6,487,500	$ 6,425,360	$ -	$ 6,425,360
Recreation	227,500	227,500	226,982	-	226,982
Sheriff	681,667	681,667	672,943	-	672,943
E-911	153,000	153,000	151,421	-	151,421
EMS	755,833	755,833	745,645	-	745,645
Transfer Station	84,167	84,167	22,298	-	22,298
Old Courthouse	42,000	42,000	42,832	-	42,832
Firefighting	1,033,333	1,033,333	830,025	165,417	995,442
Industrial Development & Building Authority for Water & Sewer Projects	1,422,500	1,422,500	1,403,077	-	1,403,077
Payments to Cities for Capital Projects					
City of Carlton	126,900	126,900	125,166	-	125,166
City of Colbert	289,050	289,050	285,104	-	285,104
City of Comer	549,600	549,600	542,096	-	542,096
City of Danielsville	273,300	273,300	269,575	-	269,575
City of Hull	96,600	96,600	95,280	-	95,280
City of Ila	164,550	164,550	162,309	-	162,309
2014 Special Local Option Sales Tax	$12,387,500	$12,387,500	$ 12,000,113	$ 165,417	$ 12,165,530

MADISON COUNTY, GEORGIA
SCHEDULE OF PROJECT EXPENDITURES WITH SPECIAL SALES TAX PROCEEDS
FOR THE YEAR ENDED DECEMBER 31, 2022

Project 2020 Special Local Option Sales Tax	Original Estimated Budget	Amended Budget	Expenditures Prior Years	Expenditures Current Year	Total
Road and Bridge Improvements	$ 5,455,000	$ 5,455,000	$ 316,256	$ 1,006,580	$ 1,322,836
Recreation	365,000	365,000	17,116	120,425	137,541
Sheriff	885,000	885,000	218,200	168,022	386,222
E-911	905,000	905,000	910,127	-	910,127
EMS	715,000	715,000	7,486	233,602	241,088
Courthouse	50,000	50,000	50,283	-	50,283
Coroner	60,000	60,000	-	-	-
Firefighting	1,455,000	1,455,000	230,371	126,425	356,796
Facilities Acquisition & Improvements	190,000	190,000	173,857	-	173,857
Industrial Development & Building Authority for Water & Sewer Projects	1,620,000	1,620,000	-	574,360	574,360
Payments to Cities for Capital Projects					
City of Carlton	135,783	135,783	45,314	34,654	79,968
City of Colbert	310,172	310,172	310,172	-	310,172
City of Comer	591,057	591,057	197,252	150,848	348,100
City of Danielsville	294,197	294,197	98,182	75,084	173,266
City of Hull	103,834	103,834	103,834	-	103,834
City of Ila	177,052	177,052	59,086	45,187	104,273
Debt Service					
Bonded SPLOST Projects - Interest	-	-	-	70,698	70,698
2020 Special Local Option Sales Tax	$ 13,312,095	$ 13,312,095	$ 2,737,536	$ 2,605,885	$ 5,343,421

The following is a reconciliation of 2020 SPLOST Expenditures:

2020 SPLOST expenditures that are reported in the GO Bond Fund	
Road and Bridge Improvements	$ (1,006,580)
Recreation	(120,425)
Sheriff	(168,022)
EMS	(233,602)
Firefighting	(126,425)
IDBA Water & Sewer Projects	(574,360)
Total SPLOST Expenditures Reported in the GO Bond Fund	(2,229,414)
Principal on GO Bonds	1,450,000
2020 SPLOST Expenditures Reported in the 2020 SPLOST Fund	$ 1,826,471

MADISON COUNTY, GEORGIA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
DECEMBER 31, 2022

	Clerk of Superior Court	Magistrate Court	Probate Court	Sheriff's Department	Tax Commissioner's Office	Total
Assets						
Cash and Cash Equivalents	$ 258,038	$ 10,005	$ 18,525	$ 106,346	$ 105,719	$ 498,633
Taxes Receivable for Other Governments	-	-	-	-	4,213,694	4,213,694
Total Assets	258,038	10,005	18,525	106,346	4,319,413	4,712,327
Liabilities						
Funds Due to Others	206,793	10,005	8,645	44,940	105,719	376,102
Uncollected Taxes	-	-	-	-	4,213,694	4,213,694
Total Liabilities	206,793	10,005	8,645	44,940	4,319,413	4,589,796
Net Position						
Restricted for Individuals, Organizations, and Other Governments	51,245	-	9,880	61,406	-	122,531
Total Net Position	$ 51,245	$ -	$ 9,880	$ 61,406	$ -	$ 122,531

MADISON COUNTY, GEORGIA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Clerk of Superior Court	Magistrate Court	Probate Court	Sheriff's Department	Tax Commissioner's Office	Total
Additions						
Taxes Collected for Other Governments	$ -	$ -	$ -	$ -	$ 26,388,854	$ 26,388,854
Funds Collected for Others	736,058	117,445	180,587	372,858	-	1,406,948
Total Additions	736,058	117,445	180,587	372,858	26,388,854	27,795,802
Deductions						
Taxes Distributed to Other Governments	-	-	-	-	26,388,854	26,388,854
Forfeitures	-	-	-	42,386	-	42,386
Funds Distributed to Others	684,813	117,445	170,707	269,066	-	1,242,031
Total Deductions	684,813	117,445	170,707	311,452	26,388,854	27,673,271
Changes in Net Position	51,245	-	9,880	61,406	-	122,531
Net Position - Beginning of Year	-	-	-	-	-	-
Net Position - End of Year	$ 51,245	$ -	$ 9,880	$ 61,406	$ -	$ 122,531

MCNAIR MCLEMORE MIDDLEBROOKS & CO
CERTIFIED PUBLIC ACCOUNTANTS

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November 30, 2023

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

Board of Commissioners
Madison County, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of **Madison County, Georgia** (the "County") as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated November 30, 2023. Our report includes a reference to other auditors who audited the financial statements of the Madison County Board of Health, as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control Over Financial Reporting

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

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

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 weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and responses as item 2022-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County'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*.

The County's Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the finding identified in our audit and described in the accompanying schedule of findings and responses. The County's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County'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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

McNair, McLemore, Middlebrooks & Co., LLC

McNAIR, McLEMORE, MIDDLEBROOKS & CO., LLC

MADISON COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2022

(1) Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	Yes
Significant deficiency(ies) identified that are not considered to be material weakness(es)	None Reported
Noncompliance material to financial statements noted?	No

Federal Awards

There was not an audit of major federal award programs for the year ended December 31, 2022, due to the total amount expended being less than $750,000.

(2) Financial Statement Findings

Findings noted on the 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*:

2022-001 Accounts Receivable / Revenue

CRITERIA
Under a modified accrual basis of accounting, amounts are recognized as revenue when earned, only as long as they are collectible within the period or soon enough afterwards to be used to pay liabilities of the current period. Under the accrual basis of accounting, amounts are recognized as revenue when earned.

CONDITION
The County did not accrue year-end receivables for LOST and SPLOST December 2022 receipts.

CONTEXT
Audit adjustments were required to fairly state and classify revenues for the year ended December 31, 2022.

General Fund

- Material adjustments of $214,914 were required to record intergovernmental receivables and LOST revenue.

2020 SPLOST Fund

- A material adjustment of $332,788 were required to record intergovernmental receivables and sales tax revenue.

(2) Financial Statement Findings (Continued)

2022-001 Accounts Receivable / Revenue (Continued)

EFFECT
The County's accounting records contained material errors which were identified and adjusted during the annual audit process.

CAUSE
The County did not have controls in place to ensure transactions are being recorded in the correct accounting period.

RECOMMENDATION
We recommend that the County develop procedures to ensure that revenues are recognized in the correct year and that transactions are recorded in the correct accounting period in the accounting system.

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTIONS
Management concurs with the finding. The County will develop procedures to ensure that revenues are recognized in the current fiscal year and that transactions are recorded to the correct accounting period.